

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

Important: You must read the following before continuing. The following applies to the offering circular following this page (“**offering circular**”), and you are therefore advised to read this carefully before reading, accessing or making any other use of this offering circular. In accessing the offering circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. ANY INVESTMENT DECISION SHOULD BE MADE ON THE BASIS OF THE FINAL TERMS AND CONDITIONS OF THE SECURITIES AND THE INFORMATION CONTAINED IN AN OFFERING CIRCULAR THAT WILL BE DISTRIBUTED TO YOU ON OR PRIOR TO THE CLOSING DATE AND NOT ON THE BASIS OF THE ATTACHED DOCUMENTS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of the Representation: In order to be eligible to view this offering circular or make an investment decision with respect to the securities, investors must not be located in the United States. This offering circular is being sent at your request and, by accepting the electronic mail and accessing this offering circular, you shall be deemed to have represented to us that the electronic mail address that you gave us and to which this electronic mail has been delivered is not located in the United States and that you consent to delivery of such offering circular by electronic transmission.

You are reminded that this offering circular has been delivered to you on the basis that you are a person into whose possession this offering circular may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver this offering circular to any other person.

The materials relating to any offering of securities to which this offering circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that such offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer and the Guarantor (as defined in the offering circular) in such jurisdiction.

This offering circular has been sent to you in electronic format. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Credit Suisse (Singapore) Limited and DBS Bank Ltd. (the “**Arrangers**”), the Dealers (as defined in the offering circular), any person who controls the Arrangers or any Dealer, or any director, officer, employee or agent of the Arrangers or any of the Dealers, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between this offering circular distributed to you in electronic format and the hard copy version available to you on request from the Arrangers and the Dealers.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Offering Circular dated 3 February 2023

OXLEY MTN PTE. LTD.

(Company Registration No. 201429802Z)
(incorporated with limited liability under the laws of Singapore)

U.S.\$1,000,000,000

Guaranteed Euro Medium Term Note Programme
Unconditionally and Irrevocably Guaranteed By



OXLEY HOLDINGS LIMITED

(UEN/Company Registration No. 201005612G)
(incorporated with limited liability under the laws of Singapore)

On 7 April 2017, Oxley MTN Pte. Ltd. (the "**Issuer**") established a guaranteed medium term note programme (the "**Programme**", as amended, supplemented or restated) and last prepared an offering circular dated 28 June 2021. This offering circular (the "**Offering Circular**") further updates the Programme and supersedes any previous offering circular describing the Programme. Any Notes (as defined below) issued under the Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes issued before the date of this Offering Circular.

Under the Programme described in this Offering Circular, the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue medium term notes (the "**Notes**") unconditionally and irrevocably guaranteed (the "**Guarantee of the Notes**") by Oxley Holdings Limited (the "**Company**" or the "**Guarantor**"). The Issuer is a wholly-owned subsidiary of the Company.

The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.\$1,000,000,000 (or its equivalent in other currencies), subject to increase as described herein.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in connection with the Programme and application will be made for the listing and quotation of any Notes that may be issued under the Programme and which are agreed at or prior to the time of the issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted for listing and quotation on the SGX-ST. The relevant Pricing Supplement (as defined herein) in respect of any series of Notes will specify whether or not such Notes will be listed on the SGX-ST (or any other stock exchange). There is no assurance that the Issuer will be able to obtain or maintain the listing and quotation of such Notes on the SGX-ST (or any other stock exchange). The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Programme or any Notes on, the SGX-ST are not to be taken as an indication of the merits of the Programme, the Notes, the Guarantee of the Notes, the Issuer, the Guarantor, its subsidiaries, joint ventures and/or associated entities. Investors are advised to read and understand the contents of this document before investing. If in doubt, investors should consult their advisers.

All references in this Offering Circular to the "**Group**" are to the Guarantor and its subsidiaries.

The Notes and the Guarantee of the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes (as defined herein) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, delivered within the United States or, in the case of Notes being offered or sold in reliance on Category 2 of Regulation S of the Securities Act, to, or for the account or the benefit of U.S. persons unless an exemption from the registration requirement of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Registered Notes are subject to certain restrictions on transfer, see "**Subscription and Sale**".

The Notes of each Series (as defined herein) issued in bearer form ("**Bearer Notes**") will be represented on issue by a temporary global note in bearer form (each a "**Temporary Global Note**") or a permanent global note in bearer form (each a "**Permanent Global Note**"). Notes in registered form ("**Registered Notes**") will be represented by a global note in registered form (each a "**Registered Global Note**") and together with any Temporary Global Notes and Permanent Global Notes, the "**Global Notes**"). One Registered Global Note being issued in respect of each Noteholder's entire holding of Notes in registered form of one Series. Global Notes may be deposited on the relevant issue date with a common depository on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream**"), or The Central Depository (Pte) Limited ("**CDP**"). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "**Form of the Notes**".

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "**Summary of the Programme**" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

Notes issued under the Programme may be rated or unrated. Where an issue of Notes is rated, such rating will be specified in the relevant Pricing Supplement (as defined herein). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplementary Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Investing in Notes issued under the Programme involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Offering Circular and in the applicable Pricing Supplement and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances. Investors also should have the financial capacity to bear the risks associated with an investment in the Notes. Investors should not purchase the Notes unless they understand and are able to bear risks associated with the Notes. The principal risk factors that may affect the abilities of the Issuer and the Guarantor to fulfil their respective obligations in respect of the Notes are discussed under "**Risk Factors**" contained in this Offering Circular.

Arrangers and Dealers



The date of this Offering Circular is 3 February 2023.

IMPORTANT NOTICE

Each of the Issuer and the Guarantor, having made all reasonable enquiries, confirms to the best of their knowledge and belief that, as at the date of this Offering Circular (i) this Offering Circular contains all material information with respect to the Issuer, the Guarantor and the Group taken as a whole, and to the Notes, (ii) all statements of fact relating to the Issuer, the Guarantor, the Group and to the Notes contained in this Offering Circular are true and accurate in all material respects and not misleading in any material respect, and that there are no other facts in relation to the Issuer, the Guarantor, the Group and to the Notes the omission of which would in the context of the issue of the Notes make any statement in this Offering Circular misleading in any material respect, (iii) the statements of intention, opinion, belief or expectation with regard to the Issuer, the Guarantor and the Group contained in this Offering Circular are honestly made or held and have been reached after considering all relevant circumstances and are based on reasonable assumptions, and (iv) reasonable enquiries have been made by the Issuer and the Guarantor to ascertain such facts and to verify the accuracy of such statements.

Each Tranche (as defined in “*Summary of the Programme*”) of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes*” (the “**Conditions**”) as amended and/or supplemented by a document specific to such Tranche called a Pricing Supplement. This Offering Circular must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Pricing Supplement. This Offering Circular shall be read and construed on the basis that such documents are incorporated in and form part of this Offering Circular.

The distribution of this Offering Circular and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee (as defined in the Conditions) and the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers to inform themselves about and to observe any such restrictions. None of the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers represents that this Offering Circular or any Pricing Supplement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action is being taken to permit a public offering of the Notes or the distribution of this Offering Circular or any Pricing Supplement in any jurisdiction where action would be required for such purposes. Accordingly, no Notes may be offered or sold, directly or indirectly, and none of this Offering Circular, any Pricing Supplement or any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

There are restrictions on the offer and sale of the Notes, and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Notes and distribution of this Offering Circular and any Pricing Supplement, see “*Subscription and Sale*”.

No person has been authorised by the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee or the Agents (as defined in the Conditions) or any of their respective affiliates, directors, officers, employees, agents, or advisers to give any information or to make any representation other than those contained in this Offering Circular or any other document entered into in relation to the Programme and the sale of Notes and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers. Neither the delivery of this Offering Circular or any Pricing Supplement nor any offering, sale or delivery made in connection with the issue of the Notes shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer,

the Guarantor, the Group or any of them since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or create any implication that the information contained herein is correct as at any date subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers to subscribe for or purchase any Notes and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

No representation or warranty or undertaking, express or implied, is made or given and no responsibility or liability is accepted by the Arrangers, the Dealers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers as to the accuracy, completeness or sufficiency of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer, the Guarantor or the Group in connection with the Programme, and nothing contained or incorporated in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by the Arrangers, the Dealers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers. Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers that any recipient of this Offering Circular should purchase any Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

Product Governance under Directive 2014/65/EU (as amended) — A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**EU MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

The Pricing Supplement in respect of any Notes may include a legend entitled “EU MiFID II Product Governance” which will outline the target market in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration such target market; however, a distributor subject to Directive 2014/65/EU (as amended, “**EU MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes and determining appropriate distribution channels.

Product Governance under UK MiFIR — A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

PRIIPS/IMPORTANT — EEA RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPS Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

PRIIPS/IMPORTANT — UK RETAIL INVESTORS — If the Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPS Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPS Regulation.

Notification under Section 309B of the SFA — Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT — Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to this Programme (each such offering, a “**CMI Offering**”), including certain Dealers, may be “capital market intermediaries” (“**CMIs**”) subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**SFC Code**”). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as “overall coordinators” (“**OCs**”) for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer or the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with the Issuer, the Guarantor, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby

deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a “proprietary order” (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a “proprietary order”. Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to the relevant CMI Offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Issuer and the Guarantor, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) (OR ANY PERSON(S) ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) (THE “STABILISATION MANAGER(S)”) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD AFTER THE ISSUE DATE. HOWEVER, THERE IS NO OBLIGATION ON SUCH STABILISATION MANAGER(S) TO DO THIS. SUCH STABILISATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD. SUCH STABILISATION SHALL BE IN COMPLIANCE WITH ALL APPLICABLE LAWS AND RULES.

CONVENTIONS WHICH APPLY TO THIS OFFERING CIRCULAR

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to “Singapore” are references to the Republic of Singapore. All references to the “MAS” are references to the Monetary Authority of Singapore, the central bank of Singapore. All references to the “Government” herein are references to the government of the Republic of Singapore. All references to “United States” or “U.S.” herein are to the United States of America. All references to “Singapore dollars” and “S\$” herein are to the lawful currency of Singapore, all references to “U.S. dollars” or “US\$” herein are to the lawful currency of the United States and all references to “GBP” or “£” herein are to the lawful currency of the United Kingdom. All references to “AUD” or “A\$” herein are to the lawful currency of Australia. All references to the “SGX-ST” are to the Singapore Exchange Securities Trading Limited. All references to the “Group” or “Oxley” are to Oxley Holdings Limited and its subsidiaries. All references to the “Issuer” are to Oxley MTN Pte. Ltd., a wholly-owned subsidiary of the Company, incorporated with limited liability under the laws of Singapore.

PRESENTATION OF FINANCIAL INFORMATION

The financial information included in this Offering Circular has been derived from the consolidated financial statements of the Group.

In this Offering Circular, references to “2022”, “2021” and “2020” refer to the financial years ended 30 June 2022, 30 June 2021 and 30 June 2020, respectively. The audited consolidated annual financial information of the Group as at and for the years ended 30 June 2022, 30 June 2021 and 30 June 2020 and the unaudited but reviewed condensed interim consolidated financial information of the Group as at and for the six months ended 31 December 2022 (including comparative data as at and for the six months ended 31 December 2021) are included in this Offering Circular and, unless otherwise stated, are prepared in conformity with Singapore Financial Reporting Standards (International) (“SFRS(I)”) issued by the Singapore Accounting Standards Council. See “*Index to Consolidated Financial Statements*” and “*Selected Consolidated Financial Information*”.

The Group’s audited consolidated annual financial statements as of and for the year ended 30 June 2022 (“**2022 Audited Financial Statements**”) and as of and for the year ended 30 June 2021 (the “**2021 Audited Financial Statements**”), and the unaudited but reviewed condensed interim consolidated financial statements as of and for the six months ended 31 December 2022 (the “**1H2023 Reviewed Financial Statements**”) have been included elsewhere in this Offering Circular.

The unaudited but reviewed condensed interim consolidated financial statements of the Group as of and for the six months ended 31 December 2022 have not been audited by the auditors of the Group. There can be no assurance that if such financial statements had been audited that there would be no change in the financial statements and that such changes would not be material or that such financial information has been prepared and presented on a basis consistent with the accounting policies normally adopted by the Group and applied in preparing the condensed interim consolidated financial statements as at and for the years ended 30 June 2021 and 2022 (“**FY2022**”). Consequently, such statements may not provide the same quality of information associated with financial information that has been subject to an audit. Potential investors must therefore exercise caution when using such data to evaluate the Group’s financial condition, results of operations and results.

Unless otherwise indicated, the description of the Group’s business activities in this Offering Circular is presented on a consolidated basis. For further information on the Group’s corporate structure, see “*Group Structure*” and “*Business*”.

BASIS FOR CERTAIN MARKET DATA

Market data and certain industry forecasts and other data used throughout this Offering Circular were obtained or derived from internal surveys, market research, governmental data, publicly available information and/or industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but the accuracy and completeness of such information are not guaranteed and have not been independently verified by the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, agents, or advisers make any representation or warranty, express or implied, as to the accuracy or completeness of such information. In addition, such information may not be consistent with other information compiled within or outside Singapore.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors which may cause the Group's actual results, performance or achievements to be materially different from any future results; and
- performance or achievements expressed or implied by forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Among the important factors that could cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things:

- risks relating to the Group's business;
- the Group's ability to successfully implement its strategy;
- the Group's ability to successfully manage its growth;
- changes in the property market in the countries in which the Group operates;
- the Group's ability to complete its development projects on time and within budgeted project costs;
- global macro-economic conditions;
- fluctuations in interest rates and exchange rates, increased inflation, and changes in government borrowing patterns;
- changes in regulatory requirements and government policies in the countries in which the Group operates;
- changes in consumer preferences and spending trends;

- competition in the property and hospitality industries; and
- the Group's ability to achieve profitability in its hospitality business.

Additional factors that could cause the Group's actual results, performance or achievements to differ materially include, but are not limited to, those disclosed under "*Risk Factors*". These forward-looking statements speak only as of the date of this Offering Circular. Each of the Issuer, the Guarantor, the Group, the Arrangers, the Dealers, the Trustee, the Agents, any of their respective affiliates, directors, officers, employees, agents, or advisers expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with:

- (a) each relevant Pricing Supplement;
- (b) all amendments and supplements from time to time to this Offering Circular; and
- (c) the most recently published audited consolidated annual financial statements, and any consolidated interim financial statements (whether audited or unaudited) published subsequently to such consolidated annual financial statements, of the Group from time to time,

which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents.

Copies of all such documents which are so deemed to be incorporated in, and to form part of, this Offering Circular will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the Guarantor's registered office at 138 Robinson Road #30-01, Oxley Tower, Singapore 068906 and the specified office of the CDP Lodging and Paying Agent set out at the end of this Offering Circular. The most recently published audited consolidated annual financial statements of the Group which are deemed to be incorporated by reference in the Offering Circular may also be obtained at the SGX-ST's website at www.sgx.com.

The Group's 2021 Audited Financial Statements, 2022 Audited Financial Statements and the 1H2023 Reviewed Financial Statements have been included elsewhere in this Offering Circular.

CONTENTS

	Page
SUMMARY	1
SUMMARY OF THE PROGRAMME	11
RISK FACTORS.....	17
FORM OF THE NOTES	49
TERMS AND CONDITIONS OF THE NOTES	56
FORM OF PRICING SUPPLEMENT.....	94
USE OF PROCEEDS	106
SELECTED CONSOLIDATED FINANCIAL INFORMATION.....	107
THE ISSUER.....	111
GROUP STRUCTURE	112
BUSINESS.....	113
CAPITALISATION.....	150
DESCRIPTION OF MATERIAL INDEBTEDNESS.....	151
DIRECTORS AND MANAGEMENT.....	153
PRINCIPAL SHAREHOLDERS.....	162
CLEARING AND SETTLEMENT.....	163
TAXATION	165
SUBSCRIPTION AND SALE	170
LEGAL MATTERS.....	180
INDEPENDENT AUDITORS	181
GENERAL INFORMATION	182
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS	F-1

SUMMARY

This summary highlights information contained elsewhere in this Offering Circular. This summary is qualified in its entirety by more detailed information and financial statements, including notes thereto, appearing elsewhere in this Offering Circular. Investors are recommended to read this entire Offering Circular carefully, including the Group's consolidated financial statements and related notes and "Risk Factors".

OVERVIEW

The Company is headquartered and listed in Singapore and is principally engaged in the business of property development, property investment and hospitality, with an overseas presence across various geographical markets, namely the United Kingdom, Ireland, Cyprus, Cambodia, Malaysia and the PRC. The Group specialises in the development of quality residential, commercial, industrial and hospitality projects.

The Group has a successful track record of expanding its business into overseas markets so as to build its geographical network and create a diversified portfolio. Apart from growing the Group's business in Singapore, the Group has established property development businesses in various countries, including the United Kingdom, Cambodia, Malaysia, Ireland and the PRC since its incorporation in 2010. As at 31 December 2022, the Group has completed 40 property development projects and launched 51 property development projects across various countries, demonstrating its comprehensive execution capabilities.

As at 31 December 2022, the Group has a land bank of approximately 209,000 sq m, both acquired directly and together with its joint venture partners, for future development which includes but is not limited to two upcoming developments in other countries (comprising one in Ireland and one in Malaysia). As at 31 December 2022, the Group also has 11 pipeline property development projects across various countries. As at 31 December 2022, the Group's ongoing and upcoming property developments and land bank projects in Singapore and other countries have an estimated total gross development value of S\$11.9 billion.

The Group's investment properties complement the Group's property development business and as at 31 December 2022, the Group has various investment properties in Singapore such as retail and shop units in The Rise@Oxley and Floravista as well as an industrial space at Space@Tampines. On 29 April 2019, the Company entered into a sale and purchase agreement for the sale of 30 Raffles Place (formerly known as Chevron House). On 30 June 2020, the Group completed the aforementioned sale, which was within the timeline stipulated in the sale and purchase agreement, and sales proceeds have been received in 2022.

As part of the Group's hospitality business, the Group owns two hotels in Singapore, namely Novotel Singapore on Stevens and Mercure Singapore on Stevens, which commenced operations in October 2017 and December 2017 respectively. As at 31 December 2022, the Group has three hotels under development, namely SO Sofitel Kuala Lumpur Hotel and a to-be-branded five star hotel in Malaysia (which are both expected to commence operations after the completion of the developments in 2024) and Shangri-La Hotel in Phnom Penh, Cambodia (which is expected to complete development in the middle of 2023).

On 21 September 2021, the Group completed the sale of land parcels in Sydney (with book value of S\$60 million) for S\$96.3 million and on 30 September 2022, the Group completed the sale of land use rights and assets in respect of the land at Thao Dien Ward District 2 (currently Thu Duc City), Ho Chi Minh City in Vietnam for S\$21 million.

Recent developments arising from the coronavirus disease (“COVID-19”) pandemic

The emergence of the COVID-19 pandemic has become one of the biggest disruptors in the global economy, creating uncertainty and placing global economic and social resilience to the test. For countries such as Malaysia, Cambodia, the United Kingdom and Ireland where the Group’s overseas operations are located the initial periods of lockdowns since 2020 had resulted in significant delays in development projects under constructions while the hospitality sector had been adversely affected. In 2022, however, most of these countries began to ease lockdown restrictions and transition towards endemic living with the COVID-19 virus.

Nonetheless, despite the restrictions from the COVID-19 lockdown, the Group completed the construction of and almost fully sold, the projects in London and Dublin. The Group is currently focusing on the Riverscape project (formerly Deanston Wharf) and the Dublin Arch project. Construction of the Riverscape and Dublin Arch projects have commenced, and completion is expected to take place progressively by 2025. As at 31 December 2022, approximately 69 per cent. of the launched private residential units and 100 per cent. of the social affordable residential units at Riverscape have been sold. In Cambodia, construction of the retail and residential/office components of The Peak have been completed since the third quarter of 2020 and the second quarter of 2021 respectively while the construction of the Shangri-La Hotel is ongoing and targeted for completion in the middle of 2023. The construction work for Oxley Towers KLCC is expected to complete progressively from November 2023 to December 2024 and 47 per cent. of the launched units have been sold as at 31 December 2022. The Group also launched a mass-market residential project in Ampang North, Trinity Wellnessa, which received good response with 59 per cent. sold as at 31 December 2022 and completion is expected to take place progressively by 2025.

The gradual easing of lockdown restrictions in other countries in which the Group has operations saw the gradual resumption of construction activities in respect of the Group’s development projects. Since late 2019, the residential development of Dublin Landings has been progressively completed and the last three residential blocks achieved practical completion in June 2021. In Singapore, construction activities have also gradually recovered from the circuit breaker doldrums though the sector is facing escalating costs from manpower shortages and supply chain disruptions that will impact new construction contracts. The Group is managing the construction of its residential projects carefully to minimise further disruption to completion schedules. As at 31 December 2022, all of the Group’s construction sites have remained operational and the Group is targeting to complete all remaining Singapore development projects by 2023.

Project sales have generally remained strong amidst the slowdown due to the COVID-19 pandemic, mainly due to the strong positioning of the projects and the low interest rate environment at that time. Despite the introduction of more property cooling measures by the Singapore government in 2021 and 2022, the property market fundamentals in Singapore remains largely unchanged and the Group’s exposure to the Singapore residential market is not significant as the projects are 99 per cent. sold and the remaining units are in the mid-mass market segment that are attractive to the first time buyers, least affected by such cooling measures. Buoyed by the tightening supply and strong demand from buyers looking to upgrade and expectations of economic recovery from the ravages of the COVID-19 pandemic, the Group has managed to sell more than 99 per cent. of its local inventory as at 31 December 2022, representing S\$4.9 billion or more than 99 per cent. of the Group’s local development portfolio’s gross development value. As at 31 December 2022, 100 per cent. of the residential units in the Royal Wharf project has been sold. In Cambodia, 90 per cent. of the retail, residential and office components of the Peak project has been sold despite the slowdown in sales due to foreign buyers being restricted from entering Cambodia for viewing. To mitigate the restrictions against foreign buyers from entering Cambodia for viewing, the Group conducted virtual tours. In Malaysia, the sales of the Oxley Towers KLCC project are still ongoing and, as at 31 December 2022, 47 per cent. of the launched residential units in Oxley Towers KLCC has been sold.

Given that the Group has minimal leasing portfolio, the rental reliefs granted to the tenants do not have any material impact on the Group’s financial performance.

Although the hospitality sector has notably borne the brunt of the COVID-19 pandemic, the Group's hotels on Stevens Road have been fully operational and generated positive cash flows from operations. Since March 2020, the Group's 254-room Novotel Singapore on Stevens and 518-room Mercure Singapore on Stevens have been functioning as government quarantine and stay-home notice dedicated facilities. The Group's Novotel and Mercure Hotels on Stevens were released as Stay-Home-Notice Dedicated Facilities and reopened to the public on 7 September 2022. According to the Singapore Tourism Board¹, Singapore's international visitor arrivals reached 6.3 million in 2022, exceeding its forecast of between 4 to 6 million visitors. Singapore expects the tourism sector to continue its growth momentum in 2023, on the back of increasing flight connectivity and capacity, and China's gradual reopening. International visitor arrivals are expected to reach around 12 to 14 million visitors. The continued recovery of the tourism industry is expected to benefit the Group's two hotels.

FY 2022 was a tough year due to lockdowns and movement restrictions, supply chain disruptions and man-power shortages that negatively impacted the construction industry in Singapore and overseas. The Group recorded revenue from continuing operations of S\$438.4 million in respect of the six month period ended 31 December 2022 ("1HFY2023"), a 13 per cent. decrease compared with the revenue from continuing operations of S\$506.4 million recorded in respect of the six month period ended 31 December 2021 ("1HFY2022"), mainly due to the absence of a one-time sale of land parcels in Australia in 1HFY2022 of S\$97.1 million, partially offset by higher revenue from the development projects and hotels in Singapore. The Group recorded gross profit from continuing operations of S\$65.8 million for 1HFY2023 which is 11 per cent. lower than the gross profit from continuing operations of S\$73.6 million achieved for 1HFY2022. The Group recorded a pre-tax profit of S\$4.6 million in 1HFY2023, compared to S\$27.0 million in pre-tax profit 1HFY2022. This is primarily due to lower revenue streams coupled with higher finance costs resulting from rising interest rates and lower mark-to-market fair value gain on derivative financial instruments, partially offset by higher share of results from equity-accounted investees in 1HFY2023.

A comparison between the Group's consolidated income statement in respect of 1HFY2023 and 1HFY2022 is set out below:

In S\$ million	First Half Ended		Change
	31-Dec-22 (Unaudited)	31-Dec-21 (Unaudited)	
Revenue	438	506	-13%
Gross Profit	66	74	-11%
Finance Costs	(74)	(57)	30%
Share of results from joint ventures and associates, net of tax [#]	14	2	822%
Profit before tax	5	27	-83%
Total profit for the period	2	23	-91%

Profits for the period have decreased due to lumpy nature of property development – this results in fluctuations over the years as revenue recognition depends on completion progress and timing of sales

Note:

[#] Include contributions from Singapore development projects, mainly Riverfront Residences and Affinity @ Serangoon.

¹ Singapore's tourism sector recovers strongly in 2022, visitor numbers expected to double in 2023, 17 January 2023, <https://www.stb.gov.sg/content/stb/en/media-centre/media-releases/Singapore-tourism-sector-recovers-strongly-in-2022-visitor-number-expected-to-double-in-2023.html>

A comparison of the Group's audited consolidated financial position as at 30 June 2022 and the Group's unaudited consolidated financial position as at 31 December 2022 is set out below:

In S\$ million	As at 31-Dec-22 (Unaudited)	As at 30-Jun-22 (Audited)	Change %
Cash & Cash Equivalents	153	144	6% ▲
Development Properties	1,501	1,711	
Total Assets	3,687	3,888	
Total loans and borrowings	2,101	2,256	-7% ▼
Net Borrowings ¹	1,948	2,112	-8% ▼
Total Liabilities	2,654	2,826	-6% ▼
Total Equity	1,033	1,062	
Total Tangible Net Worth (TNW) ²	1,022	1,045	
Gearing Ratio³	1.89x	1.99x	▼
NAV per share (cents)	24.46	25.07	

Notes:

1. Total loans and borrowings less cash and cash equivalents.
2. Equity attributable to owners of the Company less deferred tax assets plus deferred tax liabilities.
3. Net borrowings / Total equity.

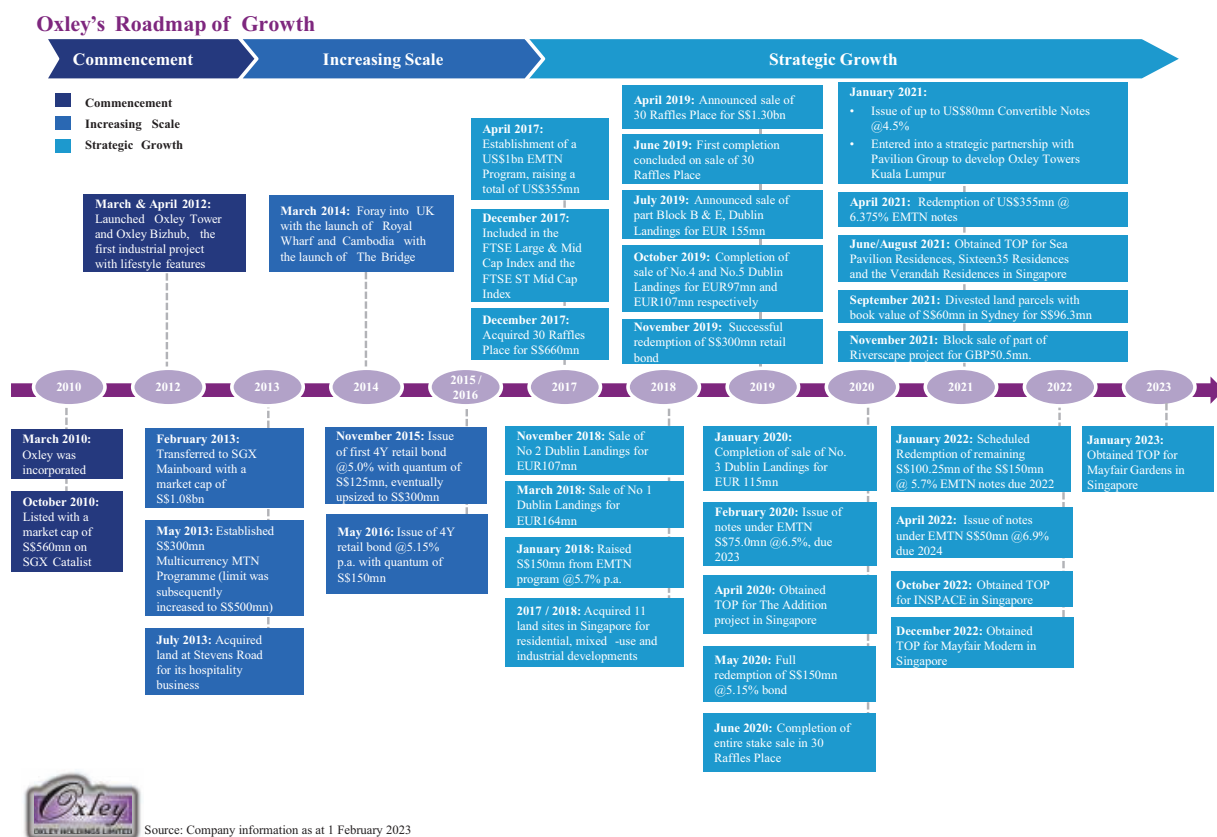
The uncertainties in the global economy and Russia-Ukraine conflict, coupled with rising interest rates have resulted in subdued investments across the globe. This dampens overall economic prospects. The Group sees opportunities but it will take cautious steps and continue to strengthen the Group's financial position with the disposal of non-core assets to focus on the development projects in the developed markets. The Group remains focused on repositioning and growing its business, pushing ahead on the path towards full financial recovery.

Others

As at 31 December 2022, the Company had a market capitalisation of approximately S\$0.6 billion.

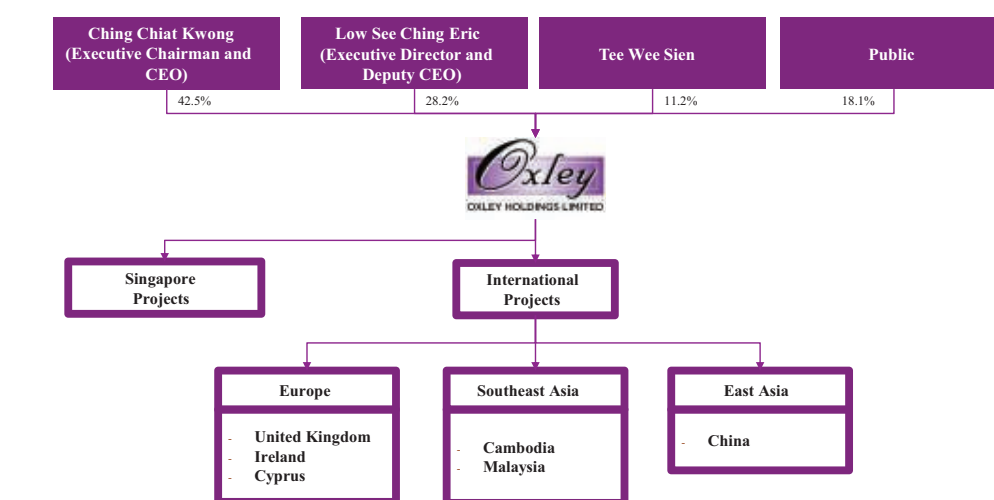
An overview of the Group's key milestones is set out below:

Key Milestones



An overview of the Group's shareholding and corporate structure as at 31 December 2022 is set out below:

Shareholding & Corporate Structure



Source: Company information as at 31 December 2022.

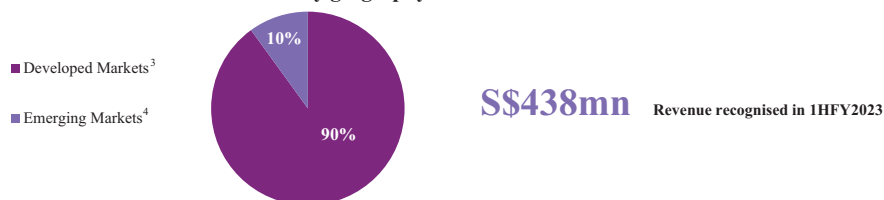
An overview of the Group's gross asset value for the development projects and investment and hotel properties as at 31 December 2022 is set out below:

Oxley Holdings Limited – Who we are



Development Projects		Investment and Hotel Properties	
Singapore	International	Singapore	International
<ul style="list-style-type: none"> • Riverfront Residences • 1953 • Affinity @ Serangoon • Mayfair Gardens • Mayfair Modern • Kent Ridge Hill Residences • The Verandah Residences • The Addition • Sea Pavilion Residences • INSPACE • Sixteen35 Residences • Parkwood Residences 	<ul style="list-style-type: none"> • Royal Wharf in London, UK • Riverscape in London, UK • Dublin Landings in Ireland • Dublin Arch in Ireland • Oxley Towers KLCC in Malaysia • The Peak in Cambodia • The Palms in Cambodia • Sino-Singapore Health City in Gaobeidian, China • Others 	<ul style="list-style-type: none"> • Novotel & Mercure Singapore on Stevens • The Rise @ Oxley • Space @ Tampines • Floravista 	<ul style="list-style-type: none"> • Shangri-La Hotel in Cambodia • SO Sofitel Kuala Lumpur Hotel in Malaysia • Branded 5-Star Hotel in Kuala Lumpur, Malaysia
• GAV: S\$1.1bn ¹	• GAV: S\$3.6bn ¹	• GAV: S\$1.2bn ²	• GAV: S\$0.5bn ²

1HFY2023 revenue contribution by geography



Notes:

1. Gross asset value ("GAV") for development projects calculated as of 3 Jan 2023 based on effective stakes in remaining Gross development value ("GDV") and future progress billings; and effective stake of potential development value of land bank.
2. GAV for investment and hotel properties are calculated based on sum of Oxley's effective stake on valuation of the properties

3. Includes Singapore, United Kingdom and Ireland
4. Includes Cambodia, Malaysia, and others

The following diagrams provide an overview of the Group's development projects launched in Singapore and overseas:

Overview of Oxley's Singapore Development Projects

99% of units sold representing 99% of total GDV

(S\$mn unless otherwise stated)

Project	TOP	Effective Stake (%)	% Sold ¹	Total GDV (A+B)	Units sold	Sales Secured (A)	Remaining GDV (B)	Future Progress Billings (Eff. Stake)	Remaining GDV (Eff. Stake)
On-going									
Affinity @ Serangoon	2Q23	40%	100 %	1,305	1,057/1,057	1,305	-	249	-
1953	1Q23	100%	98 %	114	71/72	111	3	19	3
Kent Ridge Hill Residences	1Q23	100%	100 %	815	548/548	815	-	393	-
Mayfair Gardens	1Q23	100%	99 %	326	214/215	323	3	129	3
Parkwood Residences	1Q23	100%	100 %	30	18/18	30	-	13	-
Riverfront Residences	1Q23	35%	100 %	1,525	1,478/1,478	1,525	-	243	-
Sub-total				4,115	3,386/3,388	4,109	6	1,046	6
Completed									
Mayfair Modern	TOP-ed	100%	100 %	272	171/171	272	-	45	-
INSPACE	TOP-ed	49 %	100 %	147	84/84	147	-	-	-
Sea Pavilion Residences	TOP-ed	100%	100%	33	24/24	33	-	-	-
Sixteen35 Residences	TOP-ed	100%	100 %	56	60/60	56	-	-	-
The Addition	TOP-ed	100%	100%	37	26/26	37	-	-	-
The Verandah Residence	TOP-ed	100%	100 %	249	170/170	249	-	-	-
Total				4,909	3,921/3,923	4,903	6	1,091	6
Total effective future revenues due to Oxley of ~S\$1.1bn (effective future progress billings ~S\$1.1bn)									



Source: Company Information as of 3 Jan 2023 except for progress billings which is as of 31 Dec 2022
1. Sales secured (A) / Total GDV (A+B)

Overview of Oxley's Overseas Development Projects (launched)

81% sales achieved in terms of revenue

(S\$mn unless otherwise stated)

Project	Country	TOP	Effective Stake (%)	% Sold ¹	Total GDV (A+B)	Sales Secured (A)	Remaining GDV (B)	Future Progress Billings (Eff. Stake)	Remaining GDV (Eff. Stake)
Riverscape	UK	2024	50%	43%	682	333	349	119	174
The Peak	Cambodia	2023	79%	91%	692	627	65	4	51
Oxley Towers KLCC	Malaysia	2024	100%	20%	880	213	667	103	667
Trinity Wellness	Malaysia	2025	45%	67%	90	62	28	23	13
Sino-Singapore Health City	China	TBA	27.5%	6%	214 ²	14	200	4	55
Sino-Singapore Health City	China	TOP -ed	27.5%	76%	136 ³	106	30	26	8
Royal Wharf	UK	TOP -ed	100%	100%	2,765	2,765	-	-	-
Dublin Landings	Ireland	TOP -ed	84% / 79.5%	99%	1,141	1,134	7	-	6
The Palms	Cambodia	TOP -ed	79%	76%	118	90	28	43	22
The Bridge	Cambodia	TOP -ed	50%	94%	547	512	35	1	17
Sub -total					7,265	5,856	1,409	323	1,013
Total effective future revenues due to Oxley of ~S\$1.3bn (effective future progress billings ~S\$0.3bn and remaining GDV of ~S\$1.0bn)									



Source: Company Information as of 3 Jan 2023 except for progress billings which is as of 31 Dec 2022

1. Sales secured (A) / Total GDV (A+B)
2. Phase 2 of stage 1 development – Residential
3. Phase 1 of stage 1 development – Residential

Overview of Oxley's Overseas Development Projects (launched)

Sales Milestone – Overseas since year 2018

(S\$mn unless otherwise stated)

Project	Country	Sales milestone, Units sold %	Revenue
Royal Wharf	UK	100%	563
Riverscape	UK	50%	333
Dublin Landings (Office and Residential)	Ireland	100%	1,134
The Peak (Retail) The Peak (Residential) The Peak (Office)	Cambodia	882 / 1,125 (78%) 1,012 / 1,014 (99%) 250 / 250 (100%)	627
The Palms	Cambodia	166 / 220 (75%)	90
Oxley Towers KLCC - Residential Phase 1 - Residential Phase 2 - Residential - Office	Malaysia	200 / 200 (100%) 78 / 390 (20%) 4 / 267 (1%) 1 / 25 (4%)	213
Trinity Wellnessa	Malaysia	272 / 463 (59%)	62
Sub-total			3,022
Total sales attained = S\$3.0bn			



Source: Company Information as of 3 Jan 2023

The following diagram provides an overview of the Group's key pipeline projects:

Overview of Oxley's Key Pipeline Projects

(S\$mn unless otherwise stated)

Project	Country	Effective Stake (%)	GDV ¹
Dublin Arch	Ireland	90%	1,400
Riverscape	UK	50%	682 ²
Oxley Towers KLCC	Malaysia	100%	880 ³
Section 16	Malaysia	40%	268
Trinity Wellnessa / Trinity Enlivea	Malaysia	45%	244 ²
Potential total GDV¹			3,474



Source: Company Information

1. Based on current projections and subject to planning approval & modification

2. Launched for sale in late 2021

3. Includes residences, office and retail components. SO Sofitel Residences and the office units have been launched for sale

COMPETITIVE STRENGTHS

- Established property developer with proven track record and strong brand recognition
- Ability to cater to the changing needs of target buyers
- Highly visible income sources from substantial unbilled contracted sales, supported by recurring income from investment and hospitality properties
- Experienced and dedicated management team supported by local execution capabilities
- Strategic alliances and joint ventures with reputable local and international partners
- Ability to efficiently manage the property development process

BUSINESS STRATEGIES

- Maintain a strong pipeline of new development sites and focus on developing properties across the Group's land bank
- Diversify portfolio earnings across geographies and property segments
- Invest in income-generating assets
- Build strategic alliances and partnerships
- Continue to develop innovative projects to meet changing market demand
- Improve capital efficiency and diversify funding sources
- Maintain a sustainable business

ISSUER INFORMATION

The Issuer is a private company incorporated with limited liability under the laws of Singapore. The Issuer was incorporated on 7 October 2014. The registered office of the Issuer is located at 138 Robinson Road #30-01 Oxley Tower Singapore 068906 and its telephone number at that address is +65 6438 0202.

COMPANY INFORMATION

The Company is a public company limited by shares under the laws of Singapore. The Company was incorporated on 16 March 2010. The registered office of the Company is located at 138 Robinson Road #30-01 Oxley Tower Singapore 068906 and its telephone number at that address is +65 6438 0202.

SUMMARY OF THE PROGRAMME

The following is a general summary of the terms of the Notes issued under the Programme. The following summary is qualified in its entirety by the remainder of this Offering Circular. This summary must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of the Offering Circular as a whole, including any information incorporated by reference. Phrases used in this summary and not otherwise defined shall have the meanings given to them in “Terms and Conditions of the Notes”.

Issuer	Oxley MTN Pte. Ltd., a company incorporated under the laws of Singapore.
Guarantor	Oxley Holdings Limited, a company incorporated under the laws of Singapore and listed on the Main Board of the SGX-ST.
Legal Entity Identifier	The Issuer: 254900D8BR1KM9UW7S27.
Description	Guaranteed Euro Medium Term Note Programme.
Size	Up to U.S.\$1,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time. The Issuer and the Guarantor may increase the aggregate nominal amount of the Programme in accordance with the terms of the Dealer Agreement.
Arrangers	Credit Suisse (Singapore) Limited and DBS Bank Ltd.
Dealers	<p>Credit Suisse (Singapore) Limited, DBS Bank Ltd. and any other Dealer appointed in accordance with the Dealer Agreement (as defined under “<i>Subscription and Sale</i>”).</p> <p>The Issuer and the Guarantor may from time to time terminate the appointment of any dealer under the Programme or appoint dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “Dealers” are to all persons appointed as a dealer in respect of one or more Tranches or the Programme.</p>
Certain Restrictions	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale</i> ”) including the following restriction applicable at the date of this Offering Circular.
Notes having a maturity of less than one year	Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000, as amended (including by the Financial Services Act 2012 (“FSA”)) (“FSMA”) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “ <i>Subscription and Sale</i> ”.

Trustee	DB International (Trust) Singapore Limited.
CDP Lodging and Paying Agent, CDP Registrar and CDP Transfer Agent	Deutsche Bank AG, Singapore Branch.
Principal Paying Agent, Registrar and Transfer Agent	Deutsche Bank Aktiengesellschaft, acting through its branch in Hong Kong.
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ Series ”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest and/or the issue price), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “ Tranche ”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the pricing supplement (the “ Pricing Supplement ”).
Issue Price	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Form of Notes	The Notes will be issued in bearer or registered form as described in “ <i>Form of the Notes</i> ”. Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i> .
Clearing Systems	Clearstream, Euroclear, the CDP and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer(s).
Initial Delivery of Notes	On or before the issue date for each Tranche, the Global Note representing the Notes may be deposited with a common depositary for Euroclear and Clearstream or CDP. Global Notes may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Trustee, the Principal Paying Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer, the Guarantor and the relevant Dealer(s).

Maturities	Subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s).
Specified Denomination	Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the central banks (or equivalent body) or any laws or regulations applicable to the relevant currency (see “ <i>Certain Restrictions</i> ” above).
Fixed Rate Notes	Fixed interest will be payable in arrear on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).
Floating Rate Notes	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer. <p>Interest periods will be specified in the relevant Pricing Supplement.</p>
Zero Coupon Notes	Zero Coupon Notes (as defined in “ <i>Terms and Conditions of the Notes</i> ”) may be issued at their nominal amount or at a discount to it and will not bear interest.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Floating Rate Notes may also have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

Ranking	<p>The Notes will be unsecured and will constitute direct, unconditional and unsubordinated obligations of the Issuer which will at all times rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.</p> <p>The Guarantor has unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. The Guarantee of the Notes constitutes direct, general and unconditional obligations of the Guarantor which will at all times rank at least <i>pari passu</i> with all other present and future unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.</p>
Taxation	<p>All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore (or certain other jurisdictions) or any authority therein or thereof having power to tax or, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except in circumstances specified in “<i>Terms and Conditions of the Notes — Taxation</i>”.</p>
Redemption	<p>Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula or otherwise) as may be specified in the relevant Pricing Supplement. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Pricing Supplement. Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see “<i>Notes having a maturity of less than one year</i>” above.</p>
Optional Redemption	<p>Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement.</p>
Tax Redemption, Change of Control Redemption and Cessation or Suspension of Trading of Shares Redemption	<p>Except as described in “Optional Redemption” above, early redemption will only be permitted (i) for tax reasons as described in Condition 9(b) (<i>Redemption and Purchase — Redemption for tax reasons</i>), (ii) following a Change of Control as described in Condition 9(f) (<i>Redemption and Purchase — Change of Control Put Option</i>) and (iii) following a Trading Suspension Put Event as described in Condition 9(g) (<i>Redemption and Purchase — Redemption at the Option of the Noteholders upon Cessation or Suspension of Trading of Shares</i>).</p>

Certain Covenants	<p>The Issuer and the Guarantor have agreed in the Trust Deed constituting the Notes and the Conditions related thereto to observe certain covenants, including, among other things, a negative pledge; certain financial covenants; the provision of financial statements and reports; non-disposal and limitations on the Issuer's and the Guarantor's Business Activities; and certain other covenants. See <i>"Terms and Conditions of the Notes"</i>.</p>
Event of Default	<p>Certain events will permit acceleration of the payment of the principal amount of the Notes (together with all interest and additional amounts accrued and unpaid thereon). These events include default with respect to the payment of principal of, premium, if any, or interest on, the Notes. See <i>"Terms and Conditions of the Notes"</i>.</p>
Listing and Trading	<p>Approval in-principle has been received from the SGX-ST in connection with the Programme and application will be made for the listing and quotation of any Notes that may be issued under the Programme and which are agreed at or prior to the time of the issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted for listing and quotation on the SGX-ST. If the application to the SGX-ST to list a particular series of Notes is approved, for so long as such Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of at least S\$200,000 (or its equivalent in other currencies). Unlisted Series of Notes may also be issued pursuant to the Programme. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each series of Notes. The Pricing Supplement relating to each Series of Notes will state whether or not the Notes of such Series will be listed on any stock exchange(s) and, if so, on which stock exchange(s) the Notes are to be listed.</p>
Ratings	<p>Notes issued under the Programme may be rated or unrated. Where an issue of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
Governing Law	<p>The Notes and the Issue Documents and any non-contractual obligations arising out of or in connection with the Notes or the Issue Documents will be governed by, and construed in accordance with, English law.</p>
Selling Restrictions	<p>There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area, the United Kingdom, Japan, Hong Kong, the Netherlands, Singapore, China and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see <i>"Subscription and Sale"</i>.</p>

Risks of Investing

Before making any investment decision, investors should carefully consider the risks associated with an investment in the Notes. These risks include:

- risks relating to the Group's business;
- risks relating to the Notes issued under the Programme and the Guarantee of the Notes; and
- risks relating to the structure of a particular issue of Notes

See “*Risk Factors*” beginning on page 17 of this Offering Circular which, while not intended to be an exhaustive enumeration of all risks, should be considered in connection with a purchase of the Notes.

RISK FACTORS

An investment in the Notes involves a number of risks. Investors should carefully consider all the information contained in this Offering Circular, including the risk factors described below, before deciding to invest in the Notes. The occurrence of any of the following events could have a material adverse effect on the Group's business, financial condition and results of operations and cause the market price of the Notes to decline. All or part of an investment in the Notes could be lost.

RISKS RELATING TO THE GROUP'S BUSINESS

The Group's operations are susceptible to macro-economic conditions.

The Group has had operations in various countries since its incorporation in 2010. As at 31 December 2022, these include Singapore, the United Kingdom, Cambodia, Malaysia, Ireland and the PRC. The viability and profitability of the Group's business are affected by the general performance of the global, regional and/or local economy. Concerns over inflation, geopolitical issues (including the ongoing US-China trade tensions and the Russia-Ukraine conflict), the availability and cost of credit, volatile oil prices, rising inflation, interest rate hikes and an unstable real estate market in the countries in which the Group operates have contributed to increased volatility for the global economy and the markets.

Factors that have historically adversely affected and that may affect the global economy in the future include the following:

- decreases in business, industrial or financial activity;
- decreases or changes in consumption habits;
- decreases in property values;
- decreases in demand for housing and retail space;
- prices of raw materials;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies;
- exchange rate fluctuations;
- a prolonged period of high inflation or increase in interest rates;
- changes in taxation policies;
- natural disasters, including typhoons, earthquakes, fires, floods and similar events or outbreaks of contagious diseases; and
- other regulatory, political, social or economic developments.

These factors have had and may in the future have a significant impact on the commercial, residential and retail property markets. Any current or future prolonged deterioration of the economic climate in any country in which the Group operates may have an adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group is exposed to general risks of doing business in various countries.

Although the Company is based in Singapore, the Group has operations across the United Kingdom, Ireland, Cambodia, Malaysia and the PRC, and it may expand its business to other countries in future.

There are inherent risks in doing business in various countries. These include difficulties in and increases in costs of staffing and managing foreign operations, social, economic and political instability, terrorism threats, fluctuations in currency exchange rates and interest rates, inflation, potentially adverse tax consequences, price and wage controls, risks of nationalisation and expropriation of assets, tariffs and other trade barriers, and variable and unexpected changes in local laws, regulations and government policies (including barriers to the repatriation of profits and regulations relating to the industries in which the Group has operations), any of which could materially affect the Group's overseas operations.

If there are policy changes involving trade barriers which serve to limit or prevent international trade, the Group's overseas operations will also be affected. Some governments may request additional funds or tariffs in exchange for the right to import items into their countries. This may have an effect on the profits of the Group because it either decreases revenue as a result of a tax on imports, such as construction materials, or restricts the amount of revenue that can be earned. In addition, the income and gains derived from investments in property in other countries may be subject to various types of taxes, including income tax and capital gains tax. Dividends or repayment of shareholders' loans from the Group's overseas subsidiaries may be subject to withholding tax if there are no tax treaties between Singapore and those countries which exempt or reduce such withholding tax.

The legal and regulatory regimes in these countries may be uncertain and subject to unforeseen changes. The interpretation or application of laws and regulations in these countries may be unclear and, together with the promulgation of new laws, could affect issues such as rights to real property. Should such risks materialise, the Group's business and financial condition may be adversely affected. The Group has no control over such conditions and developments and can provide no assurance that such conditions and developments will not have a material adverse effect on its business, profitability, results of operations and financial condition.

Furthermore, repatriation of investment income, capital and the proceeds from sales of securities by foreign investors such as the Group may require certain governmental registration and approval. If the governments of the countries in which the Group operates tighten or otherwise change their laws and regulations relating to the repatriation of their local currency, the ability of the Group's overseas operations to repatriate profits may be affected and accordingly, the Group's cash flow will be adversely affected.

There are a number of uncertainties in connection with the future of the United Kingdom and its relationship with the European Union (the "EU") in connection with the exit of the United Kingdom from the EU.

There are a number of uncertainties in connection with the future of the UK and its relationship with the EU in connection with the exit of the United Kingdom from the EU ("**Brexit**"). On 24 December 2020, an agreement in principle was reached in relation to the EU-UK Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**") to govern the future relations between the EU and the United Kingdom following the end of the transition period on 31 December 2020. The Trade and Cooperation Agreement was signed on 30 December 2020 and was provisionally applied since 1 January 2021. The EU and the United Kingdom completed their ratification procedures on 29 April 2021 and 31 December 2020 respectively and the Trade and Cooperation Agreement formally entered into force on 1 May 2021.

Although the formalisation of the Trade and Cooperation Agreement has provided much needed clarity on Brexit, there are still several uncertainties that remain in relation to the future of the United Kingdom and its relationship with the EU. The effectiveness of the Trade and Cooperation Agreement remains to be seen, in particular, with the impact of COVID- 19 on delays in supply chains currently distorting the lens

through which the Trade and Cooperation Agreement's effect on trade is viewed. Further, significant areas, including those of external security, foreign policy and cooperation in terms of defence issues, are not covered by the Trade and Cooperation Agreement, and will depend on individually negotiated bilateral agreements between the United Kingdom and the EU member states. The negotiation of the UK's exit terms is likely to take a number of years.

Due to the on-going political uncertainty as regards the structure of the future relationship between the UK and the EU, the precise impact on the Group's property development business in the United Kingdom is difficult to determine. In particular, it is not currently possible to determine the impact that the UK's withdrawal from the EU may have on any financing arrangements (including the impact of any tax) made between lenders in the UK and/or any other member of the Group, or the Group's business generally, including its property developments in London. These uncertainties may also lead to fluctuations in the British Pound Sterling which will impact the Group's results when the United Kingdom operation results are being translated to Singapore Dollar for presentation of the Group's consolidated operating results. A depreciation of the British Pound Sterling would generally result in an adverse impact on the Group's operating results. It is also not possible to quantify the wider economic and political effects of a UK withdrawal from the EU and these effects could adversely affect the Group's business and/or the market value and/or the liquidity of the Notes in the secondary market.

Furthermore, as the Group has substantial business interests in the United Kingdom and Ireland, any of these factors could depress economic activity and restrict the Group's access to capital, which could have a material adverse effect on the Group's business, profitability, financial performance and results of operations.

The Group's business, financial condition and results of operations may be materially and adversely affected by natural calamities, outbreak of communicable diseases and pandemics/epidemics.

Natural calamities, outbreak of communicable diseases such as Influenza A (H1N1) and avian influenza, and pandemics/epidemics could result in sporadic or prolonged market and/or supply disruptions, an economic downturn or recession, volatilities in domestic and/or international capital markets and may materially and adversely affect Singapore and other economies in which the Group operates. The occurrence of any of these events or developments may materially and adversely affect the Group's businesses, financial condition and results of operations.

In particular, the COVID-19 pandemic was one of the biggest disruptors in the global economy, creating uncertainty and placing global economic and social resilience to the test. The number of reported cases of COVID-19 worldwide, as well as the number of reported deaths as a consequence of COVID-19 worldwide, significantly exceed those observed during the Severe Acute Respiratory Syndrome epidemic that occurred in 2002/2003 and the COVID-19 outbreak resulted in a widespread health crisis globally.

COVID-19 was first identified in Wuhan City, Hubei Province, China in December 2019 and rapidly spread to every province in China and many other countries and regions, including those where the Group operates, such as Singapore, the United Kingdom, Cambodia, Malaysia and Ireland. The COVID-19 pandemic is ongoing and the actual extent of the pandemic and its impact on the domestic, regional and global economy remains uncertain. The COVID-19 pandemic could continue to result in protracted volatility in international markets and/or could result in a global recession as a consequence of disruptions to travel and retail segments, tourism and manufacturing supply chains, imposition of quarantines and prolonged occupancy limits or closures of workplaces, any of which may have a material adverse effect on the Group's financial condition and results of operations. In particular, at its onset, the COVID-19 pandemic caused stock markets worldwide to lose significant value and impacted economic activity in Asia and worldwide. If the significant disruption to capital and securities markets due to uncertainty about the effects of COVID-19 continues, the Group's ability to raise new capital and refinance its existing debt may be affected. In an effort to curb the spread of the highly infectious coronavirus, countries around the world had imposed various measures and strict movement controls, including temporary shutdowns, travel restrictions, quarantines, cancellation and/or suspension of business activities and major events and gatherings. This, in turn, has resulted in disruptions in global supply chains, reduced trade, and lowered consumption and consumer spending generally, even in areas not directly affected by the outbreak. As a result, the business and operations of the Group have been and may continue to be significantly affected.

Property Development

The Group's development projects have also experienced progress delays due to supply chain and labour disruptions. In Singapore, the COVID-19 relief measures imposed by the Singapore government mandated an extension of time of up to 122 days to eligible construction contracts. The Group expects delays of up to seven months for projects in Singapore, which may adversely affect the Group's profitability and financial performance.

Due to restrictions arising from the COVID-19 pandemic, physical showrooms were closed during the "circuit breaker" period and, as a result, the Group created virtual showrooms to present the apartment layouts to the potential buyers as an alternative. While project sales have generally remained strong amidst the slowdown from the COVID-19 pandemic due to the strong positioning of the projects and the low interest rate environment at that time, there is no assurance that with the continued challenging business environment, the Group would not experience a sharp decline in project sales in the future which will in turn have an adverse impact on the Group's profits and financial results.

Hospitality

The Group's hospitality properties have seen a sharp decline in accommodation demand due to travel restrictions, and postponement or cancellation of planned MICE and social events. Although global travel has picked up pace in 2022, there is no assurance that demand for the Group's hospitality properties will return to pre-pandemic levels.

Moreover, precautionary measures put in place such as cleaning and disinfecting common areas, ensuring logistics readiness and activating regional and global response teams to provide around-the-clock assistance have led to higher operating expenses for the Group. In the event that any of the Group's employees or hotel guests are infected or suspected to be infected with COVID-19 and/or other communicable diseases, the Group may be required to quarantine some of its hotel guests, employees and/or shut down part of its operations to prevent the spread of the disease. Such events may lead to loss of business or affect the Group's ability to attract new business.

Looking ahead, the emergence of new COVID-19 variants and potential new waves of outbreaks pose potential risks of protracted economic recovery. While the successful development of COVID-19 vaccines is a major milestone in bringing the pandemic under control and the production and distribution of the vaccines are being accelerated globally, COVID-19 infection rates currently remain high across the world and have resurfaced in certain countries, in particular in Asia. Although many countries have started to ease border restrictions, there is no assurance that border restrictions will not be re-imposed in the event the COVID-19 pandemic situation degenerates.

Both the duration of the border control, travel and social distancing restrictions and the longer-term effects of the COVID-19 pandemic on the Group's business are uncertain. Even when restrictions are fully lifted, there may be a period of significantly reduced economic activity, potential increased unemployment and reduced consumer spending.

As the COVID-19 outbreak is ongoing, the actual extent of the outbreak and its impact on the domestic, regional and global economy remain uncertain, and the actual extent of the impact on the Group's business, financial condition and results of operations will depend on, among other things, the duration of the COVID-19 outbreak, the severity and length of the economic downturn and the speed and strength of the subsequent recovery.

The Group is subject to various regulatory requirements and government policies in the countries in which it operates.

The governments of the various countries in which the Group operates monitor their respective property markets closely and adopt measures to promote stable and sustainable property markets. This degree of regulatory scrutiny may result in governments and regulatory authorities introducing new policies and/or regulations, or amending or abolishing existing policies and/or regulations. For example, Singapore, the Group's leading market, has since 2011 introduced a series of property cooling measures which have had a significant impact on the property market. Other countries in which the Group does business may also implement legislation, regulations, and government policies which could be subject to change depending on the development of the property market in those countries. Such changes could potentially impact both property prices as well as the property development industry in these countries, which could in turn materially and adversely affect the Group's profitability and financial performance.

In addition, property developers and/or building contractors are subject to local laws and regulations relating to workplace health and safety, environmental pollution control and other areas that may concern the industry. There can be no assurance that such regulatory standards will remain unchanged in the future. Should the relevant authorities implement additional and/or more stringent requirements, the Group may have to incur additional expenses and/or devote extra time or effort to comply with such changes. In the event of any non-compliance with such regulatory standards at project sites, the Group's project sites may be subject to temporary suspension or further examinations resulting in project delays. Should such situations arise, the Group's profitability and financial performance may be adversely affected.

From time to time, the relevant authorities and/or governments of the countries and/or regions in which the Group operates may carry out redevelopment plans or effect zoning changes to particular areas. The supply of land to property developers is also regulated by the relevant authorities and/or governments of these countries, and such land could become the subject of compulsory acquisitions. Should such situations arise, the Group may incur an increase in management expenses or unforeseen capital expenditure in order to ensure compliance which may in turn adversely affect the Group's profitability and financial performance.

Increased inflation, fluctuations in interest rates and changes in government borrowing patterns could have a material adverse effect on the Group's and its customers' ability to obtain financing.

Increased inflation could result in an increase in the cost of raw materials, which the Group may not be able to pass on to its customers as increased prices.

Interest rates, and factors that affect interest rates, such as fiscal policies enacted by local governments in countries where the Group operates, could have a material adverse effect on the Group and on demand for its products. If the governments in the various countries in which the Group does business were to significantly increase their borrowing levels, this could increase the interest rates charged by banks and other financial institutions and also effectively reduce the amount of bank financing available to both prospective property purchasers and real estate developers, including the Group.

In addition, the Group may face risks in relation to interest rate hikes, in particular as a result of the external financing it obtains in order to finance its property developments and investments. Changes in interest rates will affect the Group's interest income and interest expense from short-term deposits and other interest-bearing financial assets and liabilities. This could in turn have a material and adverse effect on its financial performance. Furthermore, an increase in interest rates would also adversely affect the willingness and ability of prospective customers to purchase the Group's properties and its ability to raise and service long-term debt.

The occurrence of any of the foregoing events, or any combination of them, or of any similar events could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group is dependent on the quality of its title to properties in the land bank and other investment assets of the Group.

The Group may be subject to a variety of risks incidental to the ownership of and investments in land and real estate in the countries in which it operates, including changes in the supply of, or demand for, property in an area, changes in interest rates and the availability of financing, difficulties in mortgaging due to uncertainty in land and security regulations, difficulties which may be encountered at land or security registries, changes in property tax rates and/or land use and lease laws, problems caused by zoning or urban planning, credit risks of tenants, suppliers, contractors and borrowers, and environmental factors. The feasibility, marketability and value of any project in these countries may therefore be affected by factors beyond the Group's control.

The quality, nature and extent of the title to and interests in the land and properties under the Group's development and investment varies, depending on a number of factors, including:

- the country and location of the property;
- the laws and regulations that apply to the property;
- the extent to which the contract pursuant to which the property interest was acquired has been performed, the extent to which the terms and conditions thereunder have been complied with, and the amount of the purchase consideration which has been paid;
- the extent of compliance by the Group or any other relevant party (including previous owners, the vendor of the property and the entity in which the Group has invested that has acquired or is acquiring the property) with all relevant laws and regulations relating to the ownership, use, sale, development or construction of the property;
- the manner under which the interest in the property is held, whether through a joint venture, a development or joint operation agreement, under a master lease or otherwise; and
- the capacity, power, authority and general creditworthiness of the counterparties to the contractual and other arrangements through which the Group has acquired an interest in the property.

Due to the laws in some of the countries where the Group operates, there could be potential for disputes over the quality of title and/or quality of the assets purchased. Delays in acquiring properties required for the Group's development and investment activities could negatively affect the Group's profitability and financial performance. The Group's acquisition of properties and/or assets is dependent on the due diligence as to, *inter alia*, title, which in turn is dependent on the quality of professional advice and the availability of reliable, accurate, complete and up-to date information in the relevant countries. The quality and extent of the title to the Group's property interests may be challenged or adversely impacted or may adversely affect the Group's ability to deal with its property interests and in turn the value of the Group's investment in these properties.

The Group's revenue and earnings may be volatile.

The amount of revenue to be recognised in a financial year is dependent on the number, value and stage of completion of projects undertaken by the Group, which in turn depend on various factors, such as availability of its resources, market sentiment, market competition and general economic conditions.

There can be no assurance that the Group's revenues will remain comparable every year. As a substantial proportion of the Group's revenue is generated by its property development business, any market or other factors that result in the Group undertaking fewer or no new property development projects or any delay in the progress of any of the projects in the Group's portfolio, could have a material and adverse impact on the amount of revenue recognised by the Group in a given year. The historical financial performance and position of the Group is therefore not indicative of its future performance.

The property development industry is highly competitive.

The property development industry in Singapore, the United Kingdom, Ireland, Cambodia, Malaysia and other countries is highly competitive with a few large established players and many new entrants, each with its own strengths and who have significant financial and non-financial resources, as well as market reputations that are more established than the Group. Many of the Group's competitors also have more extensive networks which afford them better exposure to potential business opportunities, land banks and more prime or attractive land sites. These advantages may allow the Group's competitors to place higher bids for land sites, invest in bigger and/or more profitable property development projects and better weather adverse economic conditions and adverse occurrences specific to the industry. In comparison, the Group has a shorter operating history and track record upon which it may be evaluated compared to some other property developers.

Competition between property developers may result in, among other things, increased costs for the acquisition of land for development, oversupply of properties, a decrease in property prices, a decrease in the rate at which new development properties will be approved or reviewed by the relevant government authorities, an increase in construction costs and difficulty in obtaining high quality contractors and qualified employees. Any such consequences may adversely affect the Group's business and operations.

Should the Group fail to compete effectively with other property developers, who were able to secure better locations or develop, market and sell more attractive properties than the Group, its financial performance and profitability may be adversely affected. In the event of any over-supply of properties, property prices may decrease significantly and this may adversely affect the Group's financial performance and profitability.

Cyclical and changing market conditions may adversely affect the Group's business, financial condition and results of operations.

The Group's business is subject to the performance of the property industry in the countries in which it operates, which is cyclical in nature. As at 31 December 2022, the Group has 11 pipeline property development projects across various countries. A significant portion of the Group's earnings will depend on the continued strength in the residential and commercial property markets in those countries in which the Group operates. Cyclical downturns may arise from changes in global and local economic conditions, periodic local oversupply of properties for sale or lease, changes in wages, energy costs, construction and maintenance costs, government regulations or changes in interest rates, and availability of financing for operating and/or capital requirements. Should the property market in any of the countries in which the Group operates experience a downturn, demand for the Group's property development projects in these countries may slow down significantly. On the other hand, cyclical upturns may prompt the relevant authorities to implement cooling measures. Any of these factors may adversely affect the Group's financial performance and profitability.

In addition, the property market is subject to changes in economic outlook and financial market volatility. Rapidly changing market conditions, including changes in consumer tastes, market prices and the desirability of a location, may adversely affect the Group's property development business. Timing for the launch of new projects is one of the crucial factors to securing the sale of units at optimal prices. A downturn in the property market leading to lower property values may result in the Group having to delay the launch of new developments. This could result in increased holding costs until the development properties are sold. Furthermore, property development requires significant capital outlay and returns on capital are not achieved until cash is received from pre-sales, sales or leases. The size of the capital outlay and the number of parties involved in a property development project may make it difficult to change property development plans once determined. As a result, the Group may not be able to adjust its plans or re-allocate its resources to adapt to changing market conditions and this could materially and adversely affect its business, financial condition and results of operations.

The Group is subject to government regulation in the countries where it operates.

Governments of the countries in which the Group operates may also seek to promote a stable and sustainable property market by monitoring the property market and adopting measures as and when they deem necessary. These governments may introduce new policies or amend or abolish existing policies at any time and these policies may have retroactive effect. These changes may have a material and adverse impact on the overall performance of the property markets in which the Group operates and thus affect the Group's business, financial condition, prospects and results of operations. For example, the Singapore government has imposed stamp duty on sellers of residential properties which were sold within three years of acquisition. In addition, the Singapore government has introduced an additional buyer's stamp duty ("ABSD"), over and above the existing buyer's stamp duty, to be paid by certain groups of people who acquire residential properties in Singapore. The ABSD framework was amended in July 2018, when the ABSD rates for residential properties were further raised (apart from the ABSD rates for Singapore Citizens and Singapore Permanent Residents purchasing their first residential property, which remained the same) and an additional non-remittable ABSD of 5 per cent. (over and above the ABSD applicable to all entities purchasing residential property) was introduced for developers purchasing residential properties for housing development. The stamp duty regime in Singapore was also amended in 2017 such that additional conveyance duties (in addition to ordinary stamp duty for transfers of shares in companies) are levied on the acquisition and disposal of equity interests in property holding entities whose primary tangible assets are residential properties in Singapore, even if the equity interests in such property holding entities are acquired or disposed of for *bona fide* business reasons. ABSD has been further enhanced in December 2021. ABSD ranging from 17 per cent. to 30 per cent. is to be paid by certain groups of people and ABSD ranging from 35 per cent. to 40 per cent. is to be paid by entities who buy or acquire residential properties (including residential land). The imposition of ABSD appears to have a moderating effect on the rate of increase of the sale price for new residential property launches since its introduction. However, its full long-term impact on the residential property market remains to be seen.

The MAS also imposes constraints on the types, quantum and tenure of loans for residential properties. These include limits on loan tenure and reduced loan-to-value ("LTV") ratios for property loans issued by banks subject to MAS regulation. In June 2013, the MAS introduced a total debt servicing ratio ("TDSR") framework for property loans granted by financial institutions to individuals. The TDSR framework requires financial institutions to take into consideration borrowers' other outstanding debt obligations when granting property loans. Subject to certain exemptions, the TDSR threshold restricts the borrower's monthly total debt obligations to not more than 60% of the borrower's gross monthly income. The LTV limits on residential property purchases were most recently tightened in July 2018. In December 2021, the TDSR framework was enhanced by the MAS where the aforementioned 60 per cent. threshold has been reduced to 55 per cent. In September 2022, the TDSR framework was further enhanced by the MAS whereby the interest rate floor used to compute the TDSR and mortgage servicing ratio was raised by 0.5 percentage points from 3.5 per cent. to 4 per cent. which has the effect of reducing the loan quantum available to potential property buyers.

The Singapore government is likely to continue to monitor and regulate the Singapore property market. According to the information released by the Urban Redevelopment Authority in January 2023, private home prices in Singapore rose 8.6 per cent year on year while developer's private home sales transaction volume decreased by about 45.5 per cent. in 2022. As at 31 December 2022, the Group has 11 pipeline property development projects across various countries. Should any new or more stringent measures be introduced to the property market, the Group's business, financial condition, prospects and results of operations may be adversely affected.

The Group may not be able to complete its development projects within budgeted project costs or on time or at all.

Property development projects require substantial capital expenditures prior to and during the construction period for, among other things, land acquisition and construction. The construction of property projects may take a year or longer before generating positive net cash flow through sales or pre-sales. As a result,

the Group's cash flows and results of operations may be significantly affected by its project development schedules and any changes to those schedules. The schedules of the Group's projects depend on a number of factors, including the performance and efficiency of its third-party contractors and its ability to finance construction. Other factors that could adversely affect the Group's project development schedules include:

- natural catastrophes and adverse weather conditions;
- changes in market conditions, economic downturns, and decreases in business and consumer sentiment in general;
- fluctuating costs in construction materials;
- fluctuating costs for skilled labour;
- delays in obtaining government approvals and permits;
- changes in relevant regulations and government policies;
- relocation of existing residents and/or demolition of existing constructions;
- shortages of materials, equipment, contractors and skilled labour;
- labour disputes;
- construction accidents;
- errors in judgment on the selection and acquisition criteria for potential sites; and
- other unforeseen problems or circumstances.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedule and budget may harm the Group's reputation as a property developer or lead to cost overruns, or loss of or delay in recognising revenues, and subsequently, lower margins. Factors such as fluctuating costs in construction materials, equipment, and skilled and unskilled labour would directly affect the operating costs of the Group's projects. This may also result in sales and resulting profits from a particular development not being recognised in the year in which it was originally expected to be recognised, which could adversely affect the Group's results of operations for that year. In particular, the ongoing COVID-19 pandemic has resulted in, and is likely to continue to result in, increases in construction costs and construction delays due to supply chain and labour disruptions.

If a property project is not completed on time, the purchasers of pre-sold units within the project may be entitled to compensation for late delivery. If the delay extends beyond a certain period, the purchasers may be entitled to terminate their pre-sale agreements. There can be no assurance that the Group will not experience any significant delays in completion or delivery of its projects in the future or that it will not be subject to any liabilities for any such delays.

Growth and expansion of the Group's business is dependent on its ability to identify new land sites and projects for development.

The Group is required to constantly identify land sites for its property development and hospitality businesses to maintain the growth of its business. The Group usually replenishes and sources for new plots of land by participating in property auctions, acquiring plots of land from private owners as well as sourcing for suitable development sites through government land sales programmes or external property agents. The Group may also have difficulty in attracting landowners to enter into joint venture agreements with the Group that will provide it with reasonable returns or at all, and may also face difficulty in finding appropriate third party hotel managers for hotel development opportunities. There is no certainty that the actual demand for its projects in the future will meet the Group's expectations. If the Group fails to achieve its business objectives or sales targets, there will be an adverse effect on its profitability.

In addition, while the Group has planned the expansion of its property development, property investment and hospitality businesses based on the outlook and its understanding of the current property and hospitality market and general economic situation, there is no assurance that such expansion plans will be commercially successful, that its existing resources will be able to cope with the additional demands arising from the expansion or that the actual outcome of such expansion plans will match its expectations. Should such situations arise, they may have an adverse impact on the Group's profitability and financial position.

The Group's performance is also dependent on its ability to identify property development, property investment and hospitality projects with good potential returns and by completing its projects within a scheduled time frame to realise such returns. Such ability is based on the Group's understanding of the operational environment and anticipation of the market conditions. Hence, the viability and profitability of the Group's property development, property investment and hospitality projects may be affected by factors such as unexpected project delays, changes in interest rates, construction costs, land costs and market conditions. Accordingly, there is no assurance that the Group will be consistently successful in identifying profitable property development, property investment and hospitality projects, and in completing and launching such projects under the best possible market conditions as planned. There is also no assurance that a project, which may be assessed to be profitable at the initial phases, will not turn out to be a loss-making asset or investment of the Group due to changes in circumstances not within the Group's control. Should the Group fail to identify suitable projects and complete them profitably or within a reasonable time, its profitability and financial performance will be adversely affected.

The Group may be adversely affected if it fails to obtain, or if there are material delays in obtaining, requisite governmental approvals for its land acquisitions and property development projects.

The property development industry in the countries in which the Group operates are governed by laws and regulations which have been implemented to regulate and protect individual consumers as well as to establish minimum standards for the property development and construction industries. Real estate developers must comply with various requirements mandated by applicable laws and regulations, including the policies and procedures established by local authorities designed for the implementation of such laws and regulations. In order to develop and complete a property development project, a property developer must obtain various permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including land use rights documents, planning permits, construction permits, pre-sale permits and certificates or confirmation of completion and acceptance. Each approval is dependent on the satisfaction of certain conditions.

There can be no assurance that the Group will not encounter problems in obtaining governmental approvals for new acquisitions of land or in fulfilling the conditions required for obtaining such approvals, or that it will be able to adapt to, and comply with, all new laws, regulations or policies that may come into effect from time to time with respect to the real estate industry or the particular processes with respect to the granting of approvals in the countries in which it operates. If the Group fails to obtain the relevant approvals on time or at all, or to fulfil the conditions of those approvals for a significant number of its property developments, and these property developments do not proceed on schedule, its business, financial condition, results of operations and prospects may be adversely affected.

The Group may not be able to successfully manage its growth or expansion strategies.

The Group intends to continue to grow and expand its property development business and diversify its portfolio earnings across geographies and property segments. In order to grow its business, the Group may expand its operations or explore strategic alliances, acquisitions or opportunities. The Group may also be required to manage relationships with an increasing number of customers, suppliers, contractors, hotel managers, service providers, lenders and other third parties.

Any expansion involves numerous risks, such as the costs of setting up operations and increased working capital requirements. The availability of adequate financing is crucial to the Group's ability to acquire land and properties and to complete its development projects according to plan. The Group expects to finance future land and property acquisitions for development and redevelopment from a combination of internal funds, bank borrowings and proceeds from debt and equity offerings. By doing so, the Group's gearing may increase.

The Group's ability to arrange adequate financing for land and property acquisitions or property development, redevelopment or renovations on terms that will allow the Group to achieve a commercially acceptable return depends on a number of factors that are beyond the Group's control, including general economic and political conditions, the state of international capital markets, the terms on which financial institutions are willing to extend credit to the Group and the availability of other sources of debt or equity financing.

Additionally, participation in strategic alliances, acquisitions or hotel development opportunities involves numerous risks, such as difficulties in the assimilation of management, operations and personnel and the possible diversion of management attention from the Group's existing business concerns.

There is no assurance that any such expansion, if it materialises, will be successful and achieve a sufficient level of revenue or that its existing resources will be able to cope with the additional demands arising from the expansion. If the Group fails to manage its costs, the Group's business, financial condition and results of operations could be materially and adversely affected.

The Group's business is dependent on consumer preferences and spending trends.

The success of the Group's property developments is dependent on consumer preferences, the popularity of its properties (including in terms of location and design) and consumer spending trends. Consumer preferences and spending trends are influenced by external factors including, among others, the income level of consumers and the demographic profiles in its various markets. In order to maintain and/or increase consumers' interest in the Group's projects, the Group seeks to produce designs with sufficient market appeal to attract consumers with different preferences. If the Group's competitors are able to introduce more innovative and/or more functional designs or properties that can better cater to consumers' needs or that are better accepted by the market, the Group may not be able to maintain its competitive edge and this may adversely affect the Group's profitability and financial performance.

A deterioration in the Group's reputation could have a material adverse effect on the Group's business and prospects.

The Group believes that it has a positive reputation among customers and that its continued success is largely based on its ability to maintain that reputation. If any of the Group's projects experience construction or infrastructure failures, design flaws, significant project delays, quality control issues or otherwise, this could have a negative effect on the Group's reputation and make it more difficult to attract new customers to its new and existing projects. If the Group is unable to access funds to create or maintain a premium condition and appearance for its properties, the attractiveness of its properties and its reputation could suffer and the Group's recurring revenues, development revenues or both may decline. Any negative effect on the Group's reputation or its brand could also affect the Group's ability to pre-sell its housing and land development projects. This would impair the Group's ability to reduce its capital investment requirements. The Group cannot provide any assurance that such events will not occur in a manner that would adversely affect its results of operations or financial condition.

The Group's revenue and cash flow may be affected by the Group's exposure to key tenants.

Part of the Group's retail and commercial space is leased to anchor tenants that have been selected by the Group because of their ability to attract customers and/or other potential tenants. Such tenants are typically pursued by other developers and building owners, because of their potential ability to enhance the value of their properties in which they are located, and there can be no assurance that the Group can successfully compete to obtain or retain such anchor tenants in its investment properties. The Group's ability to lease units in its investment properties, as well as the value of such units, could be adversely affected by the loss of a key tenant or in the event such key tenant files for bankruptcy or insolvency or experiences a

downturn in its business. In addition, the Group may face difficulties in finding suitable and timely replacement tenants for space vacated by key tenants and, if found, the lease terms with such replacement tenants may be less favourable or unsatisfactory. Under certain market conditions, key tenants may have to be given more favourable terms, for example, lower rental rates or other incentives. Accordingly, the Group's ability to optimise its revenue and cash flow for such retail and commercial space that has been leased to such key tenants could be adversely affected. Any of these events could materially and adversely affect the Group's business, financial condition and results of operations.

The Group also faces the risk that its existing tenants may not renew all of their leases, and this may lead to reduced occupancy levels. The Group also faces the risk that, if replacement tenants are found, the terms of replacement tenancies may be less favourable than current leases, which may in turn reduce the Group's revenue. If the leases are not renewed or are renewed on terms less favourable to the Group, this could affect the Group's business, financial condition and results of operations. In addition, if the expiry of a significant number of leases is concentrated at a particular time and/or location, the Group's existing or prospective tenants may acquire leverage in negotiating a lower rental price, which might adversely impact the Group's revenue and business.

The Group's rental rates for its investment properties are dependent on market conditions.

Rental rates have experienced significant volatility in recent years due to global and regional economic instability and other factors beyond the Group's control. The revenue earned from, and the value of, the Group's investment properties may be adversely affected by a number of factors, including:

- vacancies following the expiry or termination of leases that lead to lower occupancy rates which reduce the Group's revenue;
- the inability to collect rent from tenants on a timely basis or at all;
- rental rebates given to tenants facing market pressure;
- tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the tenant's lease, or which could hinder or delay the re-letting of the space in question;
- the amount of rent payable by tenants and the terms on which lease renewals and new leases are agreed being less favourable than those of current leases;
- the recurring need for renovation, refurbishment and improvement to the properties;
- the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, retail and commercial space, changes in market rental rates and operating expenses for the Group's properties);
- the inability to arrange for adequate management and maintenance or to put in place adequate insurance;
- competition for tenants from other properties which may affect rental levels or occupancy levels at the Group's properties; and
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to the relevant properties may also be restricted by legislative actions, such as revisions to laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment.

The Group may not be able to achieve profitability through its hospitality business.

As part of the Group's strategy to diversify its earnings base, the Group expanded into the hospitality business, with the acquisition of land designated for hotel development in 2013, and the launch of two hotels in Singapore in 2017. As at 31 December 2022, the Group owns two hotels in Singapore, namely Novotel Singapore on Stevens and Mercure Singapore on Stevens, and has three hotels under development, namely SO Sofitel Kuala Lumpur Hotel and a to-be-branded five star hotel in Malaysia (which are both expected to commence operations after the completion of the developments in 2024) and Shangri-La Hotel in Phnom Penh, Cambodia (which is expected to complete development in mid-2023). Going forward, the Group expects to earn recurring revenue through its hospitality operations (including through hotel operations, and food and beverage sales). If these hospitality properties do not commence operations as expected or at all or if any of the Group's hospitality properties are disposed of, the Group's revenue and cash flows could be adversely affected. To varying degrees, the capital requirements, cost structure, profit margin and cash flow from the Group's upcoming hospitality portfolio differs from its existing property development and property investment business. There is no assurance that the Group can achieve profitability through its hospitality business.

The Group relies on international hotel operators in the operation, management, maintenance, branding and marketing of its hotels.

The Group relies on international hotel operators in the operation, management, maintenance, branding and marketing of its hotels. In the event that any agreement for the operation and management of any of the Group's hotels is terminated prematurely or not renewed upon expiry on mutually agreeable terms, or the Group is unable to engage the services of a competent hotel operator as a replacement, the operational results and financial performance of the Group may be adversely affected.

There is also no assurance that the Group's hotels will be operated, managed, maintained, branded or marketed well in the future and consequently, the profitability and financial performance of the Group could be adversely affected. Failure of the hotel operators to properly operate, manage or maintain the Group's hotels under management agreements may result in customers choosing alternative hotels. Lack of capital or insufficient cash flow caused by lower occupancy may adversely impact the future operations and profitability of the Group's hotels, thereby affecting the ability of its hotels to generate income. Consequently, the financial performance of the Group could be adversely affected.

The hospitality industry is highly competitive.

The hospitality industry is highly competitive. The level of competition in the hospitality industry is affected by various factors, including changes in economic conditions, both locally and regionally, changes in local and regional populations, the supply of and demand for hotel rooms, changes in travel patterns and preferences and new supply of hotels in the locations which the Group operates in, which could negatively affect its hotels' occupancy rates, and materially and adversely affect its business, financial condition and results of operations.

The rise of Airbnb as a home-rental platform has also introduced greater competition in the hospitality industry. The COVID-19 pandemic has blurred the segmentation of guests who were open to staying in a vacation rental and those who would only consider a hotel stay even further due to concerns regarding social distancing in hotels. With its recent successful initial public offering in December 2020, Airbnb is set to become an even more mainstream option in the hospitality industry. The Group's competitors may also offer more facilities at their premises at similar or more competitive prices. Some of the Group's competitors may also significantly lower their rates or offer more services or amenities to attract more hotel guests. If their efforts are successful, the Group's business, financial condition and results of operations may be adversely affected. There can also be no assurance that demographic, geographic or other changes will not adversely affect the demand for the Group's hotels. In such an event, the Group's business, financial condition and results of operations could be materially and adversely affected.

The Group may be affected by seasonal fluctuations associated with the hospitality industry.

The Group's hospitality business is subject to seasonal fluctuations. The Group owns two hotels in Singapore, namely Novotel Singapore on Stevens and Mercure Singapore on Stevens, which commenced operations in October 2017 and December 2017 respectively. As at 31 December 2022, the Group has three hotels under development, namely SO Sofitel Kuala Lumpur Hotel and a to-be-branded five star hotel in Malaysia (which are both expected to commence operations after the completion of the developments in 2024) and Shangri-La Hotel in Phnom Penh, Cambodia (which is expected to complete development in mid-2023).

Seasonal fluctuations in the tourism industry and in the number of overseas visitors to Singapore or other countries in which the Group operates its hotels could result in lower hospitality revenue as a portion of the Group's revenues across different periods. In particular, the COVID-19 pandemic and resultant restrictions on travel and movement have significantly impacted the hospitality and tourism industry globally. However, the Group's expenses are not expected to vary significantly due to changes in occupancy rates and revenues because a significant portion of operating costs in its hospitality business, including employee base salaries, repairs and maintenance costs, information management system vendor fees, and telephone expenses, is fixed. Accordingly, a decrease in the Group's revenues from its hospitality business could result in a disproportionately greater decrease in the Group's earnings because the operating costs and expenses of its hospitality business are unlikely to decrease proportionately. The Group's costs and expenses may remain constant or increase even if its hospitality revenues decline, which would adversely affect its results of operations.

The Group may encounter problems with its joint ventures that may adversely affect its business.

The Group has entered into joint venture agreements with business partners (including landowners and hotel operators) and, as part of its property development and land acquisition strategy, intends to continue to do so. As joint ventures generally enable the pooling of financial resources and management expertise in the development of projects to reduce the risks undertaken by a single party, the Group views joint ventures as an important factor in the success of any property development and investment project. In particular, the success of the Group's overseas projects depend to a large extent on its ability to partner successfully with appropriate joint venture partners. Depending on the nature, the Group's equity interest and the extent of its involvement in such projects, the Group may not be able to control the decision-making process of joint venture projects without reference to its joint venture partners. In addition, there is no assurance that any new joint venture that the Group enters into will yield its anticipated benefits.

A joint venture partner may have economic or business interests or goals inconsistent with or different from those of the Group's, and as such may take actions which may differ from that of the Group, or act in a manner which may not be aligned with the Group's policies or objectives. Any dispute with the Group's joint venture partners which cannot be resolved amicably may escalate and become litigious or result in the early termination of such joint venture which could in turn adversely affect the Group's business, financial condition and results of operations. Political uncertainties or new government regulations such as restrictions on ownership or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint venture entities and associated companies or a loss in its ability to influence the management and directors of, and the decisions made by, these joint venture entities and associated companies. Additionally, in light of the current economic climate, the Group's joint venture partners may not be able to fulfil their respective contractual obligations (for example, they may default in making payments during future capital calls or capital raising exercises) or may experience a decline in creditworthiness. Although joint venture agreements generally contain terms that govern the treatment of such events to the detriment of the defaulting party and the Group would generally seek to enforce its rights as enumerated within such agreements, the occurrence of any of these events may materially and adversely affect the performance of the Group's joint ventures. There is no assurance that the Group will not encounter such risks which may have a material adverse effect on its business, financial condition and results of operations in the future.

Political uncertainties or new government regulations (such as restrictions on property ownership) or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint ventures or a loss in the Group's ability to influence the management, directors and decisions made under these joint ventures. There is no assurance that the Group will not, in the future, encounter such business risks which may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's results may fluctuate as a result of fair value gains or losses on its investment properties, and/or impairment on its investments in associates, joint ventures and subsidiaries.

The Group has previously incurred losses due to the revaluation losses on its investment properties. No assurance can be given that the Group will achieve or sustain profitability in the future.

The Group's investment properties are stated at their fair value based on the valuation conducted by independent professional valuers under certain assumptions and subject to prevailing market conditions. These valuations may therefore not accurately reflect the actual value of such properties upon realisation or disposal. Gains or losses arising from changes in the fair value of investment properties will be recognised directly in the profit or loss statement for the period in which they arise. The Group's policy is to value its properties at the end of each year. The Group may also value one or more of its properties during a fiscal year to support financing arrangements or otherwise. The fair value of each of the Group's investment properties has in the past fluctuated and may further fluctuate in the future, and the Group's historic results should not be regarded as an indicator of its future fair value gains or losses. The fair value of the Group's investment properties may decrease in the future. Any such decrease in the fair value of the Group's investment properties may reduce its profits, which may have an adverse effect on its business, financial condition, results of operations and prospects.

Certain investments of the Group, such as investments in associates or joint ventures, are subject to impairment losses if the recoverable value is deemed to be lower than the carrying value. An impairment loss is recognised as profit or loss. Should the recoverable value of any investment fall below its carrying value, this may result in an impairment on the Group's investment, and therefore have an adverse effect on the Group's profits and financial results. In particular, due to the challenges posed by the COVID-19 pandemic that caused delays to construction activities, project completions and collection of project proceeds, the board of directors of the Group's wholly owned subsidiary in Australia, Pindan Group Pty Ltd, and certain of its wholly-owned subsidiaries (the "**Pindan Group**") have placed the Pindan Group into voluntary administration (the "**Administration**") on 18 May 2021. The Administration has led to the Group's loss of control over Pindan Group. Consequently, the Group recognised a loss on disposal of the Pindan Group of S\$40 million in respect of the financial year ended 30 June 2021. In addition the Group had provided corporate guarantees to secure up to A\$12.5 million of insurance bonds issued for the benefit of the Pindan Group. Of these insurance bonds, approximately A\$6.3 million and A\$2.7 million had been paid by the Group to the insurance bond issuer in June 2021 and October 2021 respectively and approximately A\$3.5 million of the bonds had been returned. There is no assurance that with the continued challenging business environment, the Company would not experience further write downs of its assets in the future which will in turn have an adverse effect on the Group's profits and financial results.

The Group is dependent on independent third-party contractors and sales agents.

The Group is dependent on independent third-party contractors to provide various construction services for the completion of a property development project. There can be no assurance that the Group will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Group's budget, which could result in cost increases or project delays. Additionally, while the Group adopts stringent measures in selecting contractors and ensuring that their work is of acceptable quality, there is no assurance that the services and products rendered by the contractors will always be satisfactory and in compliance with the Group's standards and requirements. Should the contractors fail to rectify any unsatisfactory works and should suitable alternative solutions not be found in a timely manner, the projects may not be completed within the budget

and time schedule, thus resulting in cost overruns and project delays. Moreover, should the contractors fail to sustain their operations, or if any of them is in breach of their contractual obligations due to adverse changes in their financial conditions or otherwise, the Group may need to replace such contractors or take other actions (such as legal proceedings) to remedy the situation. Should suitable replacements not be secured in a timely manner or if such actions or proceedings become protracted, the Group's projects will be subject to disruption and delay. In such an event, the Group's profitability and financial performance may be adversely affected. In addition, as the Group is expanding its business into new geographical locations, there may be a shortage of third-party contractors that meet its standards and, as a result, the Group may not be able to engage a sufficient number of high-quality third-party contractors in a timely manner, which may adversely affect the construction schedules and development costs of its property projects. Finally, the Group's external contractors may undertake projects from other developers, engage in risky undertakings or otherwise encounter financial or other difficulties which may cause delays in the completion of, or increase the development costs of, the Group's property project. The occurrence of any of the above events may have a material adverse effect on the Group's business, financial condition, results of operations and reputation.

Similarly, the Group may from time to time engage third-party sales agents to market and sell its property development projects to potential customers. These agents may also act as agents for other developers in the same markets in which the Group operates, and there can be no assurance that they will not favour the interests of such developers over the interests of the Group in lease or sale opportunities, or otherwise act in the Group's best interests. The competition in the markets for such agents may result the Group being unable to engage sufficient numbers of agents to market and sell its property developments. These factors could disrupt the Group's business and negatively affect its financial condition, results of operation and prospects.

The Group may not be able to successfully manage its land bank, which could adversely affect its margins.

In the business of property development, the Group needs to identify the right land for property development in order to achieve good investment returns. The Group replenishes and sources for new land bank through participating in government tenders and auctions as well as acquiring plots of land from private owners. The Group cannot assure investors that the measures it employs to manage land inventory risks will be successful. In the event of significant changes in economic, political, security or market conditions, the Group may have to sell subdivision lots and housing and condominium units at significantly lower margins or at a loss. Changes in economic or market conditions may also require the Group to defer the commencement of housing and land development projects. This would require the Group to continue to carry the cost of acquired but undeveloped land on its statement of financial position, as well as reduce the amount of property available for sale. Any of the foregoing events would have a material adverse effect on the Group's business, financial condition and results of operations.

The Group is exposed to the credit risk of its customers.

Credit risk may arise when counterparties default on their contractual obligations resulting in financial loss to the Group. Although the Group adopts a policy of only dealing with creditworthy counterparties and the Group regularly reviews its credit exposure to its customers, credit risks may nevertheless arise from events or circumstances that are difficult to anticipate or detect, including, but not limited to, political, social, legal, economic and foreign exchange risks, that may have an impact on its customers' ability to make timely payment and render the Group's enforcement for payments ineffective.

Notably, purchasers of the Group's properties are only required to make a deposit payment upon the execution of a sale and purchase agreement for property. They are not required to secure financing for the acquisition of the property prior to entering into the sale and purchase agreement. The Group's ability to collect progress payments or deposits from purchasers of its property development projects is subject to the solvency or creditworthiness of its customers. In this respect, it may sometimes face delays or even non-payment in its collection of progress payments from the purchasers of its property development

projects (for example, due to the inability to secure financing prior to completion). Any significant delay or inability in collecting such payment will have an adverse impact on the Group's financial performance. There can be no assurance that the risk of default by the Group's customers will not increase in the future or that it will not experience cash flow problems as a result of such defaults. Should this risk materialise, the Group's operations, cash flows and profitability may be adversely affected.

Additionally, if the Group were to experience a material number of sales cancellations in the future, particularly during slowdowns or downturns in the countries in which it operates, periods when interest rates are high or other similar situations, there can be no assurance that the Group would be able to re-sell the same property at an acceptable price or at all. Any of the foregoing events would have a material adverse effect on the Group's business, financial condition and results of operations.

The Group relies on key management personnel, and the Group's business may be adversely affected by any inability to recruit, train, retain and motivate key employees.

The Group believes that its management team contributes significant experience and expertise to the management and growth of the Group's business. The continued success of the Group's business and the Group's ability to execute its business strategies in the future will depend in large part on the efforts of the Group's key personnel. The loss of any key management staff, and with them any such experience, knowledge, business relationships and expertise, for any reason, without suitable and timely replacement, and the inability to attract, train and retain qualified and experienced management personnel may lead to the loss or deterioration of important business relations as well as the management's ability to implement plans and maintain operational effectiveness. This may in turn have an adverse impact on the Group's operations, thereby adversely affecting the Group's financial position and profitability.

The Group is subject to risks associated with debt financing and refinancing.

Due to the large capital requirements for its property development business, the Group finances a substantial portion of its property development projects, especially for acquisition of land sites and construction and development of properties, through bank loans and credit facilities. Accordingly, the Group is subject to the risks associated with debt financing and refinancing (including issues of Notes under the Programme), including the risk that its cash flow may be insufficient to meet required payments of principal and interest, resulting in negative cash flow from financing activities. In the event that it is unable to secure adequate financing for successfully tendered land, the Group may have to forfeit its deposit. Additionally, a property development project usually experiences net cash outflow in its early stage of development until payments are collected from purchasers of sold units and/or when the units of the project are substantially sold. As such, the Group's cash flow position may fluctuate depending on its sales performance and the timing and extent of the receipt of payments from purchasers. In the event that it is not able to generate sufficient cash flow to meet the financing costs of its property development projects for whatever reason, the Group's business and financial performance may be adversely affected.

The Group's businesses might not generate sufficient cash flow from operations to enable it to repay its indebtedness, including the Notes, or to fund the Group's other liquidity needs. The Group may need to refinance all or a portion of its indebtedness, including the Notes, on or before maturity. However, the Group might not be able to refinance any of its indebtedness, including the Notes, on commercially reasonable terms or at all. If the Group is unable to service its indebtedness or obtain refinancing on terms acceptable to the Group, it may be forced to adopt an alternative strategy that may include reducing or delaying capital expenditures, selling assets or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

A significant number of the Group's banking facilities are granted with floating interest rates. If there is any increase in such floating interest rates and if the Group is unable to obtain alternative facilities with comparable or more favourable terms, the Group may be forced to incur additional interest expense. Further, if all or a substantial part of the Group's existing banking facilities are withdrawn and it is unable to secure alternative financing on comparable terms, its operations and working capital position may be adversely affected. The occurrence of such events may adversely affect the Group's financial position and profitability.

The Group may also require additional debt financing to fund its activities in the future. Additional debt financing may restrict the Group's ability to pay dividends, increase its vulnerability to adverse economic and industry conditions and/or require the Group to dedicate a substantial portion of cash flow from operating activities to repay its debt, thereby reducing the availability of its cash flow to fund capital expenditure and other requirements and/or lower its flexibility to react to changes within the industry. There is no assurance that the Group will be able to obtain additional financing on acceptable terms or any other financing support. In the event that the Group is unable to secure adequate financing at acceptable costs, its profitability and financial performance will be adversely affected.

In addition, the Group continually reviews its current and expected future funding requirements and evaluates and engages in discussions with financial institutions and other market participants, from time to time, on proposals regarding different sources of funding. In incurring indebtedness and liabilities from time to time, members of the Group may create security over their assets, receivables or equity interests in companies or entities held by them (which may include the Guarantor's subsidiaries) in favour of the relevant creditors. Should any of the Group's secured indebtedness become immediately due and payable as a result of any default in payment or the occurrence of other events of default as defined under the relevant secured indebtedness, the relevant secured creditors would be entitled to take enforcement actions against such secured assets, receivables and equity interests. The secured creditors might take over the relevant subsidiaries' titles to the secured assets, receivables and equity interests, or sell them through auction. In such an event, the value of the Group's assets portfolio will diminish, and fewer assets and/or equity interests will be available for distribution to unsecured creditors if the relevant subsidiaries are in liquidation. If any member of the Group incurs additional debt, the risks that the Group faces as a result of its already substantial indebtedness and leverage could intensify.

Also, if the Guarantor or the relevant subsidiaries are unable to comply with the restrictions (including restrictions on the Group's future investments) and covenants in its current or future debt obligations and other agreements, a default under the terms of such agreements may occur. In addition, if the default provisions in the Group's loan agreements are drafted wide enough to cover non-payments by the Guarantor pursuant to its guarantee obligations under such loan agreements, this may also be viewed as a default under such loan agreements. In the event of a default under such agreements, the holders of the debt could terminate their commitments to the Guarantor or its subsidiaries, accelerate the debt and declare all amounts borrowed due and payable, or terminate the agreements, as the case may be. Some of the financing arrangements entered into by the Guarantor and its subsidiaries may contain cross-acceleration or cross-default provisions. As a result, a default by the Guarantor or any of its subsidiaries under any of such agreements may cause the acceleration of repayment of not only such debt but also other debts, or result in a default under other debt agreements and potentially the Notes. If any of these events occurs, there can be no assurance that the assets and cash flows of the Guarantor or its subsidiaries would be sufficient to repay in full all of their respective debts as they become due, or that the Guarantor or its subsidiaries would be able to find alternative financing.

The Group is exposed to foreign exchange risks.

As the operations of the Group are located in various countries, exchange rate fluctuations could have a material adverse effect on its financial performance. To the extent that its sales, purchases, inter-Group loans and operating expenses are not matched in terms of currency and timing, the Group may be faced with foreign exchange exposure. Further, the Group's foreign operations are denominated in foreign currencies, including British pounds, U.S. dollars, Euros and Malaysian ringgit. As such, any significant fluctuations in the foreign exchange rates of these currencies may adversely affect the Group's revenue and financial performance.

The Group seeks to manage its foreign exchange exposure through natural hedging by relying on the offsetting of the foreign currencies liabilities against the respective foreign currencies assets, as well as hedging instruments to mitigate the foreign currency exposure. Although the Group monitors its foreign exchange exposure, there is no assurance that the Group will be able to do so successfully.

The Group is also exposed to translation risks that arise from fluctuations in foreign exchange rates as its consolidated financial statements are presented in Singapore dollars while the financial statements of its overseas subsidiaries are prepared in their respective functional currencies. For the purpose of consolidating the financial results of its overseas subsidiaries, the assets and liabilities of the Group's overseas subsidiaries which are denominated in other currencies are translated at end of the reporting period 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 period. Consequently, any significant fluctuation of the Singapore dollar against the respective functional currencies of its overseas subsidiaries may adversely affect the Group's financial performance and results of operations.

The Group is exposed to interest rate risk.

Some of the Group's debts and borrowings may carry floating interest rates and consequently, the interest costs in respect of such debts and borrowings will be subject to fluctuations in interest rates. In addition, the Group may be subject to market disruption clauses contained in its loan agreements with banks. Such clauses will generally provide that to the extent that the banks may face difficulties in raising funds in the interbank market or are paying materially more for interbank deposits than the displayed screen rates, the banks may pass on the higher cost of funds to the borrower, notwithstanding the margins agreed.

Where appropriate, the Group may seek to minimise its interest rate risk exposure by entering into interest rate swap contracts to swap floating interest rates for fixed interest rates over the duration of certain of its debts and borrowings. However, such hedging policy may not adequately cover the Group's exposure to interest rate fluctuations and this may result in increased interest expense which may have an adverse effect on the Group's business, financial condition, performance and results of operations.

The value of properties and land sites are subject to fluctuations.

The valuations of the Group's properties and land sites are conducted by independent professional valuers under certain assumptions and subject to prevailing market conditions. These valuations may therefore not accurately reflect the actual value of such properties upon realisation or disposal. Should the value of the Group's properties and land sites be lower for any reason upon realisation or disposal, its financial position and performance will be adversely affected. In addition, the Group may record impairment losses in its financial statements in the event that the market value of the unsold properties and land sites, as determined by independent professional valuers, fall below their carrying amounts. See *"The Group's results may fluctuate as a result of fair value gains or losses on its investment properties, and/or impairment on its investments in associates, joint ventures and subsidiaries."*

Potential liability for environmental problems could result in substantial costs.

The Group is subject to a variety of laws and regulations concerning the protection of health and the environment that may require a current or previous owner of real estate to investigate and clean up hazardous or toxic substances on a property. For example, owners and operators of real estate may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. Environmental laws and regulations may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous substances and other regulated materials. Failure to comply with these laws can result in penalties or other sanctions.

Existing environmental reports and investigations with respect to any of the Group's properties may not reveal all environmental liabilities, whether prior owners or operators of the properties had created any material environmental condition not known to the Group or whether a material environmental condition exists in any one or more of the properties. There are also risks that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability.

If the Group fails to comply with existing or future environmental laws and regulations in the countries in which it operates, its reputation may be damaged or it may be required to pay penalties or fines or take remedial actions, any of which could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group may, from time to time, be subject to liability, or be involved in legal and other proceedings, arising from its property developments and property investments.

The Group may, from time to time, be involved in disputes with various parties involved in the development and sale of its property development and/or property investment projects. This includes vendors, main contractors, sub-contractors, agents, suppliers, construction companies, purchasers, other partners and lenders. The Group may also face claims from purchasers of units in its development projects for reasons such as delay in completion, alleged defects or variation from contract terms or specifications. In the event of any major claims or disputes with such purchasers, the Group may have to pay damages and/or be subject to legal proceedings. The quantum of such damages may be difficult to assess, higher than anticipated and such legal proceedings, if determined adversely against the Group, may have an adverse impact on its profitability, financial performance and corporate reputation. Under certain circumstances, reimbursements may be claimed from the Group's contractors for the delay or building defects. However, there is no assurance that the amount reimbursed by contractors would be sufficient to cover the amount of liquidated damages paid or to be paid to such purchasers. There can also be no assurance that the contractors hired by the Group will be able to either correct any such defects or indemnify the Group for costs incurred by the Group to correct such defects. Should such events occur, there could be a material adverse effect on the Group's reputation, profitability and financial performance.

In May 2019, the owners of 19 units (the "**Plaintiffs**") at KAP Mall commenced legal proceedings against Oxley Sanctuary Pte Ltd ("**Oxley Sanctuary**"), a 55%-owned subsidiary of the Company. The Plaintiffs alleged that the marketing agent which Oxley Sanctuary had appointed ("**marketing agent**") and/or other co-broke agents, acting on behalf of Oxley Sanctuary, had allegedly represented to each of the Plaintiffs that McDonald's and/or Cold Storage were returning as stores at the KAP Mall ("**alleged misrepresentations**") and further claim that Oxley Sanctuary is vicariously liable for the alleged misrepresentations. The Plaintiffs have not quantified their claims.

Oxley Sanctuary has refuted the Plaintiff's claims and has in turn commenced a third party claim against the marketing agent on the basis that if the alleged misrepresentations were made, they would have been made in breach of the contractual obligations, tortious duties and fiduciary duties owed by the marketing agent to Oxley Sanctuary.

As the proceeding is on-going, based on external legal advice, management held the view that it is possible, but not probable nor practicable to estimate the financial effect, if any. Accordingly, no provision for any liability has been made in the Group's financial statements.

In addition, the Group may have disagreements with regulatory bodies in the course of its operations. This may result in the Group being involved in administrative proceedings or subject to unfavourable decrees, which may in turn cause delays in the construction or completion of its projects. Any such project delays may affect the Group's business and financial performance.

There can be no assurance that the Group can match the maturity profile of its assets and liabilities as it grows. Inability to do so will impact the Group's liquidity and its ability to repay its borrowings and settle its outstanding liabilities.

The Group depends on its ability to match its asset growth with its fundraising on an ongoing basis. The Group manages its liquidity risk by regularly monitoring the relative maturities between its assets and liabilities and by taking steps to maintain a balance of long-term and short-term funding sources. If the Group fails to match the relative maturities of its assets and liabilities, net liquidity shortfalls may result, and the Group may not be able to meet its financial liabilities as they fall due. In addition, such liquidity

shortfalls may also impair the Group's ability to obtain sufficient additional financing, if at all. As a result, the Group's liquidity may be impaired, which would have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group may be affected by the illiquidity of its property assets.

Real estate assets, such as the residential properties developed and land sites acquired by the Group, are relatively illiquid. As at 31 December 2022, the Group holds certain investment properties in Singapore (such as Space@Tampines and the retail units in Novotel Singapore on Stevens, Mercure Singapore on Stevens, Floravista and The Rise@Oxley). The illiquidity of the Group's real estate assets may limit its ability to convert these assets into cash in response to changes in the economy, the property market or other conditions or may result in a significant reduction in the price that it might otherwise seek for such assets in the event that it is required to effect an urgent sale. Moreover, the Group may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. Should such events occur, the Group's profitability and financial performance may be adversely affected.

The Group may be affected by uninsured loss to its properties.

The Group maintains insurance policies covering its assets and business in line with general business practices. However, due to various reasons, certain liabilities in respect of the Group's properties may be uninsurable or the cost of insurance may be prohibitive, such as liabilities from acts of God, acts of terrorism, war or other civil disorder, which are generally considered to have a lower probability of occurring in the countries in which the Group operates. Furthermore, it is not cost-effective for the Group to obtain insurance cover for all of its properties against losses from such events. There may therefore be circumstances in which the Group will be required to pay compensation, cover the shortfall for such amounts claimed and/or may lose capital invested in the affected project, property or equipment, as well as anticipated future returns from such project, property or equipment. The Group may not be covered or sufficiently covered or compensated for such losses, damages or liabilities arising in relation to its properties, thereby adversely affecting its profitability and financial performance.

The countries in which the Group operates may be subject to U.S. and international trade restrictions, economic embargoes and sanctions.

The U.S. and other jurisdictions, including the European Union and the United Nations, have comprehensive or broad economic sanctions targeting certain countries or territories, including Cuba, Iran, Syria, Myanmar, Liberia, Zimbabwe, North Korea, the Crimea region of Ukraine and any non-government controlled areas of Ukraine.

There can be no assurance that the entities with whom the Group now, or in the future may, engage in transactions and/or employ will not be subject to U.S. or international sanctions. There can also be no assurance that the countries in which the Group currently operates will not be subject to further and more restrictive sanctions in the future, or that the Office of Foreign Assets Control of the U.S. Department of the Treasury or other U.S. and international government agencies will not impose sanctions on the other countries in which the Group currently operates or may in the future operate, or entities with whom the Group currently engages with or employs or may in the future engage with or employ. Any business activities with countries that are subject to international sanctions may result in the Group being subject to negative media or investor attention. In addition, there can be no assurance that the Group will not make future or additional investments in countries subject to U.S. or international sanctions, or itself become subject to sanctions. Further, if more sanctions are imposed on countries in which the Group operates or does business, this could have a negative impact on its operations in these countries. In addition, if the Group were to increase its business in or with these countries, this could have a negative impact on its ability to raise money in international capital markets and on the marketability of the Notes.

The Group is exposed to terrorist attacks, other acts of violence or war and adverse political developments.

The terrorist attacks over the last few years, including in the U.S. and Europe, have resulted in substantial and continuing economic volatility and social unrest globally. Terrorist attacks and political unrest in certain regions in Asia, such as the military coup in Myanmar in February 2021, have exacerbated this volatility. Further developments stemming from these events or other similar events such as the invasion of Ukraine by Russia could cause further volatility. The direct and indirect consequences of any of these terrorist attacks or armed conflicts are unpredictable, and the Group may not be able to foresee events that could have an adverse effect on the results of its business operations.

An increase in the frequency, severity or geographic reach of terrorist acts, acts of violence, civil unrest or other adverse political developments could destabilise the jurisdictions in which the Group operates and may disrupt the operations of the Group or those of its customers. These events have had and may continue to have an adverse effect on the world economy in general, and consumer confidence and spending in particular, which could in turn adversely affect the Group's revenue and results of operations. Further, the effect of these events on global financial markets may limit the capital resources available to the Group.

The Group may be exposed to risk of loss due to disruptions in its operations resulting from industrial disputes.

Employees in certain countries in which the Group operates may be unionised and covered by collective bargaining agreements. There may therefore, from time to time, be major bargaining agreement re-negotiations that may result in an increase in costs for the Group. Further, in the event of any breakdown in talks with the labour unions, the Group may face disruptions in its operations due to strikes or work stoppages. Such disruptions could have a material adverse effect on the Group's business operations and financial condition.

RISKS RELATING TO THE NOTES ISSUED UNDER THE PROGRAMME AND THE GUARANTEE OF THE NOTES

The Guarantor is a holding company and payments with respect to the Notes are structurally subordinated to liabilities, contingent liabilities and obligations of its subsidiaries.

The Guarantor is a holding company with no material operations, and it conducts its operations through its subsidiaries, which do not guarantee the Notes. The Guarantor's primary assets are ownership interests in its subsidiaries, which in turn hold the retail, residential, commercial and industrial portfolio of the Group. The ability of the Guarantor to satisfy its obligations under the Guarantee of the Notes is therefore subject to the up-streaming of dividends, distributions and other payments received from its subsidiaries.

The Guarantor's subsidiaries and associated companies may have difficulty in accessing the financial markets and as a result seek further capital funding or financial support from the Group and this may materially and adversely affect the Group's financial condition and results of operations. Additionally, the holding company structure may restrict the Guarantor's ability to freely deploy funds across the Group thereby preventing the Guarantor from effectively optimising capital management sources and needs across the Group.

Creditors, including trade creditors, of the Guarantor's subsidiaries and any holders of preferred shares in such entities would have a claim on the Guarantor's subsidiaries' assets that would have priority over the claims of holders of the Notes or any claims under the Guarantee of the Notes. As a result, the Guarantor's payment obligations under the Guarantee of the Notes will be effectively subordinated to all existing and future obligations of its subsidiaries and all claims of creditors of the Guarantor's subsidiaries will have priority as to the assets of such entities over the Guarantor's claims and those of its creditors, including holders of the Notes. As at 31 December 2022, the Group had total bank borrowings and debt securities (excluding derivatives and lease liabilities) of S\$2.1 billion of which S\$1.8 billion was secured. The Notes

permit the Guarantor and its subsidiaries to incur additional indebtedness and issue additional guarantees. In addition, the secured creditors of the Guarantor's subsidiaries would have priority as to the assets of such subsidiaries securing the related obligations over claims of holders of the Notes.

The Notes and the Guarantee of the Notes are unsecured obligations.

The Notes and the Guarantee of the Notes are unsecured obligations of the Issuer and the Guarantor respectively. The repayment of the Notes and payment under the Guarantee of the Notes may be adversely affected if:

- the Issuer or the Guarantor enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;
- there is a default in payment under the Issuer's or the Guarantor's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Issuer's or the Guarantor's indebtedness.

The Issuer is a finance company that will depend on payments under an intercompany loan to provide it with funds to meet its obligations under the Notes.

The Issuer was formed for the purpose of issuing the Notes. As such, the Issuer has no business operations or subsidiaries and, upon completion of any issues of Notes under the Programme, its only assets will be the net proceeds from the issuance of the Notes, to the extent retained, and the intercompany advances it may make to the Guarantor or to subsidiaries of the Guarantor, and intercompany advances made under prior issuances of debt securities. The Issuer is therefore wholly dependent upon payments from the Guarantor under the intercompany advances to make payments due on the Notes.

Accordingly, the ability of the Issuer to make scheduled principal or interest payments on its indebtedness, including the Notes, will depend on, *inter alia*, the Group's future performance and ability to generate cash, which is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in this section, many of which are beyond the control of the Issuer. If the Group's future cash flow from operations and other capital resources is insufficient to pay its debt obligations, including the Notes, or to fund its other liquidity needs, it may be forced to refinance its existing indebtedness and no assurance can be given that the Group would be able to obtain such refinancing on a timely basis or on satisfactory terms or at all.

In addition, the Guarantor's ability to comply with its obligations under the Guarantee of the Notes may depend on, *inter alia*, the earnings of the Group and the distribution of funds from members of the Group, primarily in the form of dividends to the Guarantor. Whether or not the members of the Group can make distributions to the Guarantor will depend on distributable earnings, cash flow conditions, restrictions that may be contained in the debt instruments of its members, applicable law and other arrangements. These restrictions could reduce the amount of distributions that the Guarantor receives from members of the Group, which would restrict the Guarantor's ability to fund its business operations. Accordingly, the Guarantor's ability to comply with its obligations under the Guarantee of the Notes may be adversely affected.

Substantial leverage and debt service obligations could adversely affect the Guarantor's businesses and prevent the Issuer and the Guarantor from fulfilling their obligations under the Notes and the Guarantee of the Notes.

As at 31 December 2022, the Group had total bank borrowings and debt securities (excluding derivatives and lease liabilities) of S\$2.1 billion of which S\$1.8 billion was secured. The Group's gearing ratio (excluding lease liabilities) as at 31 December 2022 is 1.89 times. For a summary of the Group's existing indebtedness as of 31 December 2022, see "*Description of Material Indebtedness*". The degree to which

the Guarantor and the Group will be leveraged in the future, on a consolidated basis, could have important consequences for the Noteholders, including, but not limited to:

- making it more difficult for the Issuer and the Guarantor to satisfy their respective obligations with respect to the Notes and the Guarantee of the Notes;
- increasing vulnerability to, and reducing the Guarantor's flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of cash flow from operations to the payment of principal of, and interest on, the Guarantor's consolidated indebtedness, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, acquisitions, joint ventures or other general corporate purposes;
- limiting flexibility in planning for, or reacting to, changes in the Guarantor's businesses, the competitive environment and the industry in which the Guarantor operates;
- placing Noteholders at a competitive disadvantage compared to the Guarantor's competitors that are not as highly leveraged; and
- limiting the Guarantor's ability to borrow additional funds and increasing the cost of any such borrowing.

Any of these or other consequences or events could materially and adversely affect the Issuer's and the Guarantor's ability to satisfy debt obligations, including the Notes and the Guarantee of the Notes.

The Guarantor and members of the Group are subject to restrictive debt covenants that may limit the Guarantor's ability to finance the future operations of the Group and its capital needs and to pursue business opportunities and activities.

The Guarantor and members of the Group are subject to restrictive debt covenants in the financing arrangements to which they are a party which restrict their ability to:

- incur or guarantee additional indebtedness;
- create or incur certain liens;
- make certain payments, including dividends or other distributions, with respect to the shares of the Guarantor or its subsidiaries (including the payment of dividends and other distributions to the Guarantor);
- prepay or redeem subordinated debt or equity;
- make certain investments and capital expenditures;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Guarantor or any of its subsidiaries;
- sell, lease or transfer certain assets, including stock of restricted subsidiaries;
- engage in certain transactions with affiliates;
- enter into unrelated businesses or engage in prohibited activities; and
- consolidate or merge with other entities.

These covenants could limit the Guarantor's ability to finance the future operations and capital needs of the Group and its ability to pursue business opportunities and activities that may be in the Guarantor's interest.

The Issuer or the Guarantor may be unable to redeem the Notes.

On certain dates, including the occurrence of any of the events set out in Condition 9(f) (*Change of Control Put Option*) and Condition 9(g) (*Redemption at the Option of the Noteholders upon Cessation or Suspension of Trading of Shares*) of the Terms and Conditions of the Notes, and upon maturity of the Notes, the Issuer (failing which the Guarantor) may, and at maturity will, be required to redeem all of the Notes. If such an event were to occur, the Issuer or, as the case may be, the Guarantor may not have sufficient cash on hand and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. Failure to repay or redeem tendered Notes by the Issuer or the Guarantor would constitute an event of default under the Notes, which may also constitute a default under the terms of other indebtedness of the Guarantor.

The Notes may not be a suitable investment for all investors.

The Notes are complex financial instruments and may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to an investor's overall investment portfolio. A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

An investment in the Notes involves certain risks including market risk, interest rate risk, foreign exchange risk, credit risk and liquidity risk. Potential investors should:

- ensure that they fully understand the nature of all these risks before making a decision to invest in the Notes;
- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable amendment or supplement thereto;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of their particular financial situation, an investment in the Notes and the impact such investment will have on their overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect their investment and their ability to bear the applicable risks.

This Offering Circular is not and does not purport to be investment advice. Investors should conduct such independent investigation and analysis regarding the Notes as they deem appropriate. Investors should also consult their own investment, business, legal, financial, tax or other professional advisers to assist them in determining the suitability of the Notes for them as an investment. Investors should make an investment only after they have determined that such investment is suitable for their financial investment objectives. Investors should consider carefully whether the Notes are suitable for them in light of their experience, objectives, financial position and other relevant circumstances.

There may not be a liquid market for the Notes issued under the Programme, and holders may not be able to sell their Notes at an attractive price or at all.

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless, in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of the Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition, performance and property of the Issuer, the Guarantor or the Group. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances investors may not be able to sell their Notes at all or at their fair market value. Although an application may be made for some Notes issued under the Programme to be listed and admitted to trading on the SGX-ST or any other stock exchange, there is no assurance that such application will be accepted, that any particular Tranche of the Notes will be so listed or that an active trading market will develop. In addition, the market for debt securities of the type that may be issued under the Programme has been subject to disruptions that have caused volatility in prices of securities similar to the Notes issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of the Notes.

This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, designed for specific investment objectives or strategies or that have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of the Notes.

Certain Noteholder(s) who are both controlling shareholder(s) and director(s) of the Guarantor and their family and business associates may subscribe to a substantial portion of the aggregate principal amount of the Notes and may therefore be able to exercise certain rights and powers on its own which will be binding on all Noteholders. Additionally, this may reduce the liquidity of the Notes in the secondary trading market.

Certain Noteholder(s) who are both controlling shareholder(s) and director(s) of the Guarantor and their family and business associates may subscribe to a substantial portion of the aggregate principal amount of the Notes, and this portion may constitute up to a majority of such aggregate principal amount. Certain matters relating to the Noteholders, including Reserved Matters (as defined in the Trust Deed) may be considered at meetings of the Noteholders and certain matters to be considered by way of ordinary resolutions or by Extraordinary Resolutions (as defined in the Trust Deed) may only be passed by a majority of those represented, or not less than 75 per cent. of the aggregate principal amount of a Series of Notes then outstanding, respectively. Accordingly, any Noteholder holding 25 per cent. of the aggregate principal amount of a Series of Notes outstanding or more will be able to prevent the passing of an Extraordinary Resolution and the holder of a majority of the aggregate principal amount of the Notes may be able to exercise certain rights and powers on its own, each of which will be binding on all Noteholders, and to control the outcome of votes on such matters.

In addition, the existence of any such significant Noteholder may reduce the liquidity of the Notes in the secondary trading market. If such Noteholder sells a material amount of the aggregate principal amount of the Notes at any one time, it may materially and adversely affect the trading price of the Notes.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of the Notes. Investors should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Changes in interest rates may have an adverse effect on the price of the Notes.

The Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Investment in the Notes is subject to exchange rate risks.

Investment in the Notes is subject to exchange rate risks. The value of the Specified Currency for a Series of Notes against the Singapore dollar and other foreign currencies fluctuates and is affected by changes in domestic and international political and economic conditions and by many other factors. All payments of interest and principal with respect to a Series of Notes will be made in the Specified Currency set out on in the applicable Pricing Supplement. As a result, the value of payments in the Specified Currency payments may vary with the prevailing exchange rates in the marketplace. If the value of the Specified Currency depreciates against the Singapore dollar or other foreign currencies, the value of a Noteholder's investment in Singapore dollars or other applicable foreign currency terms will decline.

An investment in the Notes is subject to inflation risk.

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders may have an anticipated real rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual real returns.

Investment in the Notes is subject to Singapore taxation risk.

The Notes to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2023 are intended to be “qualifying debt securities” for the purposes of the Income Tax Act 1947 of Singapore, subject to the fulfilment of certain conditions more particularly described in “*Taxation — Singapore Taxation*”.

However, there is no assurance that the Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

The Notes are redeemable in the event of certain withholding taxes being applicable.

No assurances are made by the Issuer or the Guarantor as to whether or not payments in respect of the Notes shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Singapore or any political subdivision or any authority therein or thereof having power to tax. Although pursuant to the Terms and Conditions of the Notes, the Issuer and the Guarantor are required to gross up payments on account of any such withholding taxes or deductions, the Issuer also has the right to redeem the Notes at any time in the event the Issuer or the Guarantor has or will become obliged to pay additional amounts on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf Singapore or any political subdivision or any authority therein or thereof having power to tax as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority therein or thereof having power to tax, or any change in, or amendment to, the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of Notes.

The Notes of each Series will initially be represented by a Global Note or, as the case may be, Global Note Certificate and holders of a beneficial interest in such Global Note or as the case may be, such Global Note Certificate must rely on the procedures of the relevant Clearing System.

The Notes of each Series to be issued in registered form will be represented by a Global Note Certificate except in certain limited circumstances described in the Global Note Certificate. The Global Note Certificate will be registered in the name of a nominee for, and deposited with, the common depositary for Euroclear and Clearstream or with the CDP. Except in the limited circumstances or upon notices described in the Global Note or Global Note Certificate and relevant Pricing Supplement, investors will not be entitled to receive Definitive Notes or as the case may be, Individual Note Certificates. Euroclear, Clearstream or as the case may be, the CDP, will maintain records of the beneficial interests in the Global Note or Global Note Certificate. While the Notes are represented by the Global Note or as the case may be, Global Note Certificate, investors will not be able to trade their beneficial interests only through the Euroclear, Clearstream or as the case may be, the CDP. While the Notes in registered form are represented by a Global Certificate or Global Note Certificate, the Issuer, failing which, the Guarantor will discharge its payment obligations under such Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream, or as the case may be, the CDP, for distribution to their account holders. A holder of a beneficial interest in the relevant Global Note or Global Note Certificate must rely on the procedures of Euroclear, Clearstream or as the case may be, the CDP to receive payments under the Notes. Neither the Issuer nor the Guarantor has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Note or Global Note Certificate.

Holders of beneficial interests in the Global Note or Global Note Certificate will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear, Clearstream or as the case may be, the CDP to appoint appropriate proxies.

Holders of Notes which amount to less than the minimum Specified Denomination may experience difficulties trading the Notes or receiving definitive Notes.

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should such Notes be printed) and would need to purchase a principal amount of the Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

The Group's management has broad discretion to determine the use of the proceeds received from this offer.

The Group plans to use the net proceeds of the issue of Notes under the Programme as described under "*Use of Proceeds*". The Group's management will have broad discretion over the use and investment of the net proceeds of any issue of Notes under the Programme. Noteholders will have to rely upon the judgment of the Group's management with respect to the use of proceeds.

The Trustee may request Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction.

In certain circumstances, including without limitation the giving of notice pursuant to Condition 13 (*Events of Default*) of the Terms and Conditions of the Notes and taking enforcement steps pursuant to Condition 18 (*Enforcement*) of the Terms and Conditions of the Notes, the Trustee may, at its sole discretion, request Noteholders to provide an indemnity, security and/or pre-funding to its satisfaction before it takes actions on behalf of Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified, secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity, security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity, security and/or pre-funding to it, in breach of the terms of the Trust Deed or the Terms and Conditions of the Notes and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable laws and regulations, it will be for the Noteholders to take such actions directly.

The Issuer may issue additional Notes in the future.

The Issuer may, from time to time, and without prior consultation of the holders of the Notes create and issue further Notes (see “*Terms and Conditions of the Notes — Further Issues*”) or otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Notes.

Decisions that may be made on behalf of all holders of the Notes may be adverse to the interests of individual holders of the Notes.

The Terms and Conditions of the Notes contain provisions for calling meetings of holders of the Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Notes including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority. Furthermore, there is a risk that the decision of the majority of holders of the Notes may be adverse to the interests of the individual Noteholders.

Modifications and waivers may be made in respect of the Terms and Conditions of the Notes and the Trust Deed by the Trustee or less than all of the holders of the Notes.

The Terms and Conditions of the Notes provide that the Trustee may, without the consent of Noteholders, agree to any modification of the Trust Deed, the Terms and Conditions of the Notes and/or the Agency Agreement (other than in respect of a Reserved Matter (as defined in the Trust Deed)) which in the opinion of the Trustee will not be materially prejudicial to the interests of Noteholders and to any modification of the Trust Deed, the Terms and Conditions of the Notes and/or the Agency Agreement which in the opinion of the Trustee is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Noteholders, waive or authorise any breach or proposed breach of the Trust Deed, the Terms and Conditions of the Notes and/or the Agency Agreement (other than a proposed breach or a breach relating to the subject of certain reserved matters) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Application of Singapore insolvency and related laws to the Issuer and the Guarantor may result in a material adverse effect on the Noteholders.

There can be no assurance that the Issuer and/or the Guarantor will not become bankrupt, unable to pay its debts or insolvent or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuer and/or the Guarantor, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on Noteholders. Without being exhaustive, below are some matters that could have a material adverse effect on Noteholders.

Where the Issuer or the Guarantor is insolvent or close to insolvent and the Issuer or, as the case may be, the Guarantor undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Issuer or, as the case may be, the Guarantor. It may also be possible that if a company related to the Issuer or, as the case may be, the Guarantor proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Issuer or, as the case may be, the Guarantor may also seek a moratorium even if the Issuer or, as the case may be, the Guarantor is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, with the consent of the judicial manager or with court permission. Accordingly, if for instance there is any need for the Trustee to bring an action against the Issuer or, as the case may be, the Guarantor, the need to obtain court permission or the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Noteholders may be made subject to a binding scheme of arrangement where the majority in number representing 75 per cent. in value of creditors and the court approve such scheme. In respect of company-initiated creditor schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing 75 per cent. in value of the creditors meant to be bound by the scheme have agreed to it and **provided that** the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Noteholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the “**IRD Act**”) was passed in Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, the Notes. However, it may apply to related contracts that are not found to be directly connected with the Notes.

Considerations relating to a particular issue of Notes.

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

- *Notes subject to optional redemption by the Issuer may have a lower market value than Notes that cannot be redeemed.*

Optional redemption features as contained in the Terms and Conditions of the Notes, and is so specified for a Series of Notes in the applicable Pricing Supplement, are likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem any Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

- *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

- *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

- *Notes which are linked to Benchmarks*

The Euro Interbank Offered Rate (“**EURIBOR**”) and other interest rates or other types of rates and indices which are deemed to be benchmarks (“**Benchmarks**”) are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms and changes may cause a Benchmark to perform differently than it has done in the past or to be discontinued. Any change in the performance of a Benchmark or its discontinuation, could have a material adverse effect on any Notes referencing or linked to such Benchmark.

Regulation (EU) No. 2016/1011 (the “**EU Benchmarks Regulation**”) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Benchmarks Regulation**”), applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain “benchmarks”, trigger changes in the rules or methodologies used in certain “benchmarks” or lead to the discontinuance or unavailability of quotes of certain “benchmarks”.

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a “risk free overnight rate” which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate (“**€STR**”) as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019.

Although EURIBOR has subsequently been reformed in order to comply with the terms of the Benchmark Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions, or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

In the event that the Conditions provide for certain fallback arrangements if a published benchmark, such as EURIBOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable including the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate, any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. In certain circumstances the ultimate fallback of interest for a particular interest period may result in the rate of interest for the last preceding interest period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page (as defined in the Conditions). In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and the UK Benchmarks Regulation reforms or arising from the possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons (“**Coupons**”) attached, or registered form, without Coupons attached. Bearer Notes and Registered Notes will be issued outside the United States and to non-U.S. persons in reliance on Regulation S.

Notes to be listed on the SGX-ST may be accepted for clearance through Euroclear and Clearstream and may also be accepted for clearance through the CDP and/or any other clearing system as specified in the applicable Pricing Supplement.

Bearer Notes

Each Tranche of Notes in bearer form (“**Bearer Notes**”) will initially be in the form of either a temporary global note in bearer form (the “**Temporary Global Note**”), without interest coupons, or a permanent global note in bearer form (the “**Permanent Global Note**”), without interest coupons, in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank S.A./N.V. as operator of the Euroclear System (“**Euroclear**”) and/or Clearstream Banking, S.A. (“**Clearstream**”) and/or the Central Depository (Pte) Limited (“**CDP**”).

In the case of each Tranche of Bearer Notes, the relevant Pricing Supplement will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

So long as Notes are represented by the Temporary Global Note and the Temporary Global Note is held by the CDP, transfers of beneficial interests in the Temporary Global Note will be effected only through records maintained by the CDP.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note, duly authenticated to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent or CDP Lodging and Paying Agent, as the case may be; and
- (ii) receipt by the Principal Paying Agent or the CDP Lodging and Paying Agent, as the case may be, of a certificate or certificates of non-U.S. beneficial ownership,

within 7 days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Bearer Notes in definitive form (“**Definitive Notes**”) not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or
- (ii) at any time, if so specified in the relevant Pricing Supplement; or
- (iii) if the relevant Pricing Supplement specifies “in the limited circumstances described in the Permanent Global Note”, then if either of the following events occurs:
 - (a) if the Permanent Global Note is held by or on behalf of Euroclear or Clearstream, and (i) if Euroclear or Clearstream or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business, or (ii) any of the circumstances described in Condition 13 (*Events of Default*) occurs; or
 - (b) if this Global Note is held by or on behalf of the CDP and (i) an Event of Default or analogous event entitling an Accountholder (as defined below) or the Trustee to declare the Notes to be due and payable as provided in Condition 13 (*Events of Default*) occurs, (ii) the CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (iii) the CDP has announced an intention to permanently cease business and no alternative clearing system is available or (iv) the CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in the Depository Agreement and no alternative clearing system is available.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under “*Terms and Conditions of the Notes*” below and the provisions of the relevant Pricing Supplement which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “*Summary of Provisions Relating to the Notes while in Global Form*” below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“THIS PERMANENT GLOBAL NOTE AND THE GUARANTEE OF THE NOTES IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND NEITHER THIS PERMANENT GLOBAL NOTE NOR ANY PORTION HEREOF MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.”

Registered Notes

Each Tranche of Notes in registered form (“**Registered Notes**”) will be represented by either:

- (i) individual Note Certificates in registered form (“**Individual Note Certificates**”); or
- (ii) one or more unrestricted global note certificates (“**Global Note Certificate(s)**”),

in each case as specified in the relevant Pricing Supplement.

Each Note represented by a Global Note Certificate will be registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream and/or the CDP and/or any other relevant clearing system and the relevant Global Note Certificate will be deposited on or about the issue date with the common depositary and/or the CDP.

If the relevant Pricing Supplement specifies the form of Notes as being “Individual Note Certificates”, then the Notes will at all times be represented by Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

Global Note Certificate exchangeable for Individual Note Certificates

If the relevant Pricing Supplement specifies the form of Notes as being “Global Note Certificate exchangeable for Individual Note Certificates”, then the Notes will initially be represented by one or more Global Note Certificates each of which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (i) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or
- (ii) at any time, if so specified in the relevant Pricing Supplement; or

- (iii) if the relevant Pricing Supplement specifies “in the limited circumstances described in the Global Note Certificate”, then:
- (a) in the case of any Global Note Certificate held by or on behalf of Euroclear, Clearstream or any other relevant clearing system, (i) if Euroclear, Clearstream or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; and (ii) in any case, if any of the circumstances described in Condition 13 (*Events of Default*) occurs; or
 - (b) if the Notes represented by the Global Note Certificate are held by or on behalf of the CDP and (i) an Event of Default or analogous event entitling an Accountholder (as defined below) or the Trustee to declare the Notes to be due and payable as provided in the Conditions has occurred and is continuing, (ii) the CDP is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (iii) the CDP has announced an intention to permanently cease business and no alternative clearing system is available or (iv) the CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in the Depository Agreement and no alternative clearing system is available.

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, each person having an interest in a Global Note Certificate must provide the Registrar (through the relevant clearing system) with such information as the Issuer and the Registrar may require to complete and deliver Individual Note Certificates (including the name and address of each person in which the Notes represented by the Individual Note Certificates are to be registered and the principal amount of each such person's holding).

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Note Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Note Certificate to the Registrar of such information as is required to complete and deliver such Individual Note Certificates against the surrender of the Global Note Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Trust Deed and the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled to the Agency Agreement and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under “*Terms and Conditions of the Notes*” below and the provisions of the relevant Pricing Supplement which complete those terms and conditions.

The terms and conditions applicable to any Global Note Certificate will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “*Summary of Provisions Relating to the Notes while in Global Form*” below.

Summary of Provisions relating to the Notes while in Global Form

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note, references in the Terms and Conditions of the Notes to “Noteholder” are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, for Euroclear and/or Clearstream and/or any other relevant clearing system and/or the CDP, will be that depositary or common depositary or, as the case may be, the CDP.

In relation to any Tranche of Notes represented by one or more Global Note Certificates, references in the Terms and Conditions of the Notes to “Noteholder” are references to the person in whose name the relevant Global Note Certificate is for the time being registered in the Register which in the case of any Global Note Certificate which is held by or on behalf of a depositary or a common depositary for Euroclear and/or Clearstream and/or any other relevant clearing system and/or the CDP, will be that depositary or common depositary or a nominee for that depositary or common depositary, or the CDP.

Each of the persons shown in the records of Euroclear, Clearstream and/or the CDP and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Note Certificate (each an “**Accountholder**”) must look solely to Euroclear, Clearstream and/or the CDP and/or such other relevant clearing system (as the case may be) for such Accountholder’s share of each payment made by the Issuer or the Guarantor to the holder of such Global Note or Global Note Certificate and in relation to all other rights arising under such Global Note or Global Note Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Global Note or Global Note Certificate will be determined by the respective rules and procedures of Euroclear and Clearstream, the CDP and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Note Certificate, Accountholders shall have no claim directly against the Issuer or the Guarantor in respect of payments due under the Notes and such obligations of the Issuer and the Guarantor will be discharged by payment to the holder of such Global Note or Global Note Certificate.

Transfers of Interests in Global Notes and Global Note Certificates

Transfers of interests in Global Notes and Global Note Certificates within Euroclear, Clearstream, the CDP or any other relevant clearing system will be in accordance with their respective rules and operating procedures. None of the Issuer, the Guarantor, the Trustee, the Registrar, the Dealers or the Agents will have any responsibility or liability for any aspect of the records of any Euroclear, Clearstream, the CDP or any other relevant clearing system or any of their respective participants relating to payments made on account of beneficial ownership interests in a Global Note or Global Note Certificate or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream, the CDP or any other relevant clearing system or the records of their respective participants relating to such beneficial ownership interests.

The laws of some states of the United States require that certain persons receive individual certificates in respect of their holdings of Notes. Consequently, the ability to transfer interests in a Global Note Certificate to such persons will be limited. Because clearing systems only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note Certificate to pledge such interest to persons or entities which do not participate in the relevant clearing systems, or otherwise take actions in respect of such interest, may be affected by the lack of an Individual Note Certificate representing such interest.

On or after the issue date for any Series, transfers of Notes of such Series between accountholders in Euroclear and/or Clearstream and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Although Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Note Certificates among participants and accountholders of Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Guarantor, the Trustee, the Registrar, the Dealers or the Agents will have any responsibility for the performance by Euroclear or Clearstream or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their respective operations.

While a Global Note Certificate is lodged with Euroclear, Clearstream, the CDP or any relevant clearing system, Individual Note Certificates for the relevant Series of Notes will not be eligible for clearing and settlement through such clearing systems.

Conditions applicable to Global Notes

Each Global Note and Global Note Certificate will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note or Global Note Certificate. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note or Global Note Certificate which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Note Certificate to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that the payment is noted in a schedule thereto.

Payment Business Day: in the case of a Global Note or a Global Note Certificate, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Payment Record Date: Each payment in respect of a Global Note Certificate will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the “**Record Date**”) where “**Clearing System Business Day**” means a day on which each clearing system for which the Global Note Certificate is being held is open for business.

Exercise of put option: In order to exercise the option contained in Condition 9(e) (*Redemption at the option of Noteholders*), Condition 9(f) (*Change of Control Put*) or Condition 9(g) (*Redemption at the Option of the Noteholders upon Cessation or Suspension of Trading of Shares*) the bearer of a Permanent Global Note or the holder of a Global Note Certificate must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 9(e) (*Redemption at the option of the Issuer*), Condition 9(f) (*Change of Control Put*) or Condition 9(g) (*Redemption at the Option of the Noteholders upon Cessation or Suspension of Trading of Shares*) in relation to some only of the Notes, the Permanent Global Note or Global Note Certificate may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and/or Clearstream and/or the CDP (to be reflected in the records of Euroclear and/or Clearstream and/or the CDP as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held (i) on behalf of Euroclear or Clearstream, or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by these Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate; and (ii) by CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in the list of Noteholders provided by CDP. Any such notice will be deemed to have been given at 5:00 pm on the day the relevant clearing system receives such notice.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Pricing Supplement, will be endorsed on each Note in definitive form issued under the Programme. To the extent permitted by applicable law and/or regulation, the Pricing Supplement in respect of any Tranche of Notes may supplement, amend or replace any information in this Offering Circular.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “Form of the Notes — Summary of Provisions Relating to the Notes while in Global Form” above.

1. Introduction

- (a) *Programme:* Oxley MTN Pte. Ltd. (the “**Issuer**”) has established a Guaranteed Euro Medium Term Note Programme (the “**Programme**”) for the issuance of up to U.S.\$1,000,000,000 in aggregate principal amount of notes (the “**Notes**”) guaranteed by Oxley Holdings Limited (the “**Guarantor**”).
- (b) *Pricing Supplement:* Notes issued under the Programme are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of a pricing supplement (the “**Pricing Supplement**”) which supplements these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as supplemented, amended and/or replaced by the relevant Pricing Supplement. In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement shall prevail.
- (c) *Trust Deed:* The Notes are constituted by, are subject to, and have the benefit of, a trust deed dated 7 April 2017 (as amended or supplemented from time to time, the “**Trust Deed**”) between the Issuer, the Guarantor and DB International Trust (Singapore) Limited as trustee (the “**Trustee**”, which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed).
- (d) *Agency Agreement:* The Notes are the subject of an agency agreement dated 7 April 2017 (as amended or supplemental from time to time, the “**Agency Agreement**”) between the Issuer, the Guarantor, Deutsche Bank AG, Hong Kong Branch, as principal paying agent (the “**Principal Paying Agent**”, which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), Deutsche Bank AG, Singapore Branch as CDP lodging and paying agent (the “**CDP Lodging and Paying Agent**”, which expression includes any successor CDP lodging and paying agent appointed from time to time in connection with the Notes), Deutsche Bank AG, Hong Kong Branch as registrar (the “**Registrar**”, which expression includes any successor registrar appointed from time to time in connection with the Notes), Deutsche Bank AG, Singapore Branch as CDP registrar (the “**CDP Registrar**”, which expression includes any successor CDP registrar appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent and the CDP Lodging and Paying Agent, the “**Paying Agents**”, which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar and the CDP Registrar, the “**Transfer Agents**”, which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes) and the Trustee. In these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the “**Agents**” shall, with respect to a Series of Notes to be cleared through CDP (as defined below), be deemed to be references to the CDP Lodging and Paying Agent and all such references shall be construed accordingly; all references to the “**Registrar**” shall, with respect to a Series of Notes to be cleared through CDP, be deemed to be references to the CDP Registrar and all references shall be construed accordingly; and references to the “**Agents**” are to the Paying Agents and the Transfer Agents and any reference to an “**Agent**” is to any one of them.

- (e) *The Notes*: The Notes may be issued in bearer form (“**Bearer Notes**”), or in registered form (“**Registered Notes**”). All subsequent references in these Conditions to “Notes” are to the Notes which are the subject of the relevant Pricing Supplement. Copies of the relevant Pricing Supplement are available for viewing during normal business hours at the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below. In the case of Notes cleared through CDP, the Noteholders are entitled to the benefit of a deed of covenant entered into with CDP (the “**CDP Deed of Covenant**”) dated 7 April 2017.
- (f) *Summaries*: Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions. Noteholders (as defined below) and the holders of the related interest coupons, if any, (the “**Couponholders**” and the “**Coupons**”, respectively) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Copies of the Trust Deed and the Agency Agreement are available (upon reasonable advance notice to be given to the Trustee) for inspection by Noteholders during normal business hours at the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.

2. Interpretation

- (a) *Definitions*: In these Conditions the following expressions have the following meanings:

“**Accrual Yield**” has the meaning given in the relevant Pricing Supplement;

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Pricing Supplement;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Pricing Supplement;

“**Affiliate**” means, with respect to any Person, any other Person (a) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person, or (b) who is a director or officer of such Person or any Subsidiary of such Person or of any Person referred to in clause (a) of this definition. For purposes of this definition, “**control**” (including, with correlative meanings, the terms “**controlling**”, “**controlled by**” and “**under common control with**”), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise;

“**Board of Directors**” means the board of directors elected or appointed by the stockholders of the Guarantor or a Subsidiary of the Guarantor, as the case may be, to manage the business of the Guarantor or such Subsidiary of the Guarantor, as the case may be, and any committee of such board duly authorised to take the action purported to be taken by such committee;

“**Board Resolution**” means any resolution of any Board of Directors taking an action which it is authorised to take and adopted at a meeting duly called and held at which a quorum of disinterested members (if so required) was present and acting throughout or adopted by written resolution executed by every member of such Board of Directors;

“**Business Day**” means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and

- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

“Business Day Convention”, in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **“Following Business Day Convention”** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **“Modified Following Business Day Convention”** or **“Modified Business Day Convention”** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) **“Preceding Business Day Convention”** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **“FRN Convention”, “Floating Rate Convention”** or **“Eurodollar Convention”** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **“No Adjustment”** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“Calculation Agent” means the calculation agent appointed by the Issuer in respect of a Series of Notes pursuant to the terms of the Agency Agreement or such other Person specified in the relevant Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Pricing Supplement;

“Calculation Amount” has the meaning given in the relevant Pricing Supplement;

“Capital Stock” means, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the date of issue of the first Tranche of Notes or issued thereafter, including, without limitation, all Common Stock and Preferred Stock; **provided that** “Capital Stock” shall not include any perpetual capital securities, subordinated capital securities or other similar instruments (or portions thereof) that are classified as equity under SFRS;

“CDP” means The Central Depository (Pte) Limited;

“Change of Control” means the occurrence of one or more of the following events:

- (a) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Guarantor and its Subsidiaries, taken as a whole, to any Person other than a Permitted Holder;
- (b) the Permitted Holders are the beneficial owners of less than 51.0% of the total voting power of the Voting Stock of the Guarantor; or
- (c) the adoption of a plan relating to the liquidation or dissolution of the Guarantor;

“Common Stock” means, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person’s common stock or ordinary shares, whether or not outstanding on the date of issue of the first Tranche of Notes, and include, without limitation, all series and classes of such common stock or ordinary shares;

“Consolidated EBITDA” means, for any Test Period, the total consolidated profit of the Group for that Test Period:

- (a) before taking into account Consolidated Interest Expense, tax, any gains or losses arising from a revaluation of any asset, and extraordinary and exceptional items; and
- (b) after adding back all amounts provided for depreciation expense and amortisation expense for that Test Period;

“Consolidated Interest Expense” means, in relation to any Test Period, the aggregate amount of interest accrued, paid or payable (including any capitalised interest and commissions paid or payable) by the Group during that Test Period;

“Consolidated Tangible Net Worth” means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with SFRS, equal to the aggregate of:

- (a) the amount paid up or credited as paid up on the issued share capital of the Guarantor; and
- (b) the amounts standing to the credit of the capital and revenue reserves (including profit and loss account) of the Group on a consolidated basis,

all as shown in the then latest audited consolidated balance sheet of the Group but after:

- (i) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraph (b) above of the Group since the date of the latest audited consolidated balance sheet of the Group;

- (ii) excluding any sums set aside for future taxation; and

deducting:

- (iii) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group;
- (iv) all goodwill and other intangible assets; and
- (v) any debit balances on the then latest consolidated profit and loss account;

“Consolidated Total Assets” means, at any particular time, the consolidated amount of the book values of all the assets of the Group, determined as assets in accordance with SFRS;

“Consolidated Total Borrowings” means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with SFRS, equal to the aggregate of:

- (a) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months;
- (b) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;
- (c) the liabilities of the Issuer under the Notes;
- (d) all other Financial Indebtedness whatsoever of the Group; and
- (e) any redeemable preference shares issued by any member of the Group and which is regarded by SFRS as debt or other liability of the Group;

“Coupon Sheet” means, in respect of a Note, a coupon sheet relating to the Note;

“Day Count Fraction” means, in respect of the calculation of an amount for any period of time (the **“Calculation Period”**), such day count fraction as may be specified in these Conditions or the relevant Pricing Supplement and:

- (a) if **“Actual/Actual (ICMA)”** is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

- (b) if “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30”;

- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and if “**30E/360 (ISDA)**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

“**Default**” means any event that is, or after notice or passage of time or both would be, an Event of Default;

“**Depository Agreement**” means the application form dated 7 April 2017 signed by the Issuer and accepted by CDP together with the terms and conditions for the provision of depository services by CDP referred to therein as may be supplemented, amended or modified from time to time pursuant to any applicable notification form;

“**Dollar Equivalent**” means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Monetary Authority of Singapore (or its successor) on the date of determination;

“**Early Redemption Amount (Change of Control)**” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

“Early Redemption Amount (Tax)” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

“Early Redemption Amount (Trading Suspension)” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

“Early Redemption Amount (Tax)” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

“Early Termination Amount” means, in respect of any Note, its principal amount or such other amount as may be specified in these Conditions or the relevant Pricing Supplement;

“Electronic Consents” has the meaning given in Condition 17(b) (*Written Resolutions and Electronic Consents*);

“EURIBOR” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor);

“Extraordinary Resolution” has the meaning given in the Trust Deed;

“Final Redemption Amount” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

“Financial Indebtedness” means, with respect to any Person at any date of determination (without duplication):

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with SFRS, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (g) any Treasury Transaction (and, when calculating the value of any Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);

- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (i) any amount raised by the issue of redeemable shares;
- (j) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into this agreement is to raise finance; and
- (k) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above;

“First Interest Payment Date” means the date specified in the relevant Pricing Supplement; **“Fixed Coupon Amount”** has the meaning given in the relevant Pricing Supplement; **“Further Notes”** has the meaning given in Condition 19 (*Further Issues*);

“Group” means the Guarantor and its Subsidiaries;

“guarantee” means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Financial Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Financial Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such Financial Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); **provided that** the term “guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term **“guarantee”** used as a verb has a corresponding meaning;

“Guarantee of the Notes” has the meaning given in Condition 4(b) (*Guarantee of the Notes*);

“Holder”, in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer — Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer — Title to Registered Notes*);

“Interest Amount” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

“Interest Commencement Date” means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Pricing Supplement;

“Interest Determination Date” has the meaning given in the relevant Pricing Supplement;

“Interest Payment Date” means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Pricing Supplement and, if a Business Day Convention is specified in the relevant Pricing Supplement:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“Interest Period” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“ISDA Definitions” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.);

“Issue Date” means the date on which the relevant Tranche of Notes (other than, Further Notes) are originally issued under the Trust Deed;

“Issue Documents” means the Agency Agreement, the CDP Deed of Covenant, the Depository Agreement and the Trust Deed;

“LIBOR” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the London interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic LIBOR rates can be obtained from the designated distributor);

“Margin” has the meaning given in the relevant Pricing Supplement;

“Material Adverse Effect” means, in relation to the Issuer or the Guarantor, as the case may be, a material adverse effect (a) on the Issuer’s or the Guarantor’s, as the case may be, financial condition, business, properties, assets or results of operations or on the consolidated financial condition, business, properties, assets or results of operations of the Group; or (b) on the Issuer’s or the Guarantor’s, or as the case may be, ability to perform or comply with any of its payment or other material obligations under any of the Issue Documents;

“Maturity Date” has the meaning given in the relevant Pricing Supplement;

“Maximum Redemption Amount” has the meaning given in the relevant Pricing Supplement;

“Minimum Redemption Amount” has the meaning given in the relevant Pricing Supplement;

“Noteholder” means the Person in whose name a Note is registered in the Note register;

“Offering Circular” means the offering circular dated 7 April 2017 relating to the issue of the Notes;

“Officer” means the Chief Executive Officer, the Deputy Chief Executive Officer, the Financial Controller or any managing director of the Issuer or the Guarantor (as the case may be);

“Officers’ Certificate” means a certificate signed by two Officers;

“Optional Redemption Amount (Call)” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

“Optional Redemption Amount (Put)” means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Pricing Supplement;

“Optional Redemption Date (Call)” has the meaning given in the relevant Pricing Supplement;

“Optional Redemption Date (Put)” has the meaning given in the relevant Pricing Supplement;

“Participating Member State” means a Member State of the European Union which adopts the euro as its lawful currency in accordance with the Treaty;

“Payment Business Day” means:

- (a) if the currency of payment is euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

“Permitted Business” means any business conducted or proposed to be conducted (as described in the Offering Circular) by the Guarantor and its Subsidiaries and associates on the date of issue of the first Tranche of Notes and other businesses reasonably related or ancillary thereto;

“Permitted Holders” means:

- (a) Mr Ching Chiat Kwong, his spouse and/or any of his relatives within the third degree of consanguinity;
- (b) Mr Low See Ching, his spouse and/or any of his relatives within the third degree of consanguinity;
- (c) any Affiliate of the Persons specified in (a) and (b) above; and
- (d) any Person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are more than 51.0% owned, whether individually or collectively, by the Person and/or Persons specified in clauses (a) or (b) above.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof;

“Preferred Stock” as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over any other class of Capital Stock of such Person;

“Principal Financial Centre” means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and

- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

“Principal Subsidiary” means any Subsidiary of the Guarantor:

- (a) whose total assets, as shown by the accounts of such Subsidiary (consolidated in the case of a corporation which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the total assets of the Group as shown by such audited consolidated accounts; or
- (b) whose consolidated profits before tax, as shown by the accounts of such Subsidiary (consolidated in the case of a corporation which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 10 per cent. of the consolidated profits before tax of the Group as shown by such audited consolidated accounts,

provided that if any such subsidiary (the **“transferor”**) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Subsidiary or the Guarantor (the **“transferee”**) then:

- (i) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to become a Principal Subsidiary and the transferee (unless it is the Guarantor) shall thereupon become a Principal Subsidiary; and
- (ii) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (other than the Guarantor) shall thereupon become a Principal Subsidiary.

Any Subsidiary which becomes a Principal Subsidiary by virtue of (i) above or which remains or becomes a Principal Subsidiary by virtue of (ii) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the total assets or, as the case may be, the consolidated profits before tax as shown by the accounts of such Subsidiary (consolidated in the case of a corporation which itself has Subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 10 per cent. of the total assets or, as the case may be, the consolidated profits before tax of the Group, as shown by such audited consolidated accounts. A report by the Auditors (as defined in the Trust Deed), who shall also be responsible for producing any *pro forma* accounts required for the above purposes, that in their opinion a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive;

“Put Option Notice” means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“Rate of Interest” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Pricing Supplement;

“Redemption Amount” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Pricing Supplement;

“Reference Banks” has the meaning given in the relevant Pricing Supplement or, if none, four major banks selected by the Issuer in the market that is most closely connected with the Reference Rate;

“Reference Price” has the meaning given in the relevant Pricing Supplement;

“Reference Rate” means EURIBOR or LIBOR as specified in the relevant Pricing Supplement in respect of the currency and period specified in the relevant Pricing Supplement;

“Regular Period” means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **“Regular Date”** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **“Regular Date”** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“Relevant Date” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

“Relevant Financial Centre” has the meaning given in the relevant Pricing Supplement;

“Relevant Screen Page” means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“Relevant Time” has the meaning given in the relevant Pricing Supplement;

“Reserved Matter” means any proposal:

- (a) to modify the due date for any payment in respect of the Notes;
- (b) to reduce or cancel the amount of principal or premium payable in respect of the Notes or to reduce or cancel the interest (including default interest, if applicable) on the Notes or to vary the method of calculating the Rate of Interest or to reduce the initial Rate of Interest;
- (c) to change the currency of payment of the Notes;
- (d) to modify the provisions concerning the quorum required at any meeting of the Holders or the majority required to pass an Extraordinary Resolution, sign a Written Resolution or provide Electronic Consents;

- (e) to modify or cancel any Guarantee of the Notes; or
- (f) amend, change or modify any provision of the Trust Deed or the Notes or the related definition affecting the ranking of any Notes, or the ranking of any Guarantee of the Notes;

“Security Interest” means any mortgage, charge, pledge, lien, right of set-off or other security interest or encumbrance or other preferential arrangement of any kind in respect of such property, asset, including, without limitation, the right of a vendor, lessor or similar party under any conditional sales agreement, capital lease or other title retention agreement relating to such property or asset, any other right or arrangement with any creditor to have its claims satisfied out of any property or assets, or the proceeds therefrom, prior to any general creditor of the owner thereof;

“SFRS” means Singapore Financial Reporting Standards and Interpretations of Financial Reporting Standards issued by the Accounting Standards Council and in effect from time to time (and any successor standards thereto). All ratios and computations contained or referred to in these Conditions shall be computed in conformity with SFRS applied on a consistent basis;

“SGX-ST” means the Singapore Exchange Securities Trading Limited;

“Shareholders’ Equity” means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with SFRS, equal to the aggregate of:

- (a) the amount paid up or credited as paid up on the issued share capital of the Guarantor; and
- (b) the amounts standing to the credit of the capital and revenue reserves (including the profit and loss account) of the Group on a consolidated basis,

all as shown in the then latest audited or, as the case may be, unaudited consolidated balance sheet of the Group but after:

- (i) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraph (b) above of the Group since the date of the latest audited consolidated balance sheet of the Group; and
- (ii) excluding any sums set aside for future taxation;

“Specified Currency” has the meaning given in the relevant Pricing Supplement;

“Specified Denomination(s)” has the meaning given in the relevant Pricing Supplement;

“Specified Office” has the meaning given in the Agency Agreement;

“Specified Period” has the meaning given in the relevant Pricing Supplement;

“Stated Maturity” means, (a) with respect to any Financial Indebtedness, the date specified in such debt security as the fixed date on which the final instalment of principal of such Financial Indebtedness is due and payable as set forth in the documentation governing such Financial Indebtedness and (b) with respect to any scheduled instalment of principal of or interest on any Financial Indebtedness, the date specified as the fixed date on which such instalment is due and payable as set forth in the documentation governing such Financial Indebtedness;

“Subsidiary” has the meaning given in section 5 of the Companies Act, Chapter 50 of Singapore, and

“Subsidiaries” has a corresponding meaning;

“**Talon**” means a talon for further Coupons;

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;

“**Test Period**” means each period of three months ending on the last day of each quarter of each of the financial years of the Guarantor;

“**Treaty**” means the Treaty on the Functioning of the European Union, as amended;

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price;

“**Voting Stock**” means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person;

“**Written Resolution**” has the meaning given in Condition 17(b) (*Written Resolutions and Electronic Consents*); and

“**Zero Coupon Note**” means a Note specified as such in the relevant Pricing Supplement.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being “outstanding” shall be construed in accordance with the Trust Deed;
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes; and
- (viii) any reference to the Trust Deed or the Agency Agreement shall be construed as a reference to the Trust Deed or the Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes.

3. Form, Denomination, Title and Transfer

- (a) *Bearer Notes:* Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Pricing Supplement, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.
- (b) *Title to Bearer Notes:* Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, “**Holder**” means the holder of such Bearer Note and “**Noteholder**” and “**Couponholder**” shall be construed accordingly.
- (c) *Registered Notes:* Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Pricing Supplement and higher integral multiples of a smaller amount specified in the relevant Pricing Supplement.
- (d) *Title to Registered Notes:* The Registrar will maintain the register in accordance with the provisions of the Agency Agreement. A certificate (each, a “**Note Certificate**”) will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, “**Holder**” means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and “**Noteholder**” shall be construed accordingly.
- (e) *Ownership:* The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.
- (f) *Transfers of Registered Notes:* Subject to paragraphs (i) (*Closed periods*) and (j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.
- (g) *Registration and delivery of Note Certificates:* Within seven business days of the surrender of a Note Certificate in accordance with paragraph (f) (*Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, “**business day**” means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

- (h) *No charge*: The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (i) *Closed periods*: Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.
- (j) *Regulations concerning transfers and registration*: All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

4. **Status of the Notes and Guarantee of the Notes**

- (a) *Status of the Notes*: The Notes constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
- (b) *Parent Guarantee of the Notes*: The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes (the “**Guarantee of the Notes**”). This Guarantee of the Notes constitutes direct, general and unconditional obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. **Covenants**

- (a) *Negative Pledge*
 - (i) So long as any Note remains outstanding, the Issuer shall not create or permit to subsist any Security Interest upon the whole or any part of its present or future undertakings, assets, properties or revenues (including uncalled capital) to secure any Financial Indebtedness without (A) at the same time or prior thereto securing the Notes equally and rateably therewith to the satisfaction of the Trustee or (B) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.
 - (ii) So long as any Note remains outstanding, the Guarantor shall not create or permit to subsist any Security Interest upon the whole or any part of its present or future undertakings, assets, properties or revenues (including uncalled capital) to secure any Financial Indebtedness without at the same time or prior thereto securing the Notes equally and rateably therewith to the satisfaction of the Trustee, save for:
 - (A) Security Interests arising solely by operation of law (or by an agreement evidencing the same), in either case, in respect of Financial Indebtedness which either (1) has been due for less than 30 days or (2) is being contested by the Guarantor in good faith;
 - (B) any Security Interest existing on the Issue Date over any of the assets of the Guarantor or any of its Principal Subsidiaries and disclosed in writing to the Trustee on or prior to the Issue Date and any Security Interest to be created over such assets in connection with the refinancing of the Financial Indebtedness secured by such existing security **provided that**, in each case, the amount secured by such security may not be increased;

- (C) any Security Interest on or over the assets of the Guarantor or any of its Principal Subsidiaries acquired, renovated, refurbished or developed (the “**Development Assets**”) by it after the Issue Date for the sole purpose of financing the acquisition (including acquisition by way of acquisition of the shares in the company or entity owning (whether directly or indirectly) such assets), renovation, refurbishment or development or any refinancing thereof and, in each case, securing a principal amount not exceeding the cost of such acquisition, renovation, refurbishment or development or the value of such development. For the purposes of this Condition 5(a)(ii)(C), “Security Interest” includes any security on or over all related assets in connection with the Development Assets, including, without limitation, insurances, receivables, contracts and bank accounts established in connection with or in respect of the Development Assets and/or share charges over the entity owning or holding such Development Assets (**provided that** such entity has been established or incorporated solely for the purposes of owning or holding such Development Assets) and/or the entity obtaining such financing or refinancing);
- (D) pledges of goods, the related documents of title and/or other related documents arising or created in the ordinary course of business of the Guarantor or any of its Principal Subsidiaries as security only for indebtedness to a bank or financial institution directly relating to the goods or documents on or over which that pledge exists;
- (E) any Security Interest created on or over the assets of the Guarantor or any of its Principal Subsidiaries for the purpose of securing working capital facilities granted in the ordinary course of business;
- (F) any Security Interest created to secure the performance by it of bids, tenders or the maintenance of performance bonds and/or bank guarantees issued in the ordinary course of its business; and
- (G) such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

(b) *Financial Covenants:*

- (i) For so long as any of the Notes remains outstanding, the Guarantor shall ensure that:
 - (A) its Consolidated Tangible Net Worth shall not at any time be less than S\$500 million; and
 - (B) the ratio of Consolidated Total Borrowings to Consolidated Total Assets does not exceed 0.70:1.
- (ii) For so long as any of the Notes remains outstanding, and in the event that the ratio of Consolidated Total Borrowings to Shareholder’s Equity in respect of any Test Period is equal to or exceeds 3:1, the Guarantor will not declare or pay any dividends or distributions in cash in an amount which is more than 30 per cent. of the Consolidated EBITDA of the Group for that Test Period.

(c) *Provision of Financial Statements and Reports:* So long as any of the Bonds remains outstanding, each of the Issuer and the Guarantor shall send to the Trustee:

- (i) as soon as available and in any event within 150 days after the end of each of their financial years (with effect from the end of the financial year of each of the Guarantor and the Issuer after the date of issue of the first Tranche of Notes), a copy (whether physical or electronic) of its annual report and audited accounts (consolidated in the case of the Guarantor) as at the end of and for that financial year;

- (ii) as soon as available and in any event within 60 days after the end of the first six months of each of their financial years (beginning with the current one), a copy (whether physical or electronic) of their unaudited accounts (consolidated in the case of the Guarantor) as at the end of and for that six month period; and
- (iii) as soon as available and in any event within 45 days after the end of each financial quarter of the Guarantor, a copy (whether physical or electronic) of the Guarantor's unaudited quarterly consolidated accounts as at the end of and for that financial quarter (if any), **provided that** the Guarantor is so required to publish unaudited quarterly consolidated accounts under the listing guidelines of the SGX-ST.

In addition, so long as any of the Notes remains outstanding, each of the Issuer and the Guarantor will provide (A) with each set of financial statements delivered to the Trustee under this Condition 5(c) (*Provision of Financial Statements and Reports*), an Officer's Certificate confirming compliance with their obligations under the Notes and the Trust Deed and confirming compliance with each covenant with respect to the most recent Test Period (and showing in reasonable detail the calculation of the covenant compliance, including the arithmetic computations of each component of the relevant covenant), (B) at any other time within 14 days of the written request of the Trustee, an Officer's Certificate confirming that, as at a date not more than seven days before delivering such Officer's Certificate (the "**certification date**"), there did not exist and had not existed since the certification date of the previous Officer's Certificate (or, in the case of the first Officer's Certificate, the Original Issue Date) any Event of Default or any Default (or if such exists or existed specifying the same), and (C) as soon as possible and in any event within 14 days after the Issuer or the Guarantor, as the case may be, becomes aware or should reasonably become aware of the occurrence of an Event of Default or Default, an Officer's Certificate setting forth the details of the Event of Default or Default and the action which the Issuer or the Guarantor, as the case may be, proposes to take with respect thereto.

(d) *Non-Disposal:*

- (i) *Issuer:* So long as any of the Notes remains outstanding, the Issuer will not, and will ensure that none of its Subsidiaries will (whether in a single transaction or a number of related or unrelated transactions and whether at one time or over a period of time), sell, transfer, lease out, lend or otherwise dispose of (whether outright, by a sale-and-repurchase or sale-and-leaseback arrangement, or otherwise) any part of its assets which, either alone or when aggregated with all other disposals required to be taken into account under this Condition 5(d)(i), is substantial in relation to its assets, or those of itself and its subsidiaries, taken as a whole or the disposal of which (either alone or when so aggregated) could have a Material Adverse Effect, **provided that** any disposal approved by the Noteholders by way of an Extraordinary Resolution shall not be taken into account for the purposes of this Condition 5(d)(i);
- (ii) *Guarantor:* So long as any of the Notes remain outstanding, the Guarantor will not, and will ensure that none of its Principal Subsidiaries will (whether by a single transaction or a number of related or unrelated transactions and whether at one time or over a period of time), sell, transfer, lease out, lend or otherwise dispose of (whether outright, by a sale-and-repurchase or sale-and-leaseback arrangement, or otherwise) any part of its assets which, either alone or when aggregated with all other disposals required to be taken into account under this Condition 5(d)(ii), either (i) exceeds 25 per cent. of the net assets of the Guarantor and its Subsidiaries taken as a whole or (ii) could have a Material Adverse Effect on the Issuer or the Guarantor, **provided that** the following disposals shall not be taken into account for the purposes of this Condition 5(d)(ii):
 - (A) disposals in the ordinary course of business on arm's length and normal commercial terms (including, without limitation, disposals of any of the Group's properties and/or the sale of the shares of any entity owning such properties);

- (B) disposals of assets of the Guarantor or any Principal Subsidiary where the proceeds of such disposal are applied by the Guarantor or such Principal Subsidiary to refinance existing Financial Indebtedness, make capital expenditures or purchase assets which are to be used in the Permitted Business;
 - (C) any disposal of its assets in connection with the listing of securities on a stock exchange of any real estate investment trust or business trust, property fund or entity, on an arm's length basis and on normal commercial terms and as permitted by applicable laws and regulations, **provided that** the Guarantor shall at all times thereafter own beneficially (directly or indirectly) more than 50 per cent. of the interest, units or shares, as the case may be, in the issued share capital for the time being of such real estate investment trust or business trust, property fund or entity; and
 - (D) any disposal approved by way of an Extraordinary Resolution of Noteholders.
- (e) *Limitation on the Issuer's and the Guarantor's Business Activities:*
- (i) The Issuer will not engage in any business activity or undertake any other activity, except any activity (A) relating to the incurrence of Financial Indebtedness, lending the proceeds thereof to the Guarantor under the terms of intercompany loans and any other activities in connection therewith, (B) undertaken with the purpose of fulfilling any obligations under the Notes, the Trust Deed, the Agency Agreement or any other agreements related to the incurrence of Financial Indebtedness or (C) directly related to the establishment and/or maintenance of the Issuer's corporate existence.
 - (ii) The Guarantor will not, and will not permit any of its Subsidiaries to, directly or indirectly, engage in any business other than a Permitted Business; **provided that** nothing in this Condition 5(e) shall prevent the Guarantor or any of its Subsidiaries from entering into or undertaking any new businesses which are not reasonably likely to have a Material Adverse Effect or constitute a substantial departure from the Permitted Business.

6. Fixed Rate Note Provisions

- (a) *Application:* This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments — Bearer Notes*) and Condition 11 (*Payments — Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (e) *Notes accruing interest otherwise than a Fixed Coupon Amount:* This Condition 6(e) shall apply to Notes which are Fixed Rate Notes only where the Pricing Supplement for such Notes specify that the Interest Payment Dates are subject to adjustment in accordance with the Business Day Convention specified therein. The relevant amount of interest payable in respect of each Note for any Interest Period for such Notes shall be calculated by the Calculation Agent by multiplying the product of the Rate of Interest and the Calculation Amount by the relevant Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). The Calculation Agent shall cause the relevant amount of interest and the relevant Interest Payment Date to be notified to the Issuer, the Paying Agents, the Registrar (in the case of Registered Notes) and the Noteholders in accordance with Condition 20 (*Notices*) and, if the Notes are listed on a stock exchange and the rules of such exchange so requires, such exchange as soon as possible after their determination or calculation but in no event later than the fourth Business day thereafter or, if earlier in the case of notification to the stock exchange, the time required by the rules of the relevant stock exchange.

7. Floating Rate Note Provisions

- (a) *Application:* This Condition 7 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments — Bearer Notes*) and Condition 11 (*Payments — Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:
 - (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
 - (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (iii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:

(A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and

(B) determine the arithmetic mean of such quotations; and

(iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) *ISDA Determination:* If ISDA Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “**ISDA Rate**” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the “**ISDA Definitions**”) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option (as defined in the “**ISDA Definitions**”) is as specified in the relevant Pricing Supplement;

(ii) the Designated Maturity (as defined in the “**ISDA Definitions**”) is a period specified in the relevant Pricing Supplement; and

(iii) the relevant Reset Date (as defined in the “**ISDA Definitions**”) is either (A) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Pricing Supplement.

(e) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(f) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

- (g) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Paying Agents or the Trustee and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (h) *Notifications etc*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8. Zero Coupon Note Provisions

- (a) *Application*: This Condition 8 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Pricing Supplement as being applicable.
- (b) *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
 - (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. Redemption and Purchase

- (a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 (*Payments — Bearer Notes*) and Condition 11 (*Payments — Registered Notes*).
- (b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part:
 - (i) at any time (unless the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable); or

- (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Pricing Supplement, (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

- (A) (1) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes, and (2) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or
- (B) (1) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) or has or will become obliged to make any such withholding or deduction as is referred to in Condition 12 (*Taxation*) from any amount paid by it to the Issuer in order to enable the Issuer to make a payment of principal or interest in respect of the Notes, in either case as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes, and (2) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days (or such other period as may be specified in the relevant Pricing Supplement) prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts or the Guarantor would be obliged to make such withholding or deduction if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days (or such other period as may be specified in the relevant Pricing Supplement) prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts or the Guarantor would be obliged to make such withholding or deduction if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Trustee (1) an Officers' Certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal, tax or any other professional advisers of recognised standing to the effect that the Issuer or (as the case may be) the Guarantor has or will become obliged to pay such additional amounts or (as the case may be) the Guarantor has or will become obliged to make such withholding or deduction as a result of such change or amendment.

The Trustee shall be entitled to accept and rely upon such certificate and opinion (without further investigation or enquiry) as sufficient evidence of the satisfaction of the circumstances set out above, in which event they shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 9(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b).

- (c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Pricing Supplement as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Pricing Supplement, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Pricing Supplement (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

If the Optional Redemption Amount (Call) specified in the relevant Pricing Supplement is the **"Make-Whole Redemption Amount"**, the Optional Redemption Amount (Call) will be the higher of:

- (i) the principal amount of the Notes; and
- (ii) the product of the principal amount of the Notes and the price, expressed as a percentage of the principal amount of the Notes (rounded to four decimal places with 0.00005 being rounded upwards), at which the then current yield on the Notes on the Reference Date would be equal to the current yield (determined by reference to the middle market price) at the Reference Time on the Reference Date of the relevant Benchmark Security plus the Make-Whole Margin, as determined by the Calculation Agent,

provided however that, if the Optional Redemption Date occurs on or after the Par Redemption Date (if specified in the relevant Pricing Supplement), the Make-Whole Redemption Amount will be the principal amount of the Notes.

The **"Benchmark Security"**, the **"Reference Time"**, the **"Make-Whole Margin"** and the **"Par Redemption Date"** will be specified in the relevant Pricing Supplement.

The **"Reference Date"** means the date which is the third London Business Day prior to the date fixed for redemption.

- (d) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer*), in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place as the Issuer determines and in such manner as the Issuer approves, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 9(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Pricing Supplement, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

- (e) *Redemption at the option of Noteholders:* If this Condition 9(e) is specified as applicable in the relevant Pricing Supplement, the Issuer shall, at the option of the Holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 9(e), the Holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant Pricing Supplement), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 9(e), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(e), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes.
- (f) *Change of Control Put Option:* If this Condition 9(f) is specified as applicable in the relevant Pricing Supplement, (the “**Change of Control Put**”), then if at any time while any Note remains outstanding, there occurs a Change of Control (such Change of Control not having been cured within seven days of such occurrence, a “**Change of Control Put Event**”), each Noteholder will have the option (the “**Change of Control Put Option**”) (unless, prior to the giving of the Change of Control Put Event Notice (as defined below), the Issuer gives notice to redeem the Notes under Condition 9(b) or 9(c)) to require the Issuer to redeem all or part of its Notes on the Optional Redemption Date (as defined below) at their Early Redemption Amount (Change of Control) together with interest accrued to, but excluding, the Optional Redemption Date.

Promptly upon the Issuer or the Guarantor, as the case may be, becoming aware that a Change of Control Put Event has occurred, the Issuer or the Guarantor, as the case may be, shall notify the Trustee and give notice (a “**Change of Control Put Event Notice**”) to the Noteholders in accordance with Condition 20 (*Notices*) specifying the nature of the Change of Control Put Event and the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Condition 9(f).

To exercise the Change of Control Put Option, a Noteholder must transfer or cause to be transferred its Notes to be so redeemed or purchased to the account of the Principal Paying Agent specified in the Change of Control Put Option Notice (as defined below) for the account of the Issuer within the period (the “**Change of Control Put Period**”) of 45 days after a Change of Control Put Event Notice is given together with a duly signed and completed notice of exercise in the then current form obtainable from the Principal Paying Agent (a “**Change of Control Put Option Notice**”) and in which the Noteholder may specify a bank account to which payment is to be made under this Condition 9(f).

A Change of Control Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the Principal Paying Agent for the account of the Issuer as described above by the date which is the fifth Business Day following the end of the Change of Control Put Period (the “**Optional Redemption Date**”). Payment in respect of such Notes will be made on the Optional Redemption Date by transfer to the bank account specified in the Change of Control Put Option Notice.

For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Noteholder may incur as a result of or in connection with such Noteholder's exercise or purported exercise of, or otherwise in connection with, any Change of Control Put Option (whether as a result of any purchase or redemption arising therefrom or otherwise).

- (g) *Redemption at the Option of the Noteholders upon Cessation or Suspension of Trading of Shares:* If this Condition 9(g) is specified as applicable in the relevant Pricing Supplement, then if at any time while any Note remains outstanding, (i) the shares of the Guarantor cease to be traded on the SGX-ST (as defined in the Trust Deed) or (ii) trading in the shares of the Guarantor on the SGX-ST is suspended for a continuous period of more than seven days (other than by reason of holiday, statutory or otherwise) (a "**Trading Suspension Put Event**"), each Noteholder will have the option (the "**Trading Suspension Put Option**") (unless, prior to the giving of the Trading Suspension Put Notice (as defined below), the Issuer gives notice to redeem the Notes under Condition 9(b) or 9(c)) to require the Issuer to redeem all or part of its Notes on the Optional Redemption Date (as defined below) their Early Redemption Amount (Trading Suspension) together with interest accrued to, but excluding, the Optional Redemption Date.

Promptly upon the Issuer or the Guarantor, as the case may be, becoming aware that a Trading Suspension Put Event has occurred, the Issuer or the Guarantor, as the case may be, shall notify the Trustee and give notice (a "**Trading Suspension Put Event Notice**") to the Noteholders in accordance with Condition 20 (*Notices*) specifying the nature of the Change of Control Put Event and the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Condition 9(g).

To exercise the Trading Suspension Put Option, a Noteholder must transfer or cause to be transferred its Notes to be so redeemed or purchased to the account of the Principal Paying Agent specified in the Trading Suspension Put Option Notice (as defined below) for the account of the Issuer within the period (the "**Trading Suspension Put Period**") of 45 days after a Trading Suspension Put Option Notice is given together with a duly signed and completed notice of exercise in the then current form obtainable from the Principal Paying Agent (a "**Trading Suspension Put Option Notice**") and in which the Noteholder may specify a bank account to which payment is to be made under this Condition 9(g).

So long as the Notes are represented by a Global Note or a Global Note Certificate and such Global Note or Global Certificate is held on behalf of the clearing systems, any pro rata reduction in the principal amount of Notes to be redeemed upon automatic redemption in accordance with Condition 9 (Redemption and Purchase) will be effected by way of a reduction in the face value of the Notes within the relevant clearing system(s) in accordance with the rules of the relevant clearing system(s).

- (h) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (g) above.
- (i) *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Pricing Supplement, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
- (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Pricing Supplement for the purposes of this Condition 9(i) or, if none is so specified, a Day Count Fraction of 30E/360.

- (j) *Purchase:* The Issuer, the Guarantor or any of the Guarantor's Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons are purchased therewith.
- (k) *Cancellation:* All Notes so redeemed or purchased by the Issuer, the Guarantor or any of the Guarantor's Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

10. **Payments — Bearer Notes**

This Condition 10 is only applicable to Bearer Notes.

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 12 (*Taxation*)) any law implementing an intergovernmental approach thereto.
- (e) No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (f) *Deductions for unmatured Coupons:* If the relevant Pricing Supplement specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:
 - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (g) *Unmatured Coupons void*: If the relevant Pricing Supplement specifies that this Condition 10(g) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 9(b) (*Redemption for tax reasons*), Condition 9(e) (*Redemption at the option of Noteholders*), Condition 9(c) (*Redemption at the option of the Issuer*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (h) *Payments on business days*: If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (i) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (j) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (k) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

11. Payments — Registered Notes

This Condition 11 is only applicable to Registered Notes.

- (a) *Principal:* Payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (b) *Interest:* Payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (c) *Payments subject to fiscal laws:* All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 12 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (d) *Payments on business days:* Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 11 arriving after the due date for payment or being lost in the mail.
- (e) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (f) *Record date:* Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

- (g) So long as the Global Note Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Note Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

12. Taxation

- (a) *Gross up:* All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Singapore or any political subdivision therein or any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer or (as the case may be) the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon for any tax, duty, assessment or other governmental charge that would not have been imposed:
- (i) but for any present or former connection between such Noteholder or Couponholder and the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed (other than the mere holding of the Note or Coupon); or
 - (ii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.
- (b) *Taxing jurisdiction:* If the Issuer or the Guarantor becomes subject at any time to any taxing jurisdiction other than Singapore, references in these Conditions to Singapore shall be construed as references to Singapore and/or such other jurisdiction.

13. Events of Default

If any of the following events occurs, then the Trustee at its discretion may (but shall not be obliged to) and, if so requested in writing by Holders of at least 25 per cent. of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or pre-funded and/or provided with security to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Termination Amount together with accrued and unpaid interest (if any) without further action or formality:

- (a) *Non-payment:* the Issuer fails to pay any amount of principal in respect of the Notes on the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within three days of the due date for payment thereof, in each case, at the place at and in the currency in which it is expressed to be payable; or
- (b) *Breach of other obligations:* the Issuer or the Guarantor defaults in the performance or observance of any of their respective other obligations under or in respect of the Notes or the Issue Documents and such default (i) is incapable of remedy or (ii) being a default which is capable of remedy, remains unremedied for 21 days after the Trustee has given written notice thereof to the Issuer and the Guarantor of a notice requiring the same to be remedied; or

(c) *Cross-default of Issuer, the Guarantor or a Principal Subsidiary:*

- (i) any Financial Indebtedness of the Issuer, the Guarantor or a Principal Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period;
- (ii) any such Financial Indebtedness becomes (or becomes capable of being declared) due and payable prior to its Stated Maturity otherwise than at the option of the Issuer, the Guarantor or any Principal Subsidiary or (**provided that** no event of default, howsoever described, has occurred) any Person entitled to such Financial Indebtedness; or
- (iii) the Issuer, the Guarantor or any Principal Subsidiary fails to pay when due any amount payable by it under any guarantee of any Financial Indebtedness,

provided that no Event of Default will occur under paragraphs (c)(i), (c)(ii) or (c)(iii) above if the aggregate amount of the Financial Indebtedness or guarantee of Financial Indebtedness falling within paragraphs (c)(i), (c)(ii) or (c)(iii) above is less than S\$15 million;

- (d) *Execution:* a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the property, assets or revenues of the Issuer, the Guarantor or any of the Principal Subsidiaries and is not discharged or stayed within 30 days;
- (e) *Security enforced:* a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor or any Principal Subsidiary; or
- (f) *Insolvency etc:* (i) the Issuer, the Guarantor any Principal Subsidiary becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer, the Guarantor or any Principal Subsidiary or the whole or any part of the undertaking, assets and revenues of the Issuer, the Guarantor or any Principal Subsidiary, (iii) the Issuer, the Guarantor or any Principal Subsidiary takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Financial Indebtedness or any guarantee of any Financial Indebtedness given by it or (iv) the Issuer, the Guarantor or any Principal Subsidiary ceases or threatens to cease to carry on all or any substantial part of its business (otherwise than, in the case of a Principal Subsidiary, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or
- (g) *Winding up etc:* an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, the Guarantor or any Principal Subsidiary (otherwise than, in the case of a Principal Subsidiary, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or
- (h) *Analogous event:* any event occurs which under the laws of Singapore has an analogous effect to any of the events referred to in paragraphs (d) to (g) above; or
- (i) *Failure to take action etc:* any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under and in respect of the Notes or the Issue documents, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Notes, the Coupons and the Issue Documents admissible in evidence in the courts of Singapore is not taken, fulfilled or done; or
- (j) *Unlawfulness:* it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any of its obligations under or in respect of the Notes or the Issue Documents; or

- (k) *Representation, warranty or statement*: any representation, warranty or statement by the Issuer or the Guarantor in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and, if that default is capable of remedy, it is not remedied within 21 days of the giving by the Trustee to the Issuer or the Guarantor Guarantors (as the case may be) of a notice of such non-compliance or incorrect representation, warranty or statement and requiring the circumstances resulting in such non-compliance or incorrectness to be remedied;
- (l) *Cessation of business*: the Issuer or the Guarantor ceases or threatens to cease to carry on all or any material part of its business; or
- (m) *Litigation*: any litigation, arbitration or administrative proceeding against the Issuer, the Guarantor or any Principal Subsidiary is current or pending (other than those of a frivolous or vexatious nature and which are discharged within 30 days) (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer or the Guarantor under any of the Issue Documents or any of the Notes or (ii) which has or could have a material adverse effect on the Issuer, the Guarantor or any Principal Subsidiary;
- (n) *Guarantees of the Notes not in force*: the Guarantee of the Notes is not (or is claimed by the Guarantor not to be) in full force and effect; or
- (o) *Government intervention*: (A) all or any substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor any Principal Subsidiary is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or (B) the Issuer, the Guarantor or any Principal Subsidiary is prevented by any such Person from exercising normal control over all or any substantial part of its undertaking, assets and revenues; or
- (p) *Declared company*: the Issuer, the Guarantor or any Principal Subsidiary is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore.

14. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

15. **Replacement of Notes and Coupons**

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

16. **Trustee and Agents**

Under the Trust Deed, the Trustee is entitled to be indemnified, and provided with security and/or pre-funded and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity relating to the Issuer and the Guarantor without accounting for any profit.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence for individual Holders of Notes as a result of such Holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and the Guarantor and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Pricing Supplement. The Issuer and the Guarantor reserve the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor principle paying agent or registrar or Calculation Agent and additional or successor paying agents; **provided, however, that:**

- (i) the Issuer and the Guarantor shall at all times maintain a principle paying agent and a registrar; and
- (ii) the Issuer and the Guarantor shall at all times maintain a CDP Lodging and Paying Agent in relation to Notes accepted for clearance through CDP; and
- (iii) if a Calculation Agent is specified in the relevant Pricing Supplement, the Issuer and the Guarantor shall at all times maintain a Calculation Agent; and
- (iv) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer and the Guarantor shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

The names of the initial Agents and their initial specified offices are set out on the inside back cover of this Offering Circular.

17. **Meetings of Noteholders; Modification and Waiver; Substitution**

- (a) *Meetings of Noteholders:* The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions, the Trust Deed or the Agency Agreement. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and the Guarantor (acting together) or by the Trustee and shall be convened by the Trustee subject to it being first indemnified, provided with security or pre-funded to its satisfaction upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or

more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

(b) Written Resolutions and Electronic Consent:

(i) The Trust Deed provides that:

- (A) a written resolution signed by or on behalf of the Holders of not less than 75 per cent. of the aggregate principal amount of a Series of Notes then outstanding who for the time being are entitled to receive notice of a meeting (such a resolution in writing (a “**Written Resolution**”) may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders); or
- (B) where the Notes are held by or on behalf of a clearing system or clearing systems, approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the Holders of not less than 75 per cent. of the aggregate principal amount of a Series of Notes then outstanding (an “**Electronic Consent**”),

shall, in each case for all purposes, be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

- (ii) A Written Resolution and/or Electronic Consent will be binding on all Noteholders whether or not they participated in such Written Resolution and/or Electronic Consent, as the case may be.

(c) *Modification and waiver:* The Trustee may, without the consent of the Noteholders, agree to any modification of these Conditions, the Trust Deed or the Agency Agreement (in each case, other than in respect of a Reserved Matter) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders and to any modification of the Notes, the Trust Deed or the Agency Agreement which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes or the Trust Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Any such authorisation, waiver or modification shall be binding on the Noteholders and unless the Trustee agrees otherwise, any such authorisation, waiver or modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 20 (*Notices*).

(d) *Substitution:* The Trust Deed contains provisions under which the Guarantor or any other company may, without the consent of the Noteholders, assume the obligations of the Issuer as principal debtor under the Trust Deed and the Notes **provided that** certain conditions specified in the Trust Deed are fulfilled, including, in the case of a substitution of the Issuer by a company other than the Guarantor, a requirement that the Guarantee of the Notes is fully effective in relation to the obligations of the new principal debtor under the Trust Deed and the Notes.

- (e) *Direction from Noteholders:* Notwithstanding anything to the contrary in these Conditions, the Trust Deed or the Agency Agreement, whenever the Trustee is required or entitled by the terms of these Conditions, the Trust Deed or the Agency Agreement to exercise any discretion or power, take any action, make any decision or give any direction or certification, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction or certification, to seek directions from the Noteholders by way of an Extraordinary Resolution and shall have been indemnified, provided with security and/or pre-funded to its satisfaction against all action, proceedings, claims and demands to which it may be or become liable and all costs, charges, damages, expenses (including legal expenses) and liabilities which may be incurred by it in connection therewith, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction or certification where the Trustee is seeking such directions.

18. Enforcement

The Trustee may at any time, at its discretion and without notice, institute such proceedings as it thinks fit to enforce its rights under the Trust Deed or the Agency Agreement in respect of the Notes, but it shall not be bound to do so unless:

- (i) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and
- (ii) it has been indemnified and/or provided with security and/or pre-funded to its satisfaction.

No Noteholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

19. Further Issues

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes (“**Further Notes**”) having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. The Issuer may from time to time, with the consent of the Trustee, create and issue other series of notes having the benefit of the Trust Deed.

20. Notices

- (a) *Bearer Notes:* Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in a daily newspaper of general circulation in Singapore (which is expected to be the *The Business Times*), or if such publication is not practicable, in a leading English language daily newspaper having general circulation in Asia (which is expected to be the *The Wall Street Journal, Asian Edition*). Any such notice shall be deemed to have been given on the date of first publication (or if published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.
- (b) *Registered Notes:* Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

So long as the Notes are represented by a Global Note or a Global Note Certificate and such Global Note or Global Note Certificate is held (i) on behalf of Euroclear or Clearstream, or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by these Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Note Certificate; (ii) by CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in the list of Noteholders provided by CDP. Any such notice will be deemed to have been given at 5:00 pm on the day the relevant clearing system receives such notice.

21. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the “**first currency**”) in which the same is payable under these Conditions or such order or judgment into another currency (the “**second currency**”) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Paying Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

22. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Pricing Supplement), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

23. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and the Trust Deed and all non-contractual obligations arising out of or in connection with the Notes and the Trust Deed are governed by English law.
- (b) *Jurisdiction:* Each of the Issuer and the Guarantor has in the Trust Deed agreed that the courts of England shall have exclusive jurisdiction to settle any dispute (a “**Dispute**”) arising out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with them) or the consequences of their nullity.
- (c) *Appropriate forum:* Each of the Issuer and the Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

- (d) *Rights of the Noteholders to take proceedings outside England:* Condition 23(b) (*Jurisdiction*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 23 prevents any Noteholder from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) *Process agent:* Each of the Issuer and the Guarantor agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Law Debenture Corporate Services Limited at Fifth Floor, 100 Wood Street, London EC2V 7EX, United Kingdom. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer or the Guarantor, as the case may be, the Issuer or the Guarantor, as the case may be, shall, on the written demand of any Noteholder addressed and delivered to the Issuer or the Guarantor, as the case may be, or to the Specified Office of the Trustee appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer or the Guarantor, as the case may be, and delivered to the Issuer or the Guarantor, as the case may be, or to the Specified Office of the Trustee. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

FORM OF PRICING SUPPLEMENT

The Pricing Supplement in respect of each Tranche of the Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue.

[MIFID II PRODUCT GOVERNANCE/TARGET MARKET — [appropriate target market legend to be included]

[EU MiFID II product governance/Professional investors and ECPs only target market — Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**EU MiFID II**") [EU MiFID II]; or (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market.] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance/Professional investors and ECPs only target market — Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[Singapore Securities and Futures Act Product Classification — Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**SF (CMP) Regulations**"))].

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS] — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

Pricing Supplement dated [●]

Oxley MTN Pte. Ltd.

**Issue of [Aggregate Nominal Amount of Series] [Title of Notes]
under the U.S.\$1,000,000,000 Medium Term Note Programme Guaranteed by**

Oxley Holdings Limited

The document constitutes the Pricing Supplement relating to the issue of the Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular dated 3 February 2023. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular [and the supplemental Offering Circular dated [date]].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date:

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [date]], save in respect of the Conditions which are extracted from the Offering Circular dated 3 February 2023 and are attached hereto.]

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”) except in certain transactions exempt from the registration requirements of the Securities Act.

[Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 (the “ITA”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

1. (i) Issuer: Oxley MTN Pte. Ltd.
- (ii) Guarantor: Oxley Holdings Limited
- (iii) Legal Entity Identifier: The Issuer: 254900D8BR1KM9UW7S27
2. [(i) Series Number:] [●]
- [(ii) Tranche Number:] [●]
- [(iii) Date on which the Notes become fungible:] [Not Applicable]/[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the *[identify earlier tranches of Notes]* on [[●]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below [which is expected to occur on or about [●]].]
3. Specified Currency or Currencies: [●]
4. Aggregate Nominal Amount: [●]
- [(i) Series:] [●]
- [(ii) Tranche:] [●]
5. (i) Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
- (ii) Net Proceeds [●] [(*Required only for listed issues*)]
6. (i) Specified Denominations^{2,3}: [●]
- (ii) Calculation Amount: [●]
7. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [*Specify/Issue Date/Not Applicable*]

² Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year and must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

³ If the specified denomination is expressed to be EUR100,000 or its equivalent and multiples of a lower principal amount (for example EUR1,000), insert the additional wording as follows: EUR100,000 and integral multiples of [EUR1,000] in excess thereof up to and including [EUR199,000]. No Notes in definitive form will be issued with a denomination above [EUR199,000]. In relation to any issue of the Notes which are a “Global Note exchangeable for Definitive Notes” in circumstances other than “in the limited circumstances specified in the Global Notes”, such Notes may only be issued in denominations equal to, or greater than, EUR100,000 (or equivalent) and multiples thereof.

8. Maturity Date: *[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*
- [If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom, or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of £100, 000 (or its equivalent in other currencies) and be sold only to “professional investors” or (ii) another applicable exemption from section 19 of the FSMA must be available.]*
9. Interest Basis: ☐ per cent. Fixed Rate]
- [Specify reference rate] +/- ☐ per cent. Floating Rate]*
- ☐ Zero Coupon]
- ☐ Other (*Specify*)
- (further particulars specified below)*
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at ☐/[100]] per cent. of their nominal amount.
- ☐ Other (*Specify*)
11. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of the Notes into another interest or redemption/payment basis]*
- ☐ Not Applicable]
12. Put/Call Options/Change of Control Put/Trading Suspension Put Option:
- ☐ Investor Put]
- ☐ Issuer Call]
- ☐ Change of Control Put]
- ☐ Trading Suspension Put Option]
- [(further particulars specified below)]*
- ☐ Not Applicable]
13. (i) ☐ [Date ☐ Board] approval for issuance of Notes [and Guarantee of the Notes] ☐ [respectively]] obtained
- ☐ ☐ [and ☐, respectively]
- (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee of the Notes)*

- (ii) [Specify/Issue Date/Not Applicable] [Date regulatory approval(s) for issuance of Notes obtained] [describe approval obtained] from [identify relevant regulator] dated [●]
[Other (Specify)]
14. Listing: [Singapore Exchange Securities Trading Limited/Other (specify)/None]
15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/other]
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
17. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s): [●]
- (ii) Specified Period: [●]
- (Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert “Not Applicable”)*

- (iii) Specified Interest Payment Dates: [●]
(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert “Not Applicable”)
- (iv) First Interest Payment Date: [●]
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Floating Rate Convention/Euroclear Convention/other (give details)] [Not Applicable]
- (vi) Additional Business Centre(s): [Not Applicable/give details]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent): *[[Name] shall be the Calculation Agent (no need to specify if the Principal Paying Agent is to perform this function)]*
- (ix) Screen Rate Determination:
- Reference Rate: *[For example, LIBOR, EURIBOR or CNH HIBOR]*
 - Interest Determination Date(s): [●]
 - Relevant Screen Page: *[For example, Reuters LIBOR 01/EURIBOR 01]*
 - Relevant Time: *[For example, 11.00 a.m. London time/Brussels time]*
 - Relevant Financial Centre: *[For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)]*
- (x) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
 - [ISDA Definitions] [2006]
- (xi) Margin(s): [+/-][●] per cent. per annum

- (xii) Minimum Rate of Interest: ☐ per cent. per annum
- (xiii) Maximum Rate of Interest: ☐ per cent. per annum
- (xiv) Day Count Fraction: ☐
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: ☐
18. **Zero Coupon Note Provisions** ☐ [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) [Amortisation/Accrual] Yield: ☐ per cent. per annum
- (ii) Reference Price: ☐
- (iii) Day Count Fraction in relation to Early Redemption Amount: ☐ [30/360/Actual/Actual (ICMA/ISDA)/other]
- (iv) Any other formula/basis of determining amount payable: ☐ [Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition 9(h)]

PROVISIONS RELATING TO REDEMPTION

19. **Call Option** ☐ [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): ☐
- (ii) Optional Redemption Amount (Call) of each Note and method, if any, of calculation of such amount(s): ☐ per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: ☐ per Calculation Amount
- (b) Maximum Redemption Amount: ☐ per Calculation Amount
- (iv) Notice period⁴: ☐/[As specified in the Conditions]

⁴ If the notice period is not as specified in the current Terms and Conditions, the required notice period for exercise of the Call Option is a minimum of five business days.

20.	Change of Control Put	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
	[(i) Early Redemption Amount (Change of Control Put) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount]
	[(ii) Put Period:	[●]]
	[(iii) Put Date:	[●]]
21.	Trading Suspension Put Option	[Applicable/Not Applicable]
	[(i) Early Redemption Amount (Trading Suspension) of each Note and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount]
	[(ii) Put Period:	[●]]
	[(iii) Put Date:	[●]]
22.	Put Option	[Applicable/Not Applicable]
	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount (Put) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Notice period ⁵ :	[●]/[As specified in the Conditions]
23.	Final Redemption Amount	[●] per Calculation Amount
24.	Early Redemption Amount	[Not Applicable]
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, on Change of Control Put Event, Trading Suspension Put Event or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	<i>(If each of the Early Redemption Amount (Tax), Early Redemption Amount (Change of Control), Early Redemption Amount (Trading Suspension) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax), Early Redemption Amount (Change of Control), Early Redemption Amount (Trading Suspension Put) and/or the Early Termination Amount if different from the principal amount of the Notes)]</i>

⁵ If the notice period is not as specified in the current Terms and Conditions, the required notice period for exercise of the Put Option is a minimum of 15 business days.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. **Form of the Notes:** Bearer Notes:⁶
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [●] days' notice /in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]
- [Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/in the limited circumstances specified in the Permanent Global Note]
- Registered Notes:**
- [Global Note Certificate exchangeable for Individual Note Certificate on [●] days' notice/in the limited circumstances described in the Global Note Certificate]
26. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/*give details*]
- Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraph 1 7(vi) relates]
27. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [No/Yes. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]
28. Consolidation provisions: The provisions in Condition 19 (Further Issues)] [annexed to this Pricing Supplement] apply]
29. Any applicable currency disruption/fallback provisions: [Not Applicable/*give details*]
30. Other terms or special conditions [Not Applicable/*give details*]

DISTRIBUTION

31. (i) If syndicated, names of Managers: [Not Applicable/*give names*]
- (ii) Stabilisation Manager(s) (if any): [Not Applicable/*give name*]
32. If non-syndicated, name and address of Dealer: [Not Applicable/*give name and address*]
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount

⁶ Bearer Notes issued in compliance with the D Rules must initially be represented by a Temporary Global Note.

34. U.S. Selling Restrictions: Reg. S Category [1/2]
(In the case of Bearer Notes) – [C RULES/D RULES/TEFRA not applicable]
35. Prohibition of Sales to EEA Investors: [Applicable/Not Applicable]
36. Prohibition of Sales to UK Investors: [Applicable/Not Applicable]
37. Additional selling restrictions: [Not Applicable/give details]

OPERATIONAL INFORMATION

38. ISIN Code: [●]
39. Common Code: [●]
40. Any clearing system(s) other than Euroclear/Clearstream and CDP and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
41. Delivery: Delivery [against/free of] payment
42. Additional Paying Agent(s) (if any): [●]

GENERAL

43. Private Bank Rebate/Commission: [Applicable/Not Applicable]
[(To be included if a PB rebate is paid) In addition, the Issuer has agreed with the Joint Lead Managers that it will pay a commission to certain private banks in connection with the distribution of the Notes to their clients. This commission will be based on the principal amount of the Notes so distributed, and may be deducted from the purchase price for the Notes payable by such private banks upon settlement.]
44. Hong Kong SFC Code of Conduct
- (i) Rebates [A rebate of [●] bps is being offered by the Issuer to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMI otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.]/[Not Applicable]

- (ii) Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: *[Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent — OCs to provide]/[Not Applicable]*
- (iii) Marketing and Investor Targeting Strategy *[if different from the programme OC]*
45. The aggregate principal amount of the Notes issued has been translated into United States dollars at the rate of [●], producing a sum of (for Notes not denominated in United States dollars): *[Not Applicable/U.S.\$W]*
46. [Ratings: The Notes to be issued [have been/are expected to be] rated:
[[●]: [●]];
[[●]: [●]]; [and]
(each a “**Rating Agency**”).
- If any Rating Agency shall not make a rating of the Notes publicly available, the Issuer shall select and substitute them with [●] or [●] and its successors.]

[USE OF PROCEEDS]

Give details if different from the “**Use of Proceeds**” section in the Offering Circular.]

[STABILISATION]

In connection with this issue of the Notes, [name(s) of Stabilisation Manager] (the “**Stabilisation Manager**”) (or persons acting on behalf of any Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date. However, there is no obligation on such Stabilisation Manager(s) to do this. Such stabilisation, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilisation shall be in compliance with all applicable laws, regulations and rules.]

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) of the Notes described herein pursuant to the U.S.\$1,000,000,000 Guaranteed Medium Term Note Programme of the Issuer.

RESPONSIBILITY

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Pricing Supplement. The admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantor or the U.S.\$1,000,000,000 Guaranteed Medium Term Note Programme of the Issuer or the Notes.

The Issuer and the Guarantor each accepts responsibility for the information contained in this Pricing Supplement.

SIGNED on behalf of **OXLEY MTN PTE. LTD.:** **SIGNED** on behalf of **OXLEY HOLDINGS LIMITED:**

By: _____

By: _____

Duly authorised

Duly authorised

Name: _____

Name: _____

Title: _____

Title: _____

USE OF PROCEEDS

The net proceeds from each issue of the Notes under the Programme are presently intended to be used for the general corporate purposes (including the refinancing of borrowings) and working capital and capital expenditure requirements of the Group, its joint venture entities and its associated entities. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables present selected consolidated financial information for the Group and should be read in conjunction with the auditors' audit and review reports and with the Group's consolidated financial statements and notes thereto contained in this Offering Circular. The selected historical consolidated statements of financial position as of 30 June 2020, 2021 and 2022 and selected historical consolidated statement of profit or loss and other comprehensive income and cash flows data for the years ended 30 June 2020, 2021 and 2022 set forth below have been derived from the 2021 Audited Financial Statements and the 2022 Audited Financial Statements, including the notes thereto, included elsewhere in this Offering Circular. The selected historical consolidated statements of financial position as of 31 December 2022, and selected historical consolidated statements of profit or loss and other comprehensive income and cash flows data for the six months ended 31 December 2021 and 2022 have been derived from the Group's 1H2023 Reviewed Financial Statements, as reviewed by RSM in accordance with Singapore Standard on Review Engagements, SSRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity and included elsewhere in this Offering Circular. Unless otherwise stated, the Group has presented its consolidated financial statements for annual and interim periods in accordance with SFRS(I). The information below is not necessarily indicative of the results of future operations.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the years ended 30 June			For the six months ended 31 December	
	2020	2021	2022	2021	2022
	Audited			Unaudited	
	S\$ (in thousands)			S\$ (in thousands)	
Continuing operations					
Revenue	1,027,791	1,364,171	925,899	506,375	438,353
Cost of sales	(802,464)	(1,067,676)	(796,265)	(432,763)	(372,567)
Gross profit.	225,327	296,495	129,634	73,612	65,786
Other income	6,378	6,474	3,049	2,180	691
Interest income.	10,292	9,287	12,525	5,977	5,866
Other gains	6,957	39,742	79,367	29,653	16,513
Marketing and distribution costs	(10,225)	(10,302)	(4,164)	(2,422)	(1,706)
Administrative expenses	(48,734)	(38,669)	(38,621)	(14,965)	(16,561)
Other losses	(298,118)	(89,211)	(49,870)	(11,313)	(5,728)
Finance costs	(147,921)	(112,730)	(117,275)	(57,274)	(74,220)
Share of results from joint ventures and associates, net of tax	4,717	8,009	20,322	1,518	13,995
(Loss)/profit before tax	(251,327)	109,095	34,967	26,966	4,636
Income tax expense	(15,491)	(19,590)	(3,768)	(3,547)	(2,430)
(Loss)/profit from continuing operations	(266,818)	89,505	31,199	23,419	2,206
Discontinued operations					
Loss from discontinued operations, net of tax	(8,271)	(39,999)	(23,892)	—	—
Total (loss)/profit for the year/period . .	(275,089)	49,506	7,307	23,419	2,206

	For the years ended 30 June			For the six months ended 31 December	
	2020	2021	2022	2021	2022
	Audited			Unaudited	
	S\$ (in thousands)			S\$ (in thousands)	
Other comprehensive income/(loss):					
<i>Items that will not be reclassified to profit or loss:</i>					
Net fair value gain/(loss) on equity investments measured at FVTOCI	7,099	8,816	(10,032)	(4,459)	(1,013)
(Loss)/gain on revaluation of properties, net of tax	(70,281)	(32,004)	44,634	(5,669)	4,351
	(63,182)	(23,188)	34,602	(10,128)	3,338
<i>Item that may be reclassified subsequently to profit or loss:</i>					
Exchange differences on translation of foreign operations	5,879	14,975	(19,149)	(5,347)	(23,649)
Total other comprehensive (loss)/income, net of tax	(57,303)	(8,213)	15,453	(15,475)	(20,311)
Total comprehensive (loss)/income for the year/period	(332,392)	41,293	22,760	7,944	(18,105)
Total (loss)/profit for the year/period . .	(275,089)	49,506	7,307	23,419	2,206
(Loss)/profit for the year/period attributable to:					
Owners of the Company	(280,612)	13,093	3,224	23,513	277
Non-controlling interests	5,523	36,413	4,083	(94)	1,929
	(275,089)	49,506	7,307	23,419	2,206
(Loss)/profit for the year/period attributable to owners of the Company:					
(Loss)/profit from continuing operations . .	(272,341)	53,092	27,116	23,513	277
Loss from discontinued operations	(8,271)	(39,999)	(23,892)	–	–
	(280,612)	13,093	3,224	23,513	277
Total comprehensive (loss)/income for the year/period attributable to:					
Owners of the Company	(337,846)	4,880	17,465	8,038	(18,552)
Non-controlling interests	5,454	36,413	5,295	(94)	447
	(332,392)	41,293	22,760	7,944	(18,105)
Basic (loss)/earnings per share (cents)					
Continuing operations	(6.51)	1.26	0.64	0.55	0.01
Discontinued operations	(0.20)	(0.95)	(0.56)	–	–
Total	(6.71)	0.31	0.08	0.55	0.01
Diluted (loss)/earnings per share (cents)					
Continuing operations	(6.51)	1.25	0.58	0.55	0.01
Discontinued operations	(0.20)	(0.94)	(0.51)	–	–
Total	(6.71)	0.31	0.07	0.55	0.01

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of 30 June			As of 31 December
	2020	2021	2022	2022
	Audited			Unaudited
	S\$ (in thousands)			S\$ (in thousands)
Assets				
Non-current assets				
Property, plant and equipment	944,555	945,571	953,686	950,291
Investment properties	329,749	324,833	342,922	345,738
Intangible assets	27,182	—	—	—
Investments in joint ventures	50,518	58,822	71,083	82,366
Investments in associates	28,367	23,420	26,677	27,653
Deferred tax assets	24,164	15,391	10,791	6,720
Other financial assets, non-current	14,791	22,695	12,470	7,028
Other receivables, non-current	178,175	188,986	197,359	200,057
Other non-financial assets, non-current	610	264	212	254
Total non-current assets	1,598,111	1,579,982	1,615,200	1,620,107
Current assets				
Assets classified as held for sale	—	—	32,334	31,804
Inventories	1,626	54	27	65
Development properties	2,488,751	1,953,898	1,710,790	1,500,954
Trade and other receivables	629,973	378,895	346,680	359,309
Other non-financial assets, current	44,435	38,049	38,607	21,726
Other financial assets, current	—	—	703	—
Cash and cash equivalents	384,722	215,839	143,874	152,870
Total current assets	3,549,507	2,586,735	2,273,015	2,066,728
Total assets	5,147,618	4,166,717	3,888,215	3,686,835
Equity and liabilities				
Equity				
Share capital	300,700	304,558	305,078	305,078
Treasury shares	(7,638)	(7,638)	(8,063)	(10,284)
Retained earnings	578,045	527,861	520,494	504,946
Other reserves	176,291	175,279	189,520	182,333
Equity attributable to owners of the Company	1,047,398	1,000,060	1,007,029	982,073
Non-controlling interests	18,124	50,096	55,312	50,655
Total equity	1,065,522	1,050,156	1,062,341	1,032,728

	As of 30 June			As of 31 December
	2020	2021	2022	2022
	Audited			Unaudited
	S\$ (in thousands)			S\$ (in thousands)
Non-current liabilities				
Deferred tax liabilities	45,151	42,051	48,291	46,834
Other financial liabilities, non-current	1,266,222	1,725,472	525,330	1,159,017
Other non-financial liabilities, non-current	–	–	107	700
Total non-current liabilities.	1,311,373	1,767,523	573,728	1,206,551
Current liabilities				
Liabilities classified as held for sale	–	–	145	154
Income tax payable.	55,038	46,915	29,785	24,096
Trade and other payables	558,295	489,127	379,926	396,483
Other financial liabilities, current	1,759,633	784,089	1,801,779	1,010,211
Other non-financial liabilities, current	397,757	28,907	40,511	16,612
Total current liabilities	2,770,723	1,349,038	2,252,146	1,447,556
Total liabilities	4,082,096	3,116,561	2,825,874	2,654,107
Total equity and liabilities.	5,147,618	4,166,717	3,888,215	3,686,835

CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION

	For the years ended 30 June			For the six months ended 31 December	
	2020	2021	2022	2021	2022
	Audited			Unaudited	
	S\$ (in thousands)			S\$ (in thousands)	
Net cash flows from operating activities	38,889	623,572	251,940	266,493	195,114
Net cash flows from/(used in) investing activities	650,690	(44,854)	(22,298)	(26,409)	42,709
Net cash flows used in financing activities.	(766,041)	(711,055)	(280,706)	(247,758)	(228,850)
Net (decrease)/increase in cash and cash equivalents	(76,462)	(132,337)	(51,064)	(7,674)	8,973
Cash and cash equivalents, at beginning of the reporting year/period	381,441	305,967	173,396	173,396	122,317
Effects of exchange rate changes on cash and cash equivalents	988	(234)	(15)	(155)	8
Cash and cash equivalents, at end of the reporting year/period	305,967	173,396	122,317	165,567	131,298

THE ISSUER

GENERAL

The Issuer is a private company incorporated with limited liability under the laws of Singapore. The Issuer was incorporated on 7 October 2014. The registered office of the Issuer is located at 138 Robinson Road #30-01 Oxley Tower Singapore 068906 and its telephone number at that address is +65 6438 0202.

BUSINESS ACTIVITY

The principal activities of the Issuer are the provision of financial and treasury services to the Group, and any other activities that the directors of the Issuer may deem fit.

MANAGEMENT

As at the date of this Offering Circular, the directors of the Issuer are as follows:

Name	Business Address
Ching Chiat Kwong	138 Robinson Road #30-01 Oxley Tower Singapore 068906
Low See Ching (Liu Shijin)	138 Robinson Road #30-01 Oxley Tower Singapore 068906

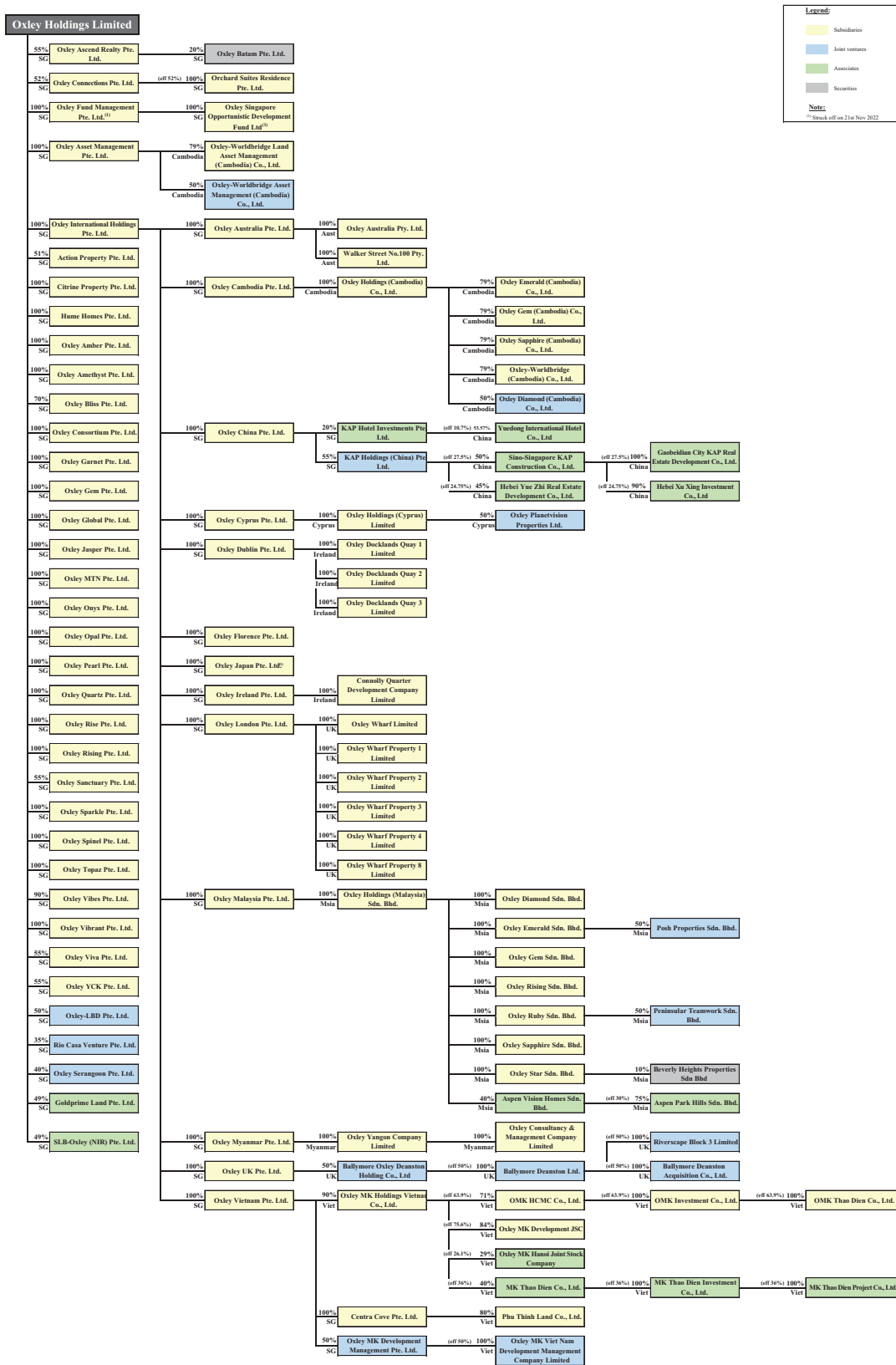
CAPITALISATION

As at the date of this Offering Circular, the issued share capital of the Issuer is S\$7,000,000, comprising 7,000,000 ordinary shares. All the issued ordinary shares in the capital of the Issuer are held by the Company.

GROUP STRUCTURE

The corporate structure of the Group, its joint ventures and its associated companies as at 31 December 2022 is set out below.

Oxley Group Structure As at 31 December 2022



BUSINESS

HISTORY

The Company was incorporated on 16 March 2010 and was formerly known as “Oxley Holdings Pte. Ltd.”, a private company limited by shares, prior to its conversion to a public company limited by shares on 13 October 2010. It was listed on the Catalist Board of the SGX-ST in October 2010 and transferred to the Main Board of the SGX-ST on 21 February 2013.

OVERVIEW

The Company is headquartered and listed in Singapore and is principally engaged in the business of property development, property investment and hospitality, with an overseas presence across various geographical markets, namely the United Kingdom, Ireland, Cyprus, Cambodia, Malaysia and the PRC. The Group specialises in the development of quality residential, commercial, industrial and hospitality projects.

The Group has a successful track record of expanding its business into overseas markets so as to build its geographical network and create a diversified portfolio. Apart from growing the Group’s business in Singapore, the Group has established property development businesses in various countries, including the United Kingdom, Cambodia, Malaysia, Ireland and the PRC since its incorporation in 2010. As at 31 December 2022, the Group has completed 40 property development projects and launched 51 property development projects across various countries, demonstrating its comprehensive execution capabilities.

As at 31 December 2022, the Group has a land bank of approximately 209,000 sq m, both acquired directly and together with its joint venture partners, for future development which includes but is not limited to two upcoming developments in other countries (comprising one in Ireland and one in Malaysia). As at 31 December 2022, the Group also has 11 pipeline property development projects across various countries. As at 31 December 2022, the Group’s ongoing and upcoming property developments and land bank projects in Singapore and other countries have an estimated total gross development value of S\$11.9 billion.

The Group’s investment properties complement the Group’s property development business and as at 31 December 2022, the Group has various investment properties in Singapore such as retail and shop units in The Rise@Oxley and Floravista as well as an industrial space at Space@Tampines. On 29 April 2019, the Company entered into a sale and purchase agreement for the sale of 30 Raffles Place (formerly known as Chevron House). On 30 June 2020, the Group completed the aforementioned sale, which was within the timeline stipulated in the sale and purchase agreement, and sales proceeds have been received in 2022.

As part of the Group’s hospitality business, the Group owns two hotels in Singapore, namely Novotel Singapore on Stevens and Mercure Singapore on Stevens, which commenced operations in October 2017 and December 2017 respectively. As at 31 December 2022, the Group has three hotels under development, namely SO Sofitel Kuala Lumpur Hotel and a to-be-branded five star hotel in Malaysia (which are both expected to commence operations after the completion of the developments in 2024) and Shangri-La Hotel in Phnom Penh, Cambodia (which is expected to complete development in the middle of 2023).

On 21 September 2021, the Group completed the sale of land parcels in Sydney (with book value of S\$60 million) for S\$96.3 million. And on 30 September 2022, the Group completed the sale of land use rights and assets in respect of the land at Thao Dien Ward District 2 (currently Thu Duc City), Ho Chi Minh City in Vietnam for S\$21 million.

Recent developments arising from the coronavirus disease (“COVID-19”) pandemic

The emergence of the COVID-19 pandemic has become one of the biggest disruptors in the global economy, creating uncertainty and placing global economic and social resilience to the test. For countries such as Malaysia, Cambodia, the United Kingdom and Ireland where the Group’s overseas operations are located the initial periods of lockdowns since 2020 had resulted in significant delays in development projects under constructions while the hospitality sector had been adversely affected. In 2022, however, most of these countries began to ease lockdown restrictions and transition towards endemic living with the COVID-19 virus.

Nonetheless, despite the restrictions from the COVID-19 lockdown, the Group completed the construction of and almost fully sold, the projects in London and Dublin. The Group is currently focusing on the Riverscape project (formerly Deanston Wharf) and the Dublin Arch project. Construction of the Riverscape and Dublin Arch projects have commenced, and completion is expected to take place progressively by 2025. As at 31 December 2022, approximately 69 per cent. of the launched private residential units and 100 per cent. of the social affordable residential units at Riverscape have been sold. In Cambodia, construction of the retail and residential/office components of The Peak have been completed since the third quarter of 2020 and the second quarter of 2021 respectively while the construction of the Shangri-La Hotel is ongoing and targeted for completion in the middle of 2023. The construction work for Oxley Towers KLCC is expected to complete progressively from November 2023 to December 2024 and 47 per cent. of the launched units have been sold as at 31 December 2022. The Group also launched a mass-market residential project in Ampang North, Trinity Wellnessa, which received good response with 59 per cent. sold as at 31 December 2022 and completion is expected to take place progressively by 2025.

The gradual easing of lockdown restrictions in other countries in which the Group has operations saw the gradual resumption of construction activities in respect of the Group’s development projects. Since late 2019, the residential development of Dublin Landings has been progressively completed and the last three residential blocks achieved practical completion in June 2021. In Singapore, construction activities have also gradually recovered from the circuit breaker doldrums though the sector is facing escalating costs from manpower shortages and supply chain disruptions that will impact new construction contracts. The Group is managing the construction of its residential projects carefully to minimise further disruption to completion schedules. As at 31 December 2022, all of the Group’s construction sites have remained operational and the Group is targeting to complete all remaining Singapore development projects by 2023.

Project sales have generally remained strong amidst the slowdown due to the COVID- 19 pandemic, mainly due to the strong positioning of the projects and the low interest rate environment at that time. Despite the introduction of more property cooling measures by the Singapore government in 2021 and 2022, the property market fundamentals in Singapore remains largely unchanged and the Group’s exposure to the Singapore residential market is not significant as the projects are 99 per cent. sold and the remaining units are in the mid-mass market segment that are attractive to the first time buyers, least affected by such cooling measures. Buoyed by the tightening supply and strong demand from buyers looking to upgrade and expectations of economic recovery from the ravages of the COVID-19 pandemic, the Group has managed to sell more than 99 per cent. of its local inventory as at 31 December 2022, representing S\$4.9 billion or more than 99 per cent. of the Group’s local development portfolio’s gross development value. As at 31 December 2022, 100 per cent. of the residential units in the Royal Wharf project has been sold. In Cambodia, 90 per cent. of the retail, residential and office components of the Peak project has been sold despite the slowdown in sales due to foreign buyers being restricted from entering Cambodia for viewing. To mitigate the restrictions against foreign buyers from entering Cambodia for viewing, the Group conducted virtual tours. In Malaysia, the sales of the Oxley Towers KLCC project are still ongoing and, as at 31 December 2022, 47 per cent. of the launched residential units in Oxley Towers KLCC has been sold.

Given that the Group has minimal leasing portfolio, the rental reliefs granted to the tenants do not have any material impact on the Group’s financial performance.

Although the hospitality sector has notably borne the brunt of the COVID-19 pandemic, the Group's hotels on Stevens Road have been fully operational and generated positive cash flows from operations. Since March 2020, the Group's 254-room Novotel Singapore on Stevens and 518-room Mercure Singapore on Stevens have been functioning as government quarantine and stay-home notice dedicated facilities. The Group's Novotel and Mercure Hotels on Stevens were released as Stay-Home-Notice Dedicated Facilities and reopened to the public on 7 September 2022. According to the Singapore Tourism Board⁷, Singapore's international visitor arrivals reached 6.3 million in 2022, exceeding its forecast of between 4 to 6 million visitors. Singapore expects the tourism sector to continue its growth momentum in 2023, on the back of increasing flight connectivity and capacity, and China's gradual reopening. International visitor arrivals are expected to reach around 12 to 14 million visitors. The continued recovery of the tourism industry is expected to benefit the Group's two hotels.

FY 2022 was a tough year due to lockdowns and movement restrictions, supply chain disruptions and man-power shortages that negatively impacted the construction industry in Singapore and overseas. The Group recorded revenue from continuing operations of S\$438.4 million in respect of the six month period ended 31 December 2022 ("**1HFY2023**"), a 13 per cent. decrease compared with the revenue from continuing operations of S\$506.4 million recorded in respect of the six month period ended 31 December 2021 ("**1HFY2022**"), mainly due to the absence of a one-time sale of land parcels in Australia in 1HFY2022 of S\$97.1 million, partially offset by higher revenue from the development projects and hotels in Singapore. The Group recorded gross profit from continuing operations of S\$65.8 million for 1HFY2023 which is 11 per cent. lower than the gross profit from continuing operations of S\$73.6 million achieved for 1HFY2022. The Group recorded a pre-tax profit of S\$4.6 million in 1HFY2023, compared to S\$27.0 million in pre-tax profit 1HFY2022. This is primarily due to lower revenue streams coupled with higher finance costs resulting from rising interest rates and lower mark-to-market fair value gain on derivative financial instruments, partially offset by higher share of results from equity-accounted investees in 1HFY2023.

A comparison between the Group's consolidated income statement in respect of 1HFY2023 and 1HFY2022 is set out below:

In S\$ million	First Half Ended		Change
	31-Dec-22 (Unaudited)	31-Dec-21 (Unaudited)	
Revenue	438	506	-13%
Gross Profit	66	74	-11%
Finance Costs	(74)	(57)	30%
Share of results from joint ventures and associates, net of tax [#]	14	2	822%
Profit before tax	5	27	-83%
Total profit for the period	2	23	-91%

Profits for the period have decreased due to lumpy nature of property development – this results in fluctuations over the years as revenue recognition depends on completion progress and timing of sales

Note:

Include contributions from Singapore development projects, mainly Riverfront Residences and Affinity @ Serangoon

⁷ Singapore's tourism sector recovers strongly in 2022, visitor numbers expected to double in 2023, 17 January 2023, <https://www.stb.gov.sg/content/stb/en/media-centre/media-releases/Singapore-tourism-sector-recovers-strongly-in-2022-visitor-numbersexpected-to-double-in-2023.html>

A comparison of the Group's audited consolidated financial position as at 30 June 2022 and the Group's unaudited consolidated financial position as at 31 December 2022 is set out below:

In S\$ million	As at 31-Dec-22 (Unaudited)	As at 30-Jun-22 (Audited)	Change %
Cash & Cash Equivalents	153	144	6% ▲
Development Properties	1,501	1,711	
Total Assets	3,687	3,888	
Total loans and borrowings	2,101	2,256	-7% ▼
Net Borrowings ¹	1,948	2,112	-8% ▼
Total Liabilities	2,654	2,826	-6% ▼
Total Equity	1,033	1,062	
Total Tangible Net Worth (TNW) ²	1,022	1,045	
Gearing Ratio³	1.89x	1.99x	▼
NAV per share (cents)	24.46	25.07	

Notes:

1. Total loans and borrowings less cash and cash equivalents
2. Equity attributable to owners of the Company less deferred tax assets plus deferred tax liabilities
3. Net borrowings / Total equity

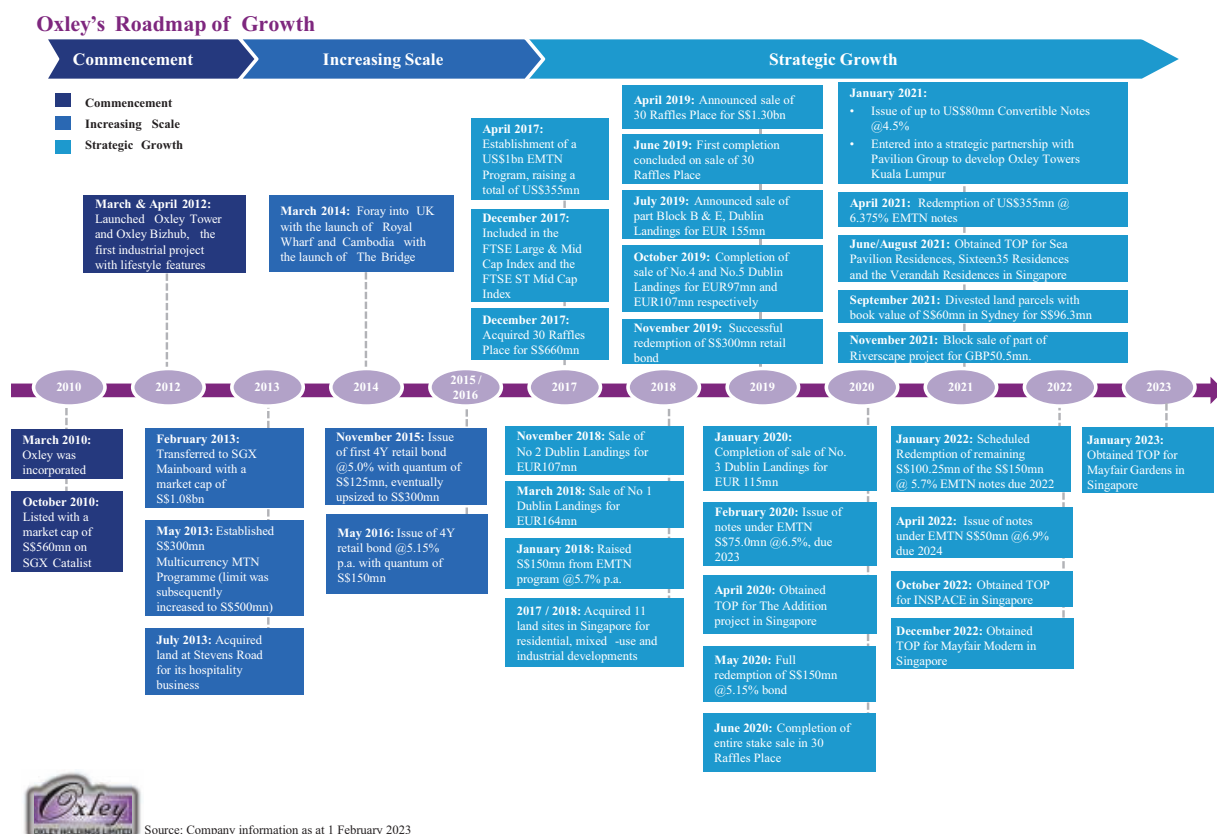
The uncertainties in the global economy and Russia-Ukraine conflict, coupled with rising interest rates have resulted in subdued investments across the globe. This dampens overall economic prospects. The Group sees opportunities but it will take cautious steps and continue to strengthen the Group's financial position with the disposal of non-core assets to focus on the development projects in the developed markets. The Group remains focused on repositioning and growing its business, pushing ahead on the path towards full financial recovery.

Others

As at 31 December 2022, the Company had a market capitalisation of approximately S\$0.6 billion.

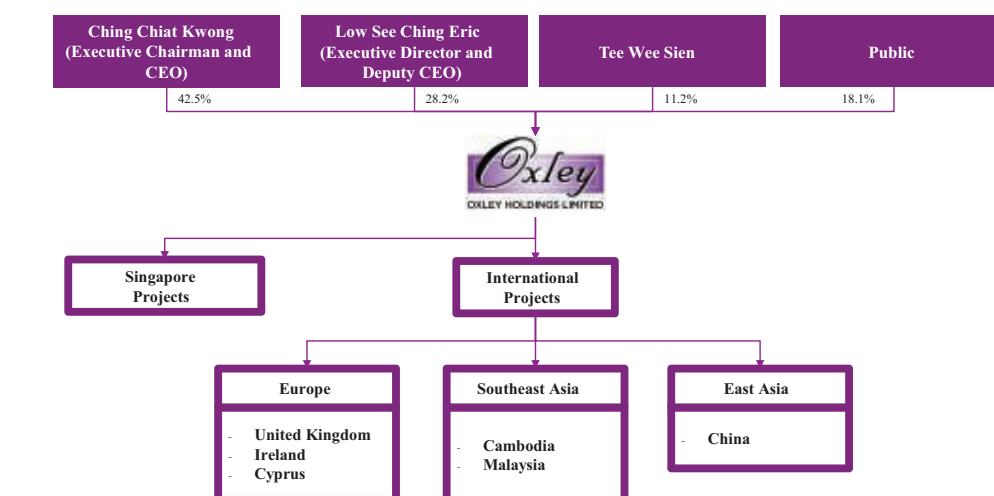
An overview of the Group's key milestones is set out below:

Key Milestones



An overview of the Group's shareholding and corporate structure as at 31 December 2022 is set out below:

Shareholding & Corporate Structure



Source: Company information as at 31 December 2022.

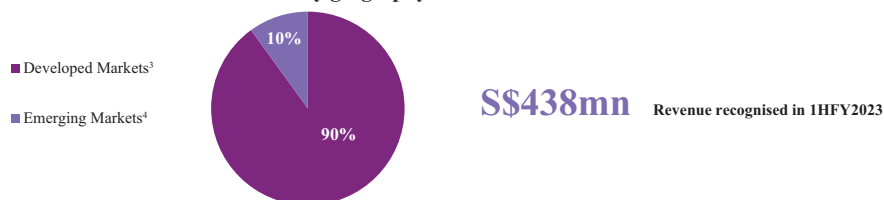
An overview of the Group's gross asset value for the development projects and investment and hotel properties as at 31 December 2022 is set out below:

Oxley Holdings Limited – Who we are



Development Projects		Investment and Hotel Properties	
Singapore	International	Singapore	International
<ul style="list-style-type: none"> • Riverfront Residences • 1953 • Affinity @ Serangoon • Mayfair Gardens • Mayfair Modern • Kent Ridge Hill Residences • The Verandah Residences • The Addition • Sea Pavilion Residences • INSPACE • Sixteen35 Residences • Parkwood Residences 	<ul style="list-style-type: none"> • Royal Wharf in London, UK • Riverscape in London, UK • Dublin Landings in Ireland • Dublin Arch in Ireland • Oxley Towers KLCC in Malaysia • The Peak in Cambodia • The Palms in Cambodia • Sino-Singapore Health City in Gaobeidian, China • Others 	<ul style="list-style-type: none"> • Novotel & Mercure Singapore on Stevens • The Rise @ Oxley • Space @ Tampines • Floravista 	<ul style="list-style-type: none"> • Shangri-La Hotel in Cambodia • SO Sofitel Kuala Lumpur Hotel in Malaysia • Branded 5-Star Hotel in Kuala Lumpur, Malaysia
• GAV: S\$1.1bn ¹	• GAV: S\$3.6bn ¹	• GAV: S\$1.2bn ²	• GAV: S\$0.5bn ²

1HFY2023 revenue contribution by geography



Notes:
1. Gross asset value ("GAV") for development projects calculated as of 3 Jan 2023 based on effective stakes in remaining Gross development value ("GDV") and future progress billings; and effective stake of potential development value of land bank.
2. GAV for investment and hotel properties are calculated based on sum of Oxley's effective stake on valuation of the properties

3. Includes Singapore, United Kingdom and Ireland
4. Includes Cambodia, Malaysia, and others

The following diagrams provide an overview of the Group's development projects launched in Singapore and overseas:

Overview of Oxley's Singapore Development Projects

99% of units sold representing 99% of total GDV

(S\$mn unless otherwise stated)

Project	TOP	Effective Stake (%)	% Sold ¹	Total GDV (A+B)	Units sold	Sales Secured (A)	Remaining GDV (B)	Future Progress Billings (Eff. Stake)	Remaining GDV (Eff. Stake)
On-going									
Affinity @Serangoon	2Q23	40%	100 %	1,305	1,057 / 1,057	1,305	-	249	-
1953	1Q23	100%	98 %	114	71/72	111	3	19	3
Kent Ridge Hill Residences	1Q23	100%	100 %	815	548/548	815	-	393	-
Mayfair Gardens	1Q23	100%	99 %	326	214/215	323	3	129	3
Parkwood Residences	1Q23	100%	100 %	30	18/18	30	-	13	-
Riverfront Residences	1Q23	35%	100 %	1,525	1,478 / 1,478	1,525	-	243	-
Sub-total				4,115	3,386 / 3,388	4,109	6	1,046	6
Completed									
Mayfair Modern	TOP-ed	100%	100 %	272	171/171	272	-	45	-
INSPACE	TOP-ed	49 %	100 %	147	84/84	147	-	-	-
Sea Pavilion Residences	TOP-ed	100%	100%	33	24/24	33	-	-	-
Sixteen35 Residences	TOP-ed	100%	100 %	56	60/60	56	-	-	-
The Addition	TOP-ed	100%	100%	37	26/26	37	-	-	-
The Verandah Residence	TOP-ed	100%	100 %	249	170/170	249	-	-	-
Total				4,909	3,921 / 3,923	4,903	6	1,091	6
Total effective future revenues due to Oxley of ~S\$1.1bn (effective future progress billings ~S\$1.1bn)									



Source: Company Information as of 3 Jan 2023 except for progress billings which is as of 31 Dec 2022
1. Sales secured (A) / Total GDV (A+B)

Overview of Oxley's Overseas Development Projects (launched)

81% sales achieved in terms of revenue

(S\$mn unless otherwise stated)

Project	Country	TOP	Effective Stake (%)	% Sold ¹	Total GDV (A+B)	Sales Secured (A)	Remaining GDV (B)	Future Progress Billings (Eff. Stake)	Remaining GDV (Eff. Stake)
Riverscape	UK	2024	50%	43%	682	333	349	119	174
The Peak	Cambodia	2023	79%	91%	692	627	65	4	51
Oxley Towers KLCC	Malaysia	2024	100%	20%	880	213	667	103	667
Trinity Wellnessa	Malaysia	2025	45%	67%	90	62	28	23	13
Sino-Singapore Health City	China	TBA	27.5%	6%	214 ²	14	200	4	55
Sino-Singapore Health City	China	TOP -ed	27.5%	76%	136 ³	106	30	26	8
Royal Wharf	UK	TOP -ed	100%	100%	2,765	2,765	-	-	-
Dublin Landings	Ireland	TOP -ed	84% / 79.5%	99%	1,141	1,134	7	-	6
The Palms	Cambodia	TOP -ed	79%	76%	118	90	28	43	22
The Bridge	Cambodia	TOP -ed	50%	94%	547	512	35	1	17
Sub -total					7,265	5,856	1,409	323	1,013
Total effective future revenues due to Oxley of ~S\$1.3bn (effective future progress billings ~S\$0.3bn and remaining GDV of ~S\$1.0bn)									



Source: Company Information as of 3 Jan 2023 except for progress billings which is as of 31 Dec 2022

1. Sales secured (A) / Total GDV (A+B)
2. Phase 2 of stage 1 development – Residential
3. Phase 1 of stage 1 development – Residential

Overview of Oxley's Overseas Development Projects (launched)

Sales Milestone – Overseas since year 2018

(S\$mm unless otherwise stated)

Project	Country	Sales milestone, Units sold %	Revenue
Royal Wharf	UK	100%	563
Riverscape	UK	50%	333
Dublin Landings (Office and Residential)	Ireland	100%	1,134
The Peak (Retail) The Peak (Residential) The Peak (Office)	Cambodia	882 / 1,125 (78%) 1,012 / 1,014 (99%) 250 / 250 (100%)	627
The Palms	Cambodia	166 / 220 (75%)	90
Oxley Towers KLCC - Residential Phase 1 - Residential Phase 2 - Residential - Office	Malaysia	200 / 200 (100%) 78 / 390 (20%) 4 / 267 (1%) 1 / 25 (4%)	213
Trinity Wellnessa	Malaysia	272 / 463 (59%)	62
Sub -total			3,022
Total sales attained = S\$3.0bn			



Source: Company Information as of 3 Jan 2023

The following diagram provides an overview of the Group's key pipeline projects:

Overview of Oxley's Key Pipeline Projects

(S\$mm unless otherwise stated)

Project	Country	Effective Stake (%)	GDV ¹
Dublin Arch	Ireland	90%	1,400
Riverscape	UK	50%	682 ²
Oxley Towers KLCC	Malaysia	100%	880 ³
Section 16	Malaysia	40%	268
Trinity Wellnessa / Trinity Enlivea	Malaysia	45%	244 ²
Potential total GDV ¹			3,474



Source: Company Information

1. Based on current projections and subject to planning approval & modification
2. Launched for sale in late 2021
3. Includes residences, office and retail components. SO Sofitel Residences and the office units have been launched for sale

COMPETITIVE STRENGTHS

Full suite property developer with mainly developed markets exposure, proven track record and strong brand recognition

Since its incorporation, the Group has established a track record of successfully executing on plans and supported by local execution capabilities. As at 31 December 2022, the Group has completed 40 property development projects and launched 51 property development projects across various countries, demonstrating its comprehensive execution capabilities. As at 31 December 2022, the Group has a land bank of approximately 209,000 sq m, both acquired directly and together with its joint venture partners, for future development which includes but is not limited to two upcoming developments in other countries (comprising, one in Ireland and one in Malaysia). As at 31 December 2022, the Group also has 11 pipeline property development projects across various countries. As at 31 December 2022, the Group's ongoing and upcoming property developments and land bank projects in Singapore and other countries have an estimated total gross development value of S\$11.9 billion. An overview of the Group's return on investments ("ROI"), internal rate of return ("IRR") and multiple on invested capital ("MOIC") on select completed projects is set out below:

Select	Completed Projects	Effective Stake (%)	ROI	IRR	MOIC
1	Oxley Bizhub 1	100%	83.7%	63.2%	5.3x
2	The Bridge Cambodia	50%	75.6%	51.6%	2.4x
3	Dublin Landings	Ranges from approximately 77% to 84%	35.6%	40.6%	1.6x
4	Oxley Bizhub 2	55%	49.3%	27.5%	3.7x
5	KAP Residences/KAP	55%	47.5%	20.1%	3.2x
6	Oxley Tower	100%	44.1%	8.3%	2.4x
7	30 Raffles Place	100%	15.9%	30.9%	1.6x
Mean Returns			50.2%	34.6%	2.9x
Median Returns			47.5%	30.9%	2.4x

Source: Company Information.

The Group continues to be a leading developer in Singapore with experience in the residential, retail, commercial, hospitality and industrial sectors. The Group's diversified experience enhances the Group's ability to leverage on its capabilities across real estate segments, which allows it to secure large-scale and complex integrated developments that other companies without such expertise may have difficulty undertaking. The Group's Royal Wharf waterfront development in the United Kingdom comprises 3,385 apartments and townhouses, and approximately 11,000 sq m of commercial area comprising office, retail and food and beverage ("F&B") spaces. With over 45 per cent. 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 connected by transport links to central London and boat links from a proposed inbuilt pier. Despite the restrictions from the COVID-19 lockdown, the construction of the Royal Wharf waterfront development was fully completed in September 2020. As at 31 December 2022, the Group has sold 100 per cent. of the residential units in the Royal Wharf waterfront development.

The Group collaborates with leading architects, designers and contractors and strives to deliver high-quality design, materials and finishings on its projects. The Group's project design, execution and delivery capabilities are attested to by the technically demanding large-scale projects that it has undertaken and by the awards and accolades the Group has garnered across geographies and real estate segments. Some of the awards and accolades which the Group has received, as at 31 December 2022, are set out below:

Award	Project	Year
"Development of the Year" by RESI Awards London (2015)	Royal Wharf	2015
"Winner, Residential Development" by Wharf Property Award		
"Top Ten 2015 Developers — Singapore" by BCI Asia	Novotel Singapore on Stevens and Mercure Singapore on Stevens	2015
"Best Hotel Architectural Design" by PropertyGuru Asia Property Awards (Singapore) 2017		2017
"Winner, Industrial Category" at the Singapore Property Awards by FIABCI-Singapore	Oxley Bizhub	2015
"Winner, Office Category" at the Singapore Property Awards by FIABCI-Singapore	Oxley Tower	2017
"Best Industrial Development" at the PropertyGuru Asia Property Awards (Singapore) 2017	T-Space	2017
"Top Showflat Excellence Award" at The EdgeProp Singapore Excellence Awards 2019	1953	2019
"Top Development Award" at The EdgeProp Singapore Excellence Awards 2019		
"Top Boutique Development Award" at The EdgeProp Singapore Excellence Awards 2019		
Winner of "Best Heritage Development" at Asia Property Awards 2019		
"Top Development Award" at The EdgeProp Singapore Excellence Awards 2019	Riverfront Residences	2019
"Marketing Excellence Award" at The EdgeProp Singapore Excellence Awards 2019	The Verandah Residences	2019
Winner of "Best New Private Condo Architectural Design" at Asia Property Awards 2019	2019	2019
"Top Development Award" at The EdgeProp Singapore Excellence Awards 2019	Mayfair Gardens	
"Top Developer" at The EdgeProp Singapore Excellence Awards 2019	—	2019
Winner of "Best New Private Condo Development" at Asia Property Awards 2019	Kent Ridge Hill Residences	2019
Winner of "Special Recognition for Design and Construction" at Asia Property Awards 2019	—	2019
BCI Asia Top 10 Developer Awards		2020
TripAdvisor Travellers' Choice Best of the Best Award 2021	Novotel Singapore on Stevens	2021
Blissful Brides Editor's Choice Preferred Banquet Venue Winner 2021	Novotel Singapore on Stevens	2021
Singapore Environment Council Eco F&B Professional Certification	WINESTONE restaurant Novotel Singapore on Stevens	2021
Travel Weekly Asia 2021 Reader's Choice Award (Best Midscale Hotel)	Novotel Singapore on Stevens	2021

Ability to cater to the changing needs of target buyers

The Group's wealth of experience and expertise in the property development industry in Singapore and overseas, coupled with its partnerships with local and overseas developers, allow it to keep abreast of market trends in the property industry and to better cater to the requirements of its target consumers by conceptualising and creating new and unique designs and lifestyle themes for its property developments.

The Group specialises in developments with prominent lifestyle features at accessible locations with well-developed amenities for young home buyers who aspire to have a modern and vibrant household environment. In Singapore, the Group has historically focused its marketing and development approach on young working adults and smaller families, who represent an increasingly affluent and upwardly mobile market segment.

The Group was one of the first property developers to respond to the growing trend in the Singapore market to develop properties that appealed to buyers in this demographic. Demand for the Group's developments is illustrated by the Group's strong historical sales of its property development projects. The vast majority of the Group's residential property developments in Singapore have been well received, and developments such as The Verandah Residences, Sea Pavilion Residences, The Addition and Sixteen 35 Residences have achieved 100 per cent. sales.

The Group's maiden development project in Cambodia, known as The Bridge, is a freehold development located in the heart of Phnom Penh and features the introduction of the Small-Office-Home-Office ("SOHO") concept. The Bridge comprises modern apartments, SOHO units and penthouses with facilities including swimming pools, gymnasiums, playgrounds, function halls and round-the-clock security, along with five levels of retail space. The handover for the project was completed in 2018 and as at 31 December 2022, the Group has sold approximately 97 per cent. of the units in The Bridge. The Group has since launched its second project in Cambodia, The Peak, which is a freehold development located in the heart of Phnom Penh's prime district and 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 construction of the retail and residential/office components of The Peak were completed in the third quarter of 2020 and the second quarter of 2021 respectively while the construction of the hotel component of The Peak is expected to be completed in 2023. As at 31 December 2022, 78 per cent. of the retail units, 99 per cent. of the residential units and 100 per cent. of the office units in the Peak have been sold. In addition, the Group has also launched The Palms, which is a freehold residential development spreading across a land area of approximately 37,689 sq m and is a stone's throw away from Phnom Penh. The Palms comprises 220 luxury resort homes equipped with a 24/7 high-tech security protection, the first man-made beach in Cambodia and comes with more than 60 facilities including an elegant clubhouse. As at 31 December 2022, 75 per cent. of the launched units in The Palms have been sold.

The Group believes that its flexibility and adaptability will allow it to continue to deliver new and innovative concepts to remain competitive in the market.

Highly visible income sources from substantial unbilled contracted sales, supported by recurring income from investment and hospitality properties

The Group has historically realised significant revenues from pre-sales of its properties, which provide it with a significant stream of visible income. In addition, the Group expects its investment and hospitality properties to provide a growing stream of recurring income, thereby resulting in relatively stable cash flows.

As at 31 December 2022, the Group's effective stake of unbilled contract value (including unbilled contract value of joint ventures and associates) is approximately S\$1.4 billion over the next three years, of which approximately S\$1.1 billion was attributable to projects in Singapore and approximately S\$0.3 billion was attributable to overseas projects. This is set out as below:

High visibility to earnings with S\$1.4bn of unbilled contract value over the next 3 years

(S\$mm unless otherwise stated)

Selected Projects	Effective Stake (%)	Future Progress Billings (Eff. Stake)	Remaining GDV (Eff. Stake)
Singapore			
1 Kent Ridge Hill Residences	100%	393	-
2 Mayfair Gardens	100%	129	3
3 Mayfair Modern	100%	45	-
4 Affinity @ Serangoon	40%	249	-
5 Riverfront Residences	35%	243	-
6 1953	100%	19	3
7 Parkwood Residences	100%	13	-
Sub-total		1,091	6

Overseas			
1 Dublin Arch (fka Project Connolly)	90%	-	1,260
2 Oxley Towers KLCC	100%	103	667
3 Riverscape	50%	119	174
4 The Peak	79%	4	51
5 The Palms	79%	43	22
6 Trinity Wellness	45%	23	13
7 Sino-Singapore Health City - Phase 1	27.5%	26	8
8 Sino-Singapore Health City - Phase 2	27.5%	4	55
9 Others ⁽³⁾		1	1,058
Sub-total		323	3,308
Total		1,414	3,314

S\$1.4bn of future progress billings over the next 3 years



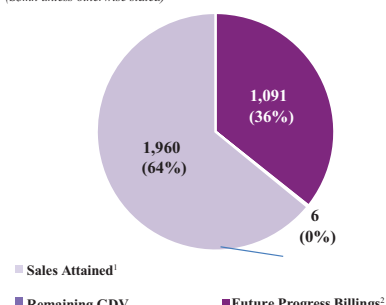
Source: Company Information as of 3 Jan 2023 except for progress billings which is as of 31 Dec 2022.

Note:

1. Represents effective stake of units sold and billed
2. Represents effective stake for units sold but not billed
3. Includes potential development value of land bank

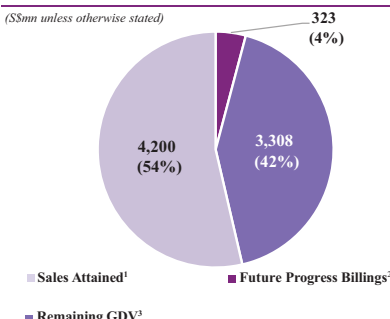
Singapore Total Portfolio Effective GDV

(S\$mm unless otherwise stated)



Overseas Total Portfolio Effective GDV

(S\$mm unless otherwise stated)



Based on its historical pre-sale records, the Group expects a low level of default from its pre-sales. The Group will recognise revenue from such sales at the relevant stages, such as when the property has reached a certain stage of completion or when the units are handed over to buyers.

The Group expects to continue receiving recurring rental income from its investment properties in Singapore. In April 2015, the Group signed a seven-year master lease with LHN Space Resources Pte. Ltd. for the lease of the second to seventh floors of the seven-storey block at Space@Tampines, which has been extended for another seven years. As at 31 December 2022, Space@Tampines had a total occupancy rate of approximately 100 per cent. The Group also holds 11 retail units in Novotel Singapore on Stevens and Mercure Singapore on Stevens, 29 retail and shop units in The Rise@Oxley and 26 retail and shop units in Floravista for investment purposes.

The Group also receives recurring income from its two hotels in Singapore, Novotel Singapore on Stevens and Mercure Singapore on Stevens, which commenced operations in October 2017 and December 2017, respectively. As at 31 December 2022, the Group has three hotels under development, namely SO Sofitel Kuala Lumpur Hotel and a to-be-branded five star hotel in Malaysia (which are both expected to commence operations after the completion of the developments in 2024) and Shangri-La Hotel in Phnom Penh, Cambodia (which is expected to complete development in the middle of 2023).

Going forward, the Group expects its hospitality properties to provide a stable source of recurring income which will in turn help to strengthen the Group's earnings base.

Experienced and dedicated management team supported by local execution capabilities

The Group's management team has extensive experience in property development and building construction. The Group's Executive Chairman and Chief Executive Officer and its Deputy Chief Executive Officer each have more than 20 years of experience in the property industry. They have been instrumental to the Group's business and provide the Group with invaluable strategic leadership. The Group is supported by an experienced and dedicated management team. With their experience, the Group's management team is able to locate suitable sites with development potential, and to assess whether such sites offer good investment returns or profitable development opportunities. For further information on the Group's management team, see "*Directors and Management*".

The Group's management team has also developed strong and effective relationships with an extensive network of contractors, financiers and consultants, whose professional advice and participation are pivotal to the success of a property development project. The Group's established business relationships with these persons enable the Group's project team to manage its contractors effectively and produce quality developments in a timely and efficient manner. Although the Group typically outsources construction and other related activities to external contractors and professionals, the Group's project team nevertheless closely supervises the progress of each construction stage of the project so as to ensure that quality is not compromised. In addition, the Group's project team maintains strong relationships with property agents across the Group's various markets who are able to provide the Group with first-hand information on development sites which are available for sale, private tenders or auction, which in turn allows the Group to capitalise on market opportunities for future growth. The Group expects to continue leveraging on these longstanding relationships to position its business for further growth.

The Group's focus on its core strength of property development permits it to maintain a lean and efficient staff structure while managing its contractors to produce quality developments within the allocated budget and scheduled timeline. The Group is thus able to channel its resources into ensuring the continual growth of its core business through recognising market trends within the property industry, identifying and acquiring suitable sites for future development and developing premium projects which appeal to its target customers.

Strategic alliances and joint ventures with reputable local and international partners

The Group has historically sought to complement its property development capabilities by collaborating with industry players that are known for their experience and knowledge in the relevant areas of the Group's business. The Group has entered into joint ventures with partners such as Lian Beng Group Ltd, KSH Development Pte. Ltd., Apricot Capital Pte. Ltd., Heeton Holdings Limited, SLB Development Ltd, Tee Land Limited, Worldbridge Land (Cambodia) Co., Ltd, Planetvision Properties (CY) Limited ("**Planetvision**"), and Beijing Jin Hua Tong Da Real Estate Development Co., Ltd. to develop properties, typically on a project-by-project basis. As at 31 December 2022, the properties that the Group is developing with its joint venture partners in Singapore include Affinity at Serangoon and Riverfront Residences.

The Group has also established a network of contacts through its joint ventures with strategic partners in overseas jurisdictions and has gained access into such markets through these networks and relationships. The Group entered into a strategic partnership with Pavilion Group, a leading real estate developer, on 19 January 2021 to drive project management, construction and sales and marketing activities of Oxley Towers KLCC. The Group believes that Pavilion Group's expertise in large scale retail mixed-use developments in prime city centre locations in Malaysia will take the Oxley Towers KLCC to the next level of excellence.

The Group also holds interests in property developments which are developed jointly with partners in the United Kingdom, Ireland, Malaysia, Cambodia, Cyprus and the PRC. Some of the notable developments undertaken by the Group in collaboration with its overseas partners include Royal Wharf and Riverscape in the United Kingdom, Dublin Landings in Ireland and The Bridge and The Peak in Cambodia.

The Group also previously held an 18.8 per cent. interest in Galliard, a leading property developer in the United Kingdom. During the FY2020, the Group divested its 18.8 per cent. stake, comprising 7,673,458 ordinary shares, in Galliard for a consideration of GBP 30.0 million as part of the Group's plan to streamline its portfolio, divest non-core assets and enhance financial flexibility. The Group also divested the land on Walker Street, Sydney in September 2021 and remaining residential components of Dublin Landings development in Ireland in 2H 2021.

In line with its long-term strategy, the Group remains on the lookout for collaboration opportunities to capitalise on for future growth.

Ability to efficiently manage the property development process

As development sites may not be available for acquisition at regular intervals, it is important for the Group to launch and complete its property development projects within a short period of time. The Group generally seeks to launch its property developments in Singapore within 12 months from the date on which it completes its purchase of the land for such projects. Examples of such developments include Affinity at Serangoon, The Verandah Residences, Mayfair Gardens/Mayfair Modern and Kent Ridge Hill Residences. For its overseas property developments, the Group seeks to launch its property development projects within 12 to 18 months from the date of the land purchase taking into consideration the local market sentiment. For example, the Group commenced sales for Phase 1 of its Royal Wharf development within four months and began delivering units to buyers less than 36 months after the date it acquired the land, which is significantly faster than comparable projects in the United Kingdom.

The Group's ability to launch and complete projects within a short period of time allows the Group to efficiently manage its financial resources, which in turn permits the Group to capitalise on suitable market opportunities as and when they arise to grow its business.

The Group also carefully manages the costs associated with developing its properties through preparing a detailed budget, effectively overseeing its contractors and other consultants, and closely monitoring the various stages of each property development. This helps the Group to lower its exposure to fluctuations in market conditions and reduce its borrowing costs.

BUSINESS STRATEGIES

Maintain a strong pipeline of new development sites and focus on developing properties across the Group's land bank

The Group is committed to maintaining a strong pipeline of new development sites across its key markets with the aim of achieving sustainable growth. To this end, the Group has historically sought to identify suitable land sites to consistently support a three to five-year development pipeline. The Group typically focuses on identifying sites that are located at vibrant and accessible areas with well-developed amenities, so that it is well-placed to capitalise on and expand its property development portfolio during favourable market conditions.

As at 31 December 2022, the Group has a land bank of approximately 209,000 sq m, both acquired directly and together with its joint venture partners, for future development which includes but is not limited to two upcoming developments in other countries (comprising one in Ireland and one in Malaysia). As at 31 December 2022, the Group also has 11 pipeline property development projects across various countries. As at 31 December 2022, the Group's ongoing and upcoming property developments and land bank projects in Singapore and other countries have an estimated total gross development value of S\$11.9 billion.

The Group intends to continue its disciplined approach to site acquisition by entering into joint ventures or strategic alliances with landowners, who will contribute the land that they own to the joint venture while allowing the Group to provide its property development expertise. In addition, through collaboration with its local and overseas partners, the Group seeks to identify and access new business opportunities that allow it to acquire or develop larger development sites at premier locations, through both government land sale programmes as well as public and private tenders.

Diversify portfolio earnings across geographies and property segments

The Group has a successful track record of expanding its business into overseas markets so as to build its geographical network and create a diversified portfolio.

Apart from growing the Group's business in Singapore, the Group has established property development businesses in various countries, including the United Kingdom, Cambodia, Malaysia, Ireland and the PRC, since its incorporation in 2010. As at 31 December 2022, the Group has completed 40 property development projects and launched 51 property development projects across various countries, demonstrating its comprehensive execution capabilities. The Group's overseas flagship projects include Royal Wharf in London, United Kingdom, a residential mixed-use development with over 500 metres of frontage along the River Thames, The Bridge in Phnom Penh, Cambodia, a 45-storey mixed-use development comprising residential, retail and SOHO units, and Dublin Landings in Ireland, a development which offers approximately one million square feet of office, residential and retail space and which comprises five commercial blocks and eight residential blocks.

The Group's investment properties complement the Group's property development business and as at 31 December 2022, the Group has various investment properties in Singapore such as retail and shop units in The Rise@Oxley and Floravista as well as an industrial space at Space@Tampines.

Apart from broadening its geographical reach, the Group intends to widen its asset portfolio to include more hospitality assets. The Group actively sources suitable sites for hotel development that meet the Group's operational requirements. The Group's operating agreements with leading hospitality brands (which include Shangri-La, Novotel, Mercure and Sofitel) help to enhance the branding of its developments and improve the marketability and pricing of its mixed-use residential developments.

In respect of 1HFY2023, approximately 90 per cent. of the Group's revenue stemmed from its businesses in the developed markets (including Singapore, United Kingdom and Ireland) with the remaining 10 per cent. of the Group's revenue coming from its businesses in the emerging markets (including Cambodia, Malaysia and others).

The Group believes that its diversified business model will broaden its earnings base and provide stable and recurring sources of cash flows.

Invest in income-generating assets

The Group intends to continue investing in income-generating assets to provide it with an ongoing source of recurring cash flow. The Group may retain a portion of its commercial and industrial property developments for lease. Where appropriate opportunities arise, the Group also intends to acquire or develop investment properties to provide it with additional recurring rental income, to augment its property development business and to deliver stable cash flows. The Group has a 70 per cent. interest in Space@Tampines which has an approximate gross floor area of 65,892 sq m and comprises 71 warehouse units and one ancillary canteen. In April 2015, the Group signed a seven-year master lease with LHN Space Resources Pte. Ltd. for the lease of the second to seventh floors of the seven-storey block at Space@Tampines, which comprises 74 per cent. of the net lettable area of Space@Tampines, which has been extended for another seven years. As at 31 December 2022, Space@Tampines has a total occupancy rate of 100 per cent. The Group also holds retail units in Novotel Singapore on Stevens and Mercure Singapore, The Rise@Oxley and Floravista for investment purposes. The Group expects that these sources of recurring revenue will help to mitigate economic cycles and market volatility within the property market.

Build strategic alliances and partnerships

The Group is constantly searching for opportunities to forge strategic alliances with suitable partners to create synergies with its existing business, grow and expand its business and complement its multi-national business strategy. The Group believes that its joint venture arrangements allow it to better manage its expansion and development risks by working with its chosen partners, which in turn permits it to take on more significant projects in both the Singapore and international markets. This also provides the Group with opportunities to develop best practices with joint venture partners who possess the relevant experience and expertise in areas such as management and construction standards, as well as to gain access to new markets, prospective customers and business opportunities. The Group plans to continue leveraging on its experience with existing joint venture partners and to apply the best practices from such markets across all its projects, while exploring potential partnerships to further solidify its presence in existing markets and support its expansion into new markets.

Continue to develop innovative projects to meet changing market demand

The Group's ongoing efforts in conducting in-depth market research and analysis and having comprehensive approval processes in place help it to identify trends and potential development opportunities, and assess overall risk and return of its investments in each of its key property markets. This allows the Group to adjust its development strategy accordingly. The Group is currently focused on companies and projects within its core business, geographical regions and areas of competency and securing larger sites and/or landmark locations for prominent developments, which it believes will better sustain the long-term growth of its business. The Group believes that such larger-scale initiatives will help it to grow the "Oxley" brand in both the Singapore and overseas markets, and enhance the Group's market profile, which will better position the Group against its competitors when it bids for new projects. To ensure that its developments remain relevant and attractive to its key target buyers, the Group also intends to continue collaborating with leading architects and designers to create architecturally inspiring and unique projects with attractive yet practical floor plans and designs. The Group believes that its innovative projects will provide it with a competitive advantage by differentiating its products and services from those of its competitors and by providing a unique experience to its customers.

Improve capital efficiency and diversify funding sources

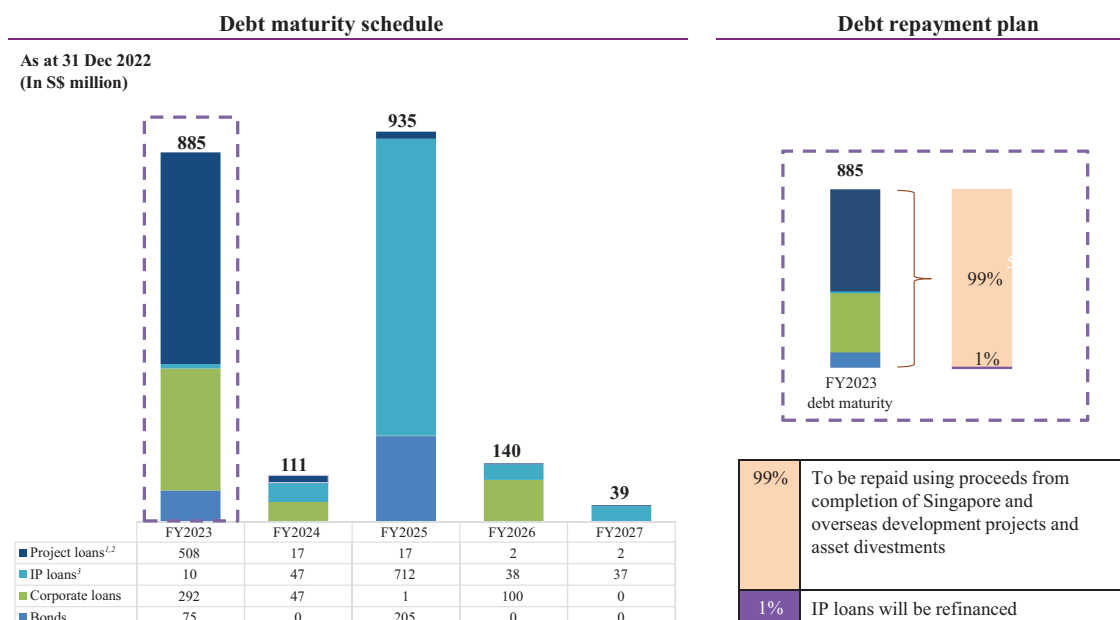
The Group typically funds all or some of its property development activities through proceeds from pre-sales of its new developments. In addition, when the Group enters into joint ventures or strategic alliances with landowners who contribute the land they own, the Group is not required to incur significant land acquisition expenditures upfront. Such arrangements also enable the pooling of both financial resources and management expertise in the project developments, which reduces the risks undertaken by the Group. The Group expects that this ongoing strategy will enable the Group to expand its portfolio more rapidly, as it allows the Group to commit less capital while benefitting from strong cash flows when the Group launches and sells the properties.

In addition, the Group's policy is to maintain as much unencumbered assets as possible for future funding flexibility as well as a cash balance of between five per cent. to ten per cent. of the revenue at the Group level to meet working capital needs. In addition, the Group maintains a flexible dividend policy with the payout level to be based on the overall cash position, financial situation and future development needs. As much as possible, the Group endeavours to maintain a nature hedge in respect of its assets/liabilities and revenue/expenses, with hedging only to be done with creditworthy counterparties as necessary.

The Group also strives to continuously reduce its total debt by implementing balanced financing strategy to meet its maturing debt obligations. The Group's debt maturity schedule as of 31 December 2022 and financing strategy for debt repayment in respect of the financial years ending 30 June 2023 and 30 June 2024 respectively are set out below:

Debt Maturity Schedule

Clear financing strategy in place to meet maturing obligations



Source: Company Information as of 31 Dec 2022

Notes:

1 Includes loans obtained using project cashflows as security

2 Includes extension options for loans with such optionality

3 IP loans relate to loans on investment properties, which include Novotel & Mercure Hotels on Stevens and Space @ Tampines

From time to time, the Group also secures external financing for properties that have substantial development costs and/or when the Group acquires land for property development. The Group seeks to leverage on its financial track record to obtain attractive financing and refinancing opportunities while maintaining an acceptable gearing ratio. The Group intends to continue diversifying its funding sources and optimising its cost of capital by exploring favourable opportunities to access capital, including through obtaining loans from financial institutions and raising equity and debt through the capital markets.

Maintain a sustainable business

The Group is committed to being a responsible corporate citizen in the communities that it operates in. As it expands its footprint overseas, the Group endeavours to continually integrate sustainability practices into its business operations.

On the property development front, the Group is committed to designing green and sustainable buildings. The Group has continuously worked towards improving the energy and water efficiency of its properties and complying with national environmental standards for property development projects in Singapore and overseas. The Group did asset enhancement initiative works to the commercial building at 30 Raffles Place. The building has been awarded the BCA Green Mark Platinum certification. In addition, the Group's residential developments in Singapore have all been awarded the BCA Green Mark certification while the Oxley Towers KLCC development will be awarded the Green Mark Gold certification. Furthermore, the Dublin Landings development has been awarded the LEED Gold certification and the Royal Wharf development has been awarded the BREEAM "Very Good" certification. These are a testament to the Group's commitment to maintaining the environmental friendliness and sustainability of its buildings in terms of design, construction and operations. The Group's commitment to pursuing

environmentally friendly and sustainable development also extends to sourcing for sustainable financing. The Group pioneered Ireland's first ever Green Loan Principles compliant loan with its EUR77.3 million financing with HSBC Ireland to partially fund the construction of the Dublin Landings project in 2019.

On the hospitality front, the Group aims to provide a positive hospitality experience while keeping a sustainable operation. The Group actively manages its hotel operator and ensures strict compliance with local environmental and social laws and regulations. To reduce energy usage and emissions in the daily operations, approximately 80 per cent. of the lights installed at the Group's hotels are energy-efficient Light-emitting Diode lights. Furthermore, to reduce the usage of non-biodegradable plastics in its daily operations, the Group's hotels have stopped using plastic straws and stirrers and all takeaway packaging products have been replaced with biodegradable options. In addition, the restaurants in the Group's hotels have added plant-based meat, Beyond Burger and Beyond Meatballs, to the menu in light of the growing awareness of the benefits of a vegan diet and the positive impact it has on sustainability.

The Group will continue to explore ways to manage and enhance the way its business and properties interact with the environment and its stakeholder to foster a sustainable relationship going forward.

BUSINESS SEGMENTS

The Group has three key businesses, being property development, property investment, hospitality and a corporate portfolio (under which the Group holds its investments in property developers). The properties within the Group's diversified portfolio include residential, retail, commercial, hospitality and industrial properties located across various countries.

Property development

Since its incorporation, the Group has established a track record of successfully executing on plans and supported by local execution capabilities. The Group is a leading developer in Singapore with experience in the residential, retail, commercial, hospitality and industrial sectors and strives to deliver high-quality design, materials and finishings on its projects. The Group specialises in developments with prominent lifestyle features at accessible locations with developed amenities. The property development projects launched by the Group in Singapore include The Verandah Residences, Kent Ridge Hill Residences, Mayfair Gardens/Mayfair Modern and Affinity at Serangoon. In 2013, the Group began expanding its property development portfolio into other countries through partnerships with internationally recognised developers and business partners. Oxley International Holdings Pte. Ltd., a wholly-owned subsidiary of the Company, is the holding company for the Group's overseas projects. The Group seeks to bring its concepts of lifestyle mixed-use developments overseas and intends to continue to seek opportunities to purchase new land parcels that hold good market potential.

Historically, the Group has grown its land bank primarily through direct purchases. Since 2013, the Group has sought to diversify its direct land purchase strategy by entering into joint venture agreements with landowners, particularly for its overseas projects. These arrangements typically involve the Group's partners contributing the land that they own for the development, while the Group provides its expertise in property development and funding for the development costs for an amount equivalent to the value of the land. Profits from the sales of the property development are shared between the Group and its partners. The Group believes that such arrangements present it with certain key advantages, such as not being required to incur significant land acquisition expenditures upfront. Such arrangements also enable the pooling of financial resources and management expertise in the project developments, which reduces the risks undertaken by the Group. The Group believes that this ongoing strategy will enable the Group to expand its portfolio more rapidly, as it is expected to allow the Group to commit less capital while benefitting from strong cash flows when the Group launches and sells properties.

As at 31 December 2022, the Group has completed 40 property development projects and has 11 pipeline property development projects across various countries, including Oxley Towers KLCC in Kuala Lumpur, The Peak in Cambodia, Gaobeidian in the PRC, and Riverscape in the United Kingdom.

Singapore

Residential and mixed-use residential projects

The Group primarily aims to provide home buyers with quality residential properties at competitive prices. In Singapore, the Group has historically focused its marketing and development approach on young working adults and smaller families, who represent an increasingly affluent and upwardly mobile market segment.

To cater to the growing needs of such young home buyers, the Group seeks to develop residential and mixed-use residential properties with the following features:

- Accessible locations — The Group's developments are typically located in choice areas which are easily accessible via public transport and well connected to major business districts as well as shopping and dining locations in Singapore.
- Attached commercial units — Some of the Group's developments include commercial units, which provide convenient access to amenities.
- Vibrant vicinity — The Group's developments are typically located in bustling and dynamic areas with developed amenities, malls, cafés, eateries and entertainment venues. The developments are typically in close proximity to schools and other community facilities, which cater to the lifestyle and family needs of the Group's home buyers.
- Prominent lifestyle features — Some of the Group's residential and mixed-use residential projects are built with outdoor jacuzzis, attic, loft or penthouse features and mechanised carparks. The residential units are also outfitted with contemporary fittings to deliver stylish accommodation to the Group's home buyers.

To mitigate the consequences of the COVID-19 pandemic where potential buyers were unable to visit the physical showrooms during the circuit breaker, the Group created virtual showrooms to present the apartment layouts to the potential buyers. Buoyed by the tightening supply and strong demand from buyers looking to upgrade, expectations of economic recovery from the ravages of the COVID-19 pandemic, the Group has managed to sell more than 99 per cent. of its local inventory as at 31 December 2022, representing S\$4.9 billion of the Group's local development portfolio's gross development value. Further, since the lifting of the "circuit breaker" restrictions, all of the Group's construction sites have gradually returned to full operation. As at 31 December 2022, all of the Group's construction sites have remained operational.

Details of the Group's completed residential and mixed-use residential development projects in Singapore as at 31 December 2022 are set out in the table below:

Property name	Acquisition date	Tenure	Approximate gross floor area (sq m)	Residential units	Retail and shop units	Launch date	Units sold (%)	Group's stake (%)	Year of completion
Parc Somme	December 2009	99 years	1,629	30	5	April	100	100	2012
Suites@Katong	December 2009	Freehold	2,797	51	8	April	100	51	2012
Loft@Rangoon	February 2010	Freehold	1,454	24	3	June	100	100	2013
Loft@Stevens	June 2010	Freehold	1,889	44	—	February	100	60	2013
Viva Vista	June 2010	Freehold	9,013	144	106	August	100	100	2014
Loft@Holland	June 2009	Freehold	1,580	41	—	January	100	67.5	2014
Vibes@Kovan	May 2010	Freehold	2,157	36	5	January	100	100	2014
Vibes@East Coast	May 2010	Freehold	7,125	117	28	June	100	66	2014
RV Point	February	999 years	2,018	36	9	October	100	100	2015

Property name	Acquisition date	Tenure	Approximate gross floor area (sq m)	Residential units	Retail and shop units	Launch date	Units sold (%)	Group's stake (%)	Year of completion
Devonshire Residences	April 2010	Freehold	3,835	84	—	March	100	52	2015
Suites@Braddell	October	Freehold	1,552	33	—	June	100	100	2015
The Promenade@Pelikat	May	Freehold	19,473	164	270	April	100	90	2015
Vibes@Upper Serangoon	October	Freehold	3,050	60	—	May	100	100	2016
Presto@Upper Serangoon	October	Freehold	1,820	36	—	April	100	100	2016
Oxley Edge	November	Freehold	3,226	45	5	March	100	100	2016
339 to 339C Joo Chiat Road	April 2012	Freehold	763	4	1	January	100	100	2016
NEWest	May 2012	956 years	25,130	136	141	May	100	55	2016
Midtown Residences/The Midtown	June 2012	Freehold	16,853	160	107	April	100	50	2016
KAP Residences/KAP	October	Freehold	17,146	142	107	May	100	55	2016
Floraville/Floraview/Floravista	March 2012	Freehold	12,420	140	28	August	100 ⁽¹⁾	55	2017
The Rise@Oxley-Residences/The Rise@Oxley ("The Rise@ Oxley")	May 2012	Freehold	10,712	120	29	October 2014	100 ⁽²⁾	100	2017
21 Meyappa Chettiar Road ("The Addition")	March 2018	Freehold	2,075	26	—	September 2018	100	100	2020
494 Upper East Coast Road ("Sea Pavilion Residences")	August 2017	Freehold	1,849	24	—	Second quarter of 2018	100	100	2Q 2021
16, Lorong 35 Geylang ("Sixteen35 Residences")	February 2018	99 years	6,215	60	—	Second quarter of 2018	100	100	2Q 2021
231 Pasir Panjang Road ("The Verandah Residences")	July 2017	Freehold	11,944	170	—	First quarter of 2018	100	100	2Q 2021
2, 4 and 6 Rifle Range Road ("Mayfair Modern")	June 2018	99 years	12,011	171	—	Third quarter of 2018	100	100	4Q 2022

Notes:

- (1) Excluding 26 retail and shop units held by the Group for investment purposes.
- (2) Excluding 29 retail and shop units held by the Group for investment purposes.

Floraville/Floraview/Floravista

Floraville/Floraview/Floravista is a freehold mixed-use residential development with 140 residential units and 28 shop units. It is situated near Yio Chu Kang MRT station and the upcoming Lentor MRT station and is located in close proximity to amenities such as the Greenwich V and Fernvale Point shopping malls. Floraville was completed in March 2017, while Floraview/Floravista was completed in August 2017. The residential units in Floraville/Floraview/Floravista have been fully sold.

The Rise@Oxley

The Rise@Oxley is a freehold ten-storey mixed-use residential development located at 71/73/73A Oxley Rise and within walking distance of Dhoby Ghaut MRT station. The development comprises 120 residential units sitting above a two-storey retail podium with 29 retail units. The Rise@Oxley was completed in November 2017. The residential units in The Rise@Oxley have been fully sold.

The Addition

The Addition is an exclusive 26-unit freehold development nestled in Meyappa Chettiar Road. The development comprises an eight-storey tower block with no more than four units on each levels and is equipped with a designed pool, an indoor gym, a playground and barbeque pits. The Addition was completed in April 2020 and all units have been fully sold.

Mayfair Modern

Mayfair Modern is a residential development situated near King Albert Park MRT and Bukit Timah Road. It is located in close proximity to King Albert Park mall and various educational institutions. The Group acquired Mayfair Modern in June 2018 and completed the redevelopment of the site into a leasehold residential development comprising 171 units. Sales of the units in Mayfair Modern commenced in the third quarter of 2018. As at 31 December 2022, 100 per cent. of the units has been sold.

Details of the Group's ongoing residential and mixed-use residential development projects in Singapore as at 31 December 2022 are set out in the table below:

Property name	Acquisition date	Tenure	Approximate gross floor area (sq m)	Expected number of residential units	Expected number of shop units	Launch date	Units sold (%)	Group's stake (%)	Expected TOP period
344 to 350 Hougang Avenue 7 (" Riverfront Residences ")	May 2017	99 years	103,071	1,472	6	Third quarter of 2018	100	35	1Q 2023
128 to 134 Serangoon North Avenue 1 (" Affinity at Serangoon ")	July 2017	99 years	77,235	1,052	5	Second quarter of 2018	100	40	2Q 2023
208 Yio Chu Kang Road (" Parkwood Residence ")	November 2017	99 years	1,827	18	—	Second quarter of 2020	100	100	1Q 2023
1, 8, 10, 12 and 14 Rifle Range Road (" Mayfair Gardens ")	June 2018	99 years	15,104	215	—	Third quarter of 2018	99	100	TOP-ed in January 2023
50 to 66 South Buona Vista Road (" Kent Ridge Hill Residences ")	July 2018	99 years	45,675	548	—	Fourth quarter of 2018	99	100	1Q 2023
3 Tessensohn Road and 3, 5, 7, 9, 7A, 9A and 11 Balestier Road (" 1953 ")	February 2018	Freehold	5,399	58	14	First quarter of 2019	99	100	TOP-ed in January 2023

The Group has launched nine residential development sites in Singapore over the course of 2018 and 2019 and one development site in 2020. As at 31 December 2022, the Group's ongoing property developments in Singapore have an estimated total gross development value of S\$4.5 billion.

Mayfair Gardens

Mayfair Gardens is a residential development situated near King Albert Park MRT and Bukit Timah Road. It is located in close proximity to King Albert Park mall and various educational institutions. The Group acquired Mayfair Gardens in June 2018 and is redeveloping the site into a leasehold residential development comprising 215 units. Sales of the units in Mayfair Gardens commenced in the third quarter of 2018. As at 31 December 2022, 99 per cent. of the units has been sold.

Kent Ridge Hill Residences

Kent Ridge Hill Residences is a residential development located at South Buona Vista Road, situated near Pasir Panjang MRT station. It overlooks Kent Ridge Park and is in close proximity to the National University of Singapore, various business hubs and the 1,000 ha Greater Southern Waterfront site. The Group acquired Kent Ridge Hill Residences in July 2018 and is developing the site into a leasehold residential development comprising 548 units. Sales of the units in Kent Ridge Hill Residences commenced in the fourth quarter of 2018. As at 31 December 2022, 100 per cent. of the units has been sold.

1953

1953 is a six-storey mixed-use freehold development with attic that comprises 14 commercial strata units and 58 residential units, and seven units of conserved shophouses. Sitting at the busy junction of Tessensohn-Balestier, 1953 is within a short walking distance from Farrer Park MRT station and other amenities such as City Square Mall, restaurants and prestigious schools. 1953 was launched in March 2019 and, as at 31 December 2022, 99 per cent. of the units has been sold.

Affinity at Serangoon

Affinity at Serangoon is a former residential estate which the Group acquired in July 2017 pursuant to a collective purchase tender submitted by the Group and its joint venture partners. Affinity at Serangoon is in close proximity to NEX and myVillage as well as the Australian International School and other community features. The Group and its joint venture partners are developing the site into a leasehold residential development comprising 1,052 apartments and townhouses and five commercial units. Sales of the units in Affinity at Serangoon commenced in the second quarter of 2018. As at 31 December 2022, 100 per cent. of the units has been sold.

Riverfront Residences

Riverfront Residences is a former residential estate which the Group acquired in May 2017 pursuant to a collective purchase tender submitted by the Group and its joint venture partners. Riverfront Residences is located along the Serangoon River and in close proximity to Hougang MRT station, Hougang Mall and Punggol Park. The Group and its joint venture partners have obtained a fresh 99-year state lease for Riverfront Residences and are developing it into a leasehold development comprising 1,472 units across residential blocks and townhouses, as well as six shop units. Sales of the units in Riverfront Residences commenced in the third quarter of 2018. As at 31 December 2022, 100 per cent. of the units has been sold.

Parkwood Residences

Parkwood Residences is a 99-year leasehold residential development sitting on a site area of 14,136 square feet. The development comprises 18 units, made up of a combination of three, four and five bedroom units. Residents will enjoy facilities such as a pool deck, an aqua gym and a swimming pool. As at 31 December 2022, 100 per cent. of the units has been sold.

Commercial projects

Details of the Group's completed commercial projects in Singapore as at 31 December 2022 are set out in the table below:

Property name	Acquisition date	Tenure	Approximate gross floor area (sq m)	Office units	Retail and shop units	Launch date	Units sold (%)	Group's stake (%)	Year of completion
Robinson Square	December 2010	Freehold	4,753	32	5 shops 1 gym	November 2011	100	100	2014
Oxley Tower	September 2010	Freehold	16,839	104	121 shops 8 cafés 3 restaurants	April 2012	100 ⁽¹⁾	100	2016
The Flow	March 2012	Freehold	6,528	—	34 shops 11 restaurants 12 clinics 1 food court	June 2013	86	100	2017

Note:

(1) Excluding 12 office units where the Company's registered office is located and two commercial units held for rental use.

The Group's flagship building, Oxley Tower, is a 32-storey freehold strata-titled commercial development located at the junction of Robinson Road and McCallum Street and has 121 shops, eight cafés, three restaurants and 104 office units. The offices are designed with direct lift access, attached toilet facilities and ceiling heights of up to approximately 4.9 metres for additional configuration flexibility. Oxley Tower was awarded "Best Office Architectural Design" at the PropertyGuru Asia Property Awards (Singapore) 2017 and the Singapore Property Award 2017 — Office Category.

Industrial projects

Details of the Group's completed and ongoing industrial development projects in Singapore as at 31 December 2022 are set out in the table below:

Property name	Acquisition date	Tenure	Approximate gross floor area (sq m)	Light industrial units	Shop units and other facilities	Launch Date	Units sold (%)	Group's stake (%)	Year of completion/ Expected year of completion
Oxley BizHub	August 2010	60 years from 15 November 2011	87,126	726	2 canteens 1 gymnasium, swimming pool and gardens	April 2011	100	100	2013
Arcsphere	December	Freehold	2,529	19	—	September 2011	100	100	2013
Oxley BizHub 2	February 2011	60 years from 10 June 2011	30,944	270	1 canteen	October 2011	100	55	2013
The Commerze@ Irving	June 2011	60 years from 26 September 2011	11,735	66	51 shops 13 restaurants 1 canteen	February 2012	100	55	2013
Eco-tech@ Sunview	October 2012	30 years from 25 January 2013	70,432	424	1 canteen	August 2013	100	51	2015
T-Space	N.A. ⁽¹⁾	30 years	84,315	251	1 canteen Heavy vehicle parking space	March 2016	99	49	2018
INSPACE	November 2018	Freehold	14,480	84	—	March 2019	100	49	2022

Note:

(1) The Group acquired an interest and participated in the development of T-Space through its subscription of shares in Goldprime Land Pte. Ltd.

Oxley Bizhub

The Group's first major industrial project, Oxley Bizhub, comprises two 10-storey blocks of multiple-user developments with 726 units and one 4-storey block with car parks and ancillary facilities. It is prominently located along Paya Lebar Road and Ubi Road 1 with links to the Pan Island Expressway and the Kallang Paya Lebar Expressway, which provide convenient access to Singapore's business district and international airport. It is also within walking distance from Tai Seng MRT station and contains amenities such as canteens, a gymnasium, a swimming pool and a garden.

INSPACE

In November 2018, the Group and its joint venture partner acquired INSPACE, a strata titled freehold property located in District 19 and in close proximity to malls and eateries. The Group and its joint venture partner intend for the development to comprise 84 units and be built around four uniquely designed layouts which allow maximum flexibility for businesses. The temporary occupation permit for INSPACE was issued in the fourth quarter of 2022. As at 31 December 2022, 100 per cent. of the units has been sold.

United Kingdom

Details of the Group's projects in the United Kingdom as at 31 December 2022 are set out in the table below:

Property name	Acquisition date	Tenure	Approximate gross floor area (sq m)	Development type	Launch date ⁽¹⁾ / Expected	Units sold (%)	Group's stake (%)	Year of completion/ Expected year of completion
North Woolwich Road, London ("Royal Wharf")	December 2013	Freehold	394,026	Township	Phase 1A (1,333 units): March 2014	100	100	2018
					Phase 2 (1,146 units): September 2014			2020
					Phase 3 (965 units): February 2016			2020
Bradfield Road, London, E16 2AX ("Riverscape")	November 2018	999 years from 1987	79,033	Mixed residential and commercial	September 2021	50	50	2024

Note:

(1) The initial launch date of each phase of Royal Wharf. The residential units in each phase have been launched in stages.

Royal Wharf

Royal Wharf is a waterfront development by the River Thames in East London with approximately 500 metres of direct south-facing river frontage. It has an approximate gross floor area of 394,026 sq m and comprises 3,385 apartments and townhouses, and approximately 11,000 sq m of commercial area comprising office, retail and F&B spaces. With over 45 per cent. 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. Royal Wharf is also in close proximity to the future 14-hectare Asian Business Park and has transport links to central London via the Docklands Light Rail.

The Group is collaborating with the Ballymore Group to develop the Royal Wharf. Ballymore Group is based in the United Kingdom and is one of London's largest residential developers with an experienced management team that has successfully worked on developments across London such as Embassy Gardens, New Providence Wharf and City Island.

As at 31 December 2022, 100 per cent of the residential units launched under Phase 1A, Phase 2 and Phase 3 of the Royal Wharf has been sold and handed over to owners. Despite the restrictions from the COVID-19 lockdown, the construction of the Royal Wharf waterfront development was fully completed in September 2020.

The Royal Wharf won the “Development of the Year, RESI Awards 2015” and “The Wharf Award 2015”.

Riverscape (formerly Deanston Wharf)

Riverscape has a land area of 22,830 sq m and is a mixed residential and commercial development situated adjacent to the Group’s flagship Royal Wharf development. It is accessible via strong public transport links into central London and overlooks Lyle Park and River Thames. The acquisition of Riverscape was completed by the Group and its joint venture partners for GBP35 million on 30 November 2018. The Group and its joint venture partners intend for Riverscape to comprise 768 residential units, 1,125 sq m of commercial floor space on ground level and a 170-metre long expansion to the adjoining Lyle Park. Planning approval has been obtained and construction on the Riverscape site commenced in 2021. The gross development value of the Riverscape project is approximately S\$682 million. As at 31 December 2022, approximately 69 per cent. of the launched private residential units and 100 per cent. of the social affordable residential units at Riverscape have been sold.

Ireland

Details of the Group’s ongoing and upcoming projects in Ireland as at 31 December 2022 are set out in the table below:

Location/Project name	Tenure	Approximate gross floor area (sq m)	Development type	Units sold (%)	Group’s stake (%)	Year of completion/ Expected year of completion
72 to 80 North Wall Quay, Dublin, Ireland (“ Dublin Landings ”)	300 years from December 2014	96,330	Commercial	100	No. 1 Dublin Landings: 77.53	2018
					No. 2 Dublin Landings: 76.84	2018
					No. 3 Dublin Landings: 77.8	2019
					No. 4 and No. 5 Dublin Landings: 79.5	2019
			Residential	100	84	2021
Dublin Arch, Dublin 1 (“ Dublin Arch ”)	300 years from date of completion	118,617	Mixed residential and commercial	(1)	90	2025

Note:

(1) The Dublin Arch project has yet to be launched.

Dublin Landings

In December 2014, the Group entered into an agreement for lease with National Asset Property Management Limited of Ireland to develop the commercial site and to lease or dispose of the units in Dublin Landings. Dublin Landings achieved Development Completion in June 2021 and the Group has been granted a lease of 300 years in respect of the development.

Dublin Landings is located on the North Bank and situated along River Liffey, within Dublin’s financial and technology district. Dublin Landings’ eminent occupants include the Central Bank of Ireland. The development is well-connected and is located between Dublin’s international airport and historic centre. Dublin Landings has an approximate gross floor area of 96,330 sq m and includes approximately 65,000 sq m of flexible Grade A office and retail space spread across five office buildings.

In 2018, the Group, through its wholly-owned subsidiary, Oxley Docklands Quay One Limited together with National Asset North Quays DAC, completed the sale of No. 1 and No. 2 Dublin Landings. No. 1 Dublin Landings was sold for an aggregate price of EUR1 64.2 million (excluding value added tax), of which Oxley Docklands was entitled to 77.53 per cent. No. 2 Dublin Landings was sold at an aggregate price of EUR106.5 million (excluding value added tax) of which Oxley Docklands Quay One Limited was entitled to 76.84 per cent.

In October 2019, the Group, through its wholly-owned subsidiary, Oxley Docklands Quay Two Limited, completed the sale of No. 4 and No. 5 Dublin Landings to Central Bank of Ireland. No. 4 and No. 5 Dublin Landings were sold for EUR98.6 million and EUR106.5 million (excluding value added taxes) respectively, of which the Group received 79.5 per cent. while National Asset North Quays DAC received the balance.

In January 2020, the Group, through its wholly-owned subsidiary, Oxley Docklands Quay Two Limited, completed the sale of the leasehold interest in No. 3 Dublin Landings. Pursuant to the completion of the sale, the Group received EUR86.0 million, which excludes the escrow sum of EUR3.4 million. The escrow sum is to be progressively released to the Group upon the expiry of the defects liability period and the issue of certain certifications in respect of No. 3 Dublin Landings and as security for the completion of certain outstanding works.

In July 2019, the Group, through its wholly-owned subsidiary, Oxley Docklands Quay Three Limited, entered into a contract of sale with Greystar Europe Holdings Limited (“**Greystar**”) for the sale of the long leasehold interest of 268 residential units and 210 car parking spaces comprised in Blocks B and E at Dublin Landings. The total purchase price under the contract of sale is approximately EUR154.6 million (exclusive of value added tax), to which the Group is entitled to 84 per cent. Since late 2019, the residential development of Dublin Landings has been progressively completed and the last three residential blocks achieved practical completion in June 2021. All residential blocks have been sold and handed over to Greystar. The sale of the remaining block to Dublin City Council was completed in the fourth quarter of 2021. The balance of the sales proceeds (except for a retention sum) was received in the fourth quarter of 2021.

Dublin Arch (formerly Connolly Station)

On 8 May 2018, the Company entered into an agreement for lease with Córas Iompair Éireann (“**CIE**”), pursuant to which CIE granted the Company an entitlement to develop a site comprising part of the lands at Dublin Arch, Dublin 1, of approximately two hectares. Upon the completion of the works in each phase of development and the submission of the requisite documents to CIE, CIE will grant to the Company a 300-year ground lease in respect of the relevant development. CIE is an Irish statutory corporation and is responsible for most public transport in Ireland. The Group has a 90 per cent. stake in Dublin Arch.

Connolly station or Dublin Connolly is the busiest railway in Dublin and Ireland, and is a focal point in the Irish route network. On the North side of the River Liffey, it provides Intercity, Enterprise and commuter services to the north, north-west, south-east and south-west. Connolly Station has a land area of 1.96 hectares and is centrally located within Dublin City Centre with approximately 30,000 commuter volume per day. The Company intends for Dublin Arch to be a mixed-use development comprising residential units, a hotel block and office blocks (subject to planning consent by the Dublin City Council). The design and planning works for the residential elements of the Dublin Arch development has been completed. Planning permission for the commercial component of the site at Dublin Arch has been obtained in February 2021 while the planning permission for the residential component has been obtained in end 2022. The Group has since begun construction of the Dublin Arch project. It is projected to have a potential gross development value of approximately S\$1.4 billion.

Malaysia

Details of the Group's ongoing and upcoming projects in Malaysia as at 31 December 2022 are set out in the table below:

Location/Project name	Year of acquisition	Tenure	Approximate land area (sq m)	Development type	Group's stake (%)
No. Hakmilik 1038, Lot 26315, Bt 6 Jalan Damansara, Daerah Petaling, Bandar Petaling Jaya, Negeri Selangor, Malaysia ("Section 16")	2013	Freehold	19,098	Mixed-use residential and commercial	40
Grant No. 27706, Lot 99, Section 0058 Mukim Bandar Kuala Lumpur, Daerah Kuala Lumpur, Malaysia ("Oxley Towers Kuala Lumpur City Centre")	2014	Freehold	12,554	Mixed-use residential and commercial	100
Lot 347, GM 269 Bandar Ulu Kelang, Daerah Gombak, Negeri Selangor, Malaysia ("Trinity Wellness and Trinity Enlivea") ⁽¹⁾	—	Freehold	41,602	Residential	45

Note:

- (1) Trinity Wellness and Trinity Enlivea is a 1200-unit development project that launched in October 2021 and is expected to obtain TOP in 2025-2026 across two phases. Trinity Wellness and Trinity Enlivea has an estimated gross development value of approximately S\$244 million.

Oxley Towers Kuala Lumpur City Centre

The Group acquired Oxley Towers KLCC in December 2014. Oxley Towers KLCC has a freehold tenure, an aggregate land area of approximately 12,554 sq m and is located in the middle of the Kuala Lumpur City Centre precinct in close proximity to the iconic Petronas Twin Towers, Suria KLCC, Grand Hyatt, Mandarin Oriental, as well as a range of amenities including shopping malls, upmarket restaurants, nightspots and international schools.

The Group has obtained approvals from the relevant authorities for Oxley Towers KLCC to be redeveloped into a mixed-use development comprising two hotel towers with service residences (namely, the 213-room to-be-branded five star hotel, the 267-unit Jewel Residences, the 226-room SO Sofitel Hotel Kuala Lumpur and the 590-unit SO Sofitel Kuala Lumpur Residences), an office tower and a retail podium linking all three towers. As at 31 December 2022, the residences, retail and office component of Oxley Towers KLCC have a gross development value of approximately S\$880 million.

The Group launched Oxley Towers KLCC in 2019. The construction work for Oxley Towers KLCC commenced in August 2016 and is expected to be progressively completed from 2024 onwards subject to further changes in construction progress due to the movement restrictions implemented by the Malaysian government. Sales of the units in Oxley Towers KLCC are still ongoing although progress has been affected by the aforementioned Movement Control Order and travel restrictions in Malaysia. On 19 January 2021, the Group entered into a strategic partnership with Pavilion Group, a leading real estate developer, to drive project management, construction and sales and marketing activities of Oxley Towers KLCC.

As at 31 December 2022, 47 per cent. of the launched residential units in Oxley Towers KLCC has been sold.

For further details on the hotels and service residences at Oxley Towers KLCC, see *"Business — Business Segments — Hospitality — Malaysia"*.

Trinity Wellnessa and Trinity Enlivea

This freehold 1,200 residential units project in Beverly Heights, Ampang North, Malaysia, will be launched in two phases and is developed jointly with a Malaysia-based property developer, Trinity Group Sdn Bhd. Trinity Wellnessa (Phase 1) will comprise two 30-storey towers with a total of 463 units. The name “Wellnessa” was selected as it captures the essence of a new-age development that offers a holistic wellness experience to residents. Units at Trinity Wellnessa will feature functional and open concept layouts with abundance of natural light and ventilation to promote healthy lifestyles. Trinity Wellnessa will have a 2.1 acre podium deck offering more than 30 outdoor and indoor wellness-centric facilities. The project was launched in late 2021 and is expected to complete in 2025. As at 31 December 2022, approximately 59 per cent. of the units have been sold. Trinity Enlivea (Phase 2) will be a residential development that is planned for launch in 2024 and complete in 2027.

Cambodia

Details of the Group’s completed and ongoing projects in Cambodia as at 31 December 2022, all of which are located in the capital city Phnom Penh, are set out in the table below:

Location/Project name	Year of acquisition	Tenure	Approximate gross floor area (sq m)	Development type	Number of units	Launch date	Units sold	Units sold (%)	Group’s stake (%)	Year of completion/ Expected year of completion
Village No. 14, National Assembly Street, Tonle Bassac Commune, Chamkarmorn District (“The Bridge”)	N.A.	Freehold	150,399	Residential	746	March 2014	727	97	50	2018
				SOHO	965	June 2014	935	97		
				Retail	766	May 2016	744	97		
Village No. 14, Sam Dach Hun Sen Road, Tonle Bassac Commune, Chamkarmorn District (“The Peak”)	2013	Freehold	208,750	Residential	1,014	Phase 1 (507 units): September 2015 Phase 2 (507 units): May 2016	1,012	99	91	2023
				Hotel	300	—	—	—		
				Office	250	November 2016	250	100		
				Retail	1,125	November 2016	882	78		
The Mekong Land at National Road 1, Kdey Takoy Village, Veal Svov Commune, Mean Chey District (“The Palms”)	2013	Freehold	65,592 ⁽¹⁾	Villas	16	December 2017	16	100	79	2022
				Cluster housing	204	December 2017	150	74		

Note:

(1) The approximate land area of The Palms is 37,689 sq m.

The Bridge

The Bridge is the Group’s maiden development project in Cambodia and features, amongst other things, the introduction of the SOHO concept. The 45-storey mixed-use development is located in the centre of Phnom Penh and comprises 746 residential units, 965 SOHO units and 766 retail units over five levels of retail space. The Bridge also features the several facilities including swimming pools, gymnasiums, playgrounds, function halls as well as round-the-clock security. The development is situated near Preah Sihanouk Boulevard and Diamond Island. Construction of The Bridge completed in 2018. As at 31 December 2022, the Group has sold approximately 97 per cent. of the units in The Bridge.

The Peak

The Peak is a 55-storey mixed-use development comprising two residential towers with 1,014 apartments, one retail mall, one commercial tower comprising approximately 250 office units and a hotel with approximately 300 rooms (the “**Shangri-La Phnom Penh Hotel**”) operated by Shangri-La International Hotel Management Limited, sitting above a podium with five levels of retail space. The development is located in Phnom Penh’s prime district along the Mekong River facing Diamond Island near the Diamond Island Convention and Exhibition Centre. The Shangri-La Phnom Penh Hotel is expected to complete its development in early 2023 and commence operations thereafter. In December 2020, Oxley Gem (Cambodia) Co., Ltd., a subsidiary of the Group, entered into a Memorandum of Understanding with Bluebell Trading Pte. Ltd. (“**Bluebell**”) to engage Bluebell as the manager of the retail mall of The Peak. The Bluebell Group has been a leader in Asian retail for over 60 years and has operated 150 global luxury and lifestyle brands across Asia in both the domestic and travel retail sectors across various product categories. The construction of the retail and residential/office components of The Peak were completed in the third quarter of 2020 and the second quarter of 2021 respectively. Although construction progress has been hampered by shortage of manpower and raw materials partly caused by the COVID-19 pandemic, construction activities are still continuing. The construction of the hotel component of The Peak is expected to be completed progressively in the middle of 2023. As at 31 December 2022, 78 per cent. of the retail units and 99 per cent. of the residential units in the Peak have been sold while the office units are 100 per cent. sold.

For further details on the Shangri-La Phnom Penh Hotel, see “*Business — Business Segments — Hospitality — Cambodia*”.

People’s Republic of China

In 2014, the Group ventured into the PRC through its joint venture partners for the development of the Sino-Singapore Health City in Gaobeidian, Hebei Province, China.

Details of the Group’s ongoing township project in the PRC as at 31 December 2022 are set out in the table below:

Location/Project name	Tenure	Approximate gross floor area (sq m)	Development type	Number of units launched	Launch date	Group’s stake (%)	Expected year of completion
Antai Road, Gaobeidian, Hebei Province (“ Gaobeidian Project ”) ⁽¹⁾	Leasehold tenure of 40/50/70 years ⁽²⁾	2 million ⁽³⁾	Township	812 (Phase 1) 496 (Phase 2)	since October 2019	27.5	To be determined

Notes:

- (1) The Group holds a 27.5 per cent. interest in Gaobeidian through a joint venture with Beijing Jin Hua Tong Da Real Estate Development Co., Ltd.
- (2) The leaseholds for the developments within Gaobeidian may vary and are subject to the approval of the relevant authorities.
- (3) The relevant authorities have approved development plans for approximately 2 million sq m of the gross floor area within Gaobeidian.

Sino-Singapore Health City

The Group, through one of its associated entities, is developing a few pieces of land in Gaobeidian, Hebei Province (“**Sino-Singapore Health City**”). The PRC authorities have approved development plans for approximately 2 million sq m of the land area within the Sino-Singapore Health City. Sino-Singapore Health City is being developed as a mixed-use residential and sports village centre and is expected to comprise a rockclimbing stadium with one of the world’s highest man-made rock climbing wall with a total size of approximately 4,200 sq m featuring 18 climbing routes and 20 competition/training routes and

a green food agricultural zone. Sino-Singapore Health City is also expected to comprise a residential building area of approximately 1.6 million sq m, as well as F&B, entertainment, commerce, healthcare, education and other infrastructure.

A total of 1,308 units of the residential component have been launched since October 2019. As at 31 December 2022, 55% of the launched units have been sold.

Property investment

The Group's investment properties complement the Group's property development business and as at 31 December 2022, the Group has various investment properties in Singapore such as retail and shop units in The Rise@Oxley and Floravista as well as an industrial space at Space@Tampines.

Singapore

Space@Tampines

The Group has a 70 per cent. interest in Space@Tampines which has a leasehold tenure of 30 years from December 2012 and which was acquired by way of tender in September 2012. Space@Tampines is located at a 38,800 sq m industrial site at Tampines Industrial Crescent, which is situated near Changi Business Park, Elias Mall and White Sands, with convenient access to major expressways such as the Tampines Expressway and Kallang-Paya Lebar Expressway and the Tampines and Pasir Ris MRT stations. It has an approximate gross floor area of 65,892 sq m, comprising 71 warehouse units and one ancillary canteen, and was completed in June 2015. In April 2015, the Company's subsidiary, Oxley Bliss Pte. Ltd., signed a seven-year master lease with LHN Space Resources Pte. Ltd. for the lease of the second to seventh floors of the seven-storey block at Space@Tampines, which comprises 74 per cent. of the net lettable area of Space@Tampines, with an option to extend the master lease for another seven years. As at 31 December 2022, Space@Tampines had a total occupancy rate of 100 per cent. Space@Tampines was awarded "Winner — Industrial Category" at the Singapore Property Awards 2016.

Other investments

The Group holds 11 retail units in Novotel Singapore on Stevens and Mercure Singapore on Stevens, 29 retail and shop units in The Rise@Oxley and 26 retail and shop units in Floravista for investment purposes.

Hospitality

The Group's hospitality business consists of hotels which are located in Singapore, Malaysia and Cambodia. The Group owns two hotels in Singapore, namely Novotel Singapore on Stevens and Mercure Singapore on Stevens, which commenced operations in October 2017 and December 2017 respectively. As at 31 December 2022, the Group has three hotels under development, namely SO Sofitel Kuala Lumpur Hotel and a to-be-branded five star hotel in Malaysia (which are both expected to commence operations after the completion of the developments in 2024) and Shangri-La Hotel in Phnom Penh, Cambodia (which is expected to complete development in the middle of 2023).

The Group has entered into agreements for two of the hotels to be managed by third party hotel managers. The term of these agreements is typically around ten years. Certain of these agreements have an option to extend for two further five-year terms based on mutual agreement between the relevant parties. The Group expects to earn recurring revenue through its hospitality operations (including through hotel operations and F&B sales). Under these hotel management agreements, the Group is required to pay the hotel managers a base fee calculated based on the percentage of gross operating revenue and an incentive fee calculated based on the percentage of gross operating profit. The hotel management agreements may not be terminated by either party without cause, but may be terminated for cause in certain situations, such as where either party fails to remedy a material breach within an applicable cure period.

Singapore

In July 2013, the Group acquired a land parcel of approximately 18,477 sq m located along 30 Stevens Road at the site of the former The Pines Country Club in Singapore. The land parcel is located near the shopping belt along Scotts Road and Orchard Road and has a tenure of 103 years from 18 July 2013 and a gross floor area of approximately 29,548 sq m. In March 2019, the Group acquired the freehold lease on the land parcel. The current land area is approximately 16,500 sq m.

In April 2014, the Group appointed Accor to operate Novotel Singapore on Stevens and Mercure Singapore on Stevens, which form part of the hotel development on Stevens Road, Singapore. Novotel Singapore on Stevens commenced operations in October 2017 and has 254 rooms, a 500-seat ballroom, a Novotel Premier Lounge, meeting facilities, F&B outlets and a swimming pool. Mercure Singapore on Stevens commenced operations in December 2017 and has 518 rooms (including 10 suites), an all-day restaurant and a swimming pool. Novotel Singapore on Stevens and Mercure Singapore on Stevens also have a shared fitness centre.

The Group was awarded the “Top Ten 2015 Developers — Singapore” by BCI Asia and the “Best Hotel Architectural Design” by PropertyGuru Asia Property Awards (Singapore) 2017 for Novotel Singapore on Stevens and Mercure Singapore on Stevens.

Malaysia

In February 2016, Oxley Rising appointed AAPC Singapore Pte. Ltd. (“AAPC”) to provide management and consultancy services for the hotel and residences to be located within one of the other towers at Oxley Towers KLCC under the “SO Sofitel” brand. The hotel to be managed and operated by AAPC under the “SO Sofitel” brand (the “**SO Sofitel Kuala Lumpur Hotel**”) will feature approximately 226 rooms, four F&B outlets, an extensive pool with a deck and a terrace, a gym, a spa, a club lounge, a business centre and facilities for functions and events and is expected to complete development in 2024. The residences to be branded under “SO Sofitel” (the “**SO Sofitel Kuala Lumpur Residences**”) will feature approximately 590 rooms, a lounge, an extensive gym with a studio and yoga room, an adults’ pool, a separate children’s pool, a games room, a children’s playground, a function room and sky gardens for the residents. Residents of the SO Sofitel Kuala Lumpur Residences may choose to enjoy services including housekeeping, room services, laundry services and concierge services provided by the SO Sofitel Kuala Lumpur Hotel.

Cambodia

In April 2015, the Group appointed Shangri-La International Hotel Management Limited to provide consultancy services and to manage and operate the Shangri-La Phnom Penh Hotel at The Peak. The international luxury hotel, which will be the first Shangri-La hotel in Phnom Penh, will have panoramic views of the city and an array of facilities, including a number of F&B outlets as well as event and meeting spaces. The Shangri-La Hotel is located near the capital city’s main sightseeing attractions as well as Preah Sisowath Quay, a popular restaurant and nightlife district, and is expected to commence operations after its development completes in the middle of 2023.

Corporate

The Group has established a network of contacts through its joint ventures with strategic partners in overseas jurisdictions and has gained access into such markets through such networks and relationships. The Group owns 0.4 per cent. of the equity interest of Aspen (Group) Holdings Limited (“AGH”), a property developer based in Malaysia which is incorporated in Singapore and listed on the Catalist Board of the SGX-ST.

Australia

In Australia, the Group has a wholly owned subsidiary, Pindan Group Pty Ltd (“**Pindan**”), which, together with its subsidiaries, are an integrated property group providing a wide range of development, property, construction and maintenance services.

Due to the challenges posed by the COVID-19 pandemic that caused delays to construction activities, project completions and collection of project proceeds, the board of directors of Pindan and certain of its wholly-owned subsidiaries (the “**Pindan Group**”) have placed the Pindan Group into voluntary administration (the “**Administration**”) on 18 May 2021. The Administration has led to the Group’s loss of control over Pindan Group. Consequently, the Group recognised a loss on disposal of Pindan Group of S\$40 million for the financial year ended 30 June 2021.

The Company had provided a loan of A\$15.6 million to Pindan to enable Pindan to repay a secured loan owing to a local Australian lender, which repayment was made on 18 October 2021. The loan from the Company to Pindan will be repaid by Pindan using the proceeds from the divestment of properties currently mortgaged to the Company. Further, the Company had provided corporate guarantees to secure up to A\$12.5 million of insurance bonds issued for the benefit of the Pindan Group. Of these insurance bonds, approximately A\$6.3 million and A\$2.7 million had been paid by the Company to the insurance bond issuer in June 2021 and October 2021, respectively, and approximately A\$3.5 million of the bonds had been returned. The Company is in the process of reviewing the status of the projects relating to the bonds which have not been returned to the bond issuer. At the reconvened second creditors’ meeting of Pindan and Pindan Contracting Pty Ltd (“**PCPL**”) held on 3 December 2021, the Deeds of Company Arrangement (the “**DOCAs**”) proposed by Oxley Sparkle Pte. Ltd. (“**Oxley Sparkle**”), a wholly-owned subsidiary of the Company were approved by the creditors during the meetings. Under the proposed arrangements, Oxley Sparkle will contribute an aggregate of up to A\$14.3 million to pay, *inter alia*:

- (a) 100% of the admitted claims of non-director employees of Pindan and PCPL;
- (b) settlement amounts to unsecured creditors of Pindan and PCPL;
- (c) a loan to the liquidators of related entities of Pindan under liquidation of up to A\$1.2 million to pay employees of those entities 100% of their entitlements;
- (d) an aggregate amount of A\$1.5 million to the Pindan Group under liquidation; and
- (e) costs relating to the administration or liquidation of Pindan and its related entities (the “**Pindan Entities**”) and implementation of the DOCAs.

The DOCAs were executed on 23 December 2021 on substantially the same terms set out above. The conditions precedent under the DOCAs have been satisfied, discharged or waived and the deed administrators will take steps to distribute the funds in accordance with the terms of the DOCAs, including to settle outstanding claims and employee entitlements against Pindan and PCPL. The deed administrators will determine the timing of those distributions. As part of the satisfaction of the conditions precedent under the Pindan DOCA, certain subsidiaries of the wholly-owned subsidiaries of Pindan have also provided releases of all claims against the Company, Oxley Sparkle, any of their related entities (excluding Pindan, PCPL and certain of Pindan’s wholly-owned subsidiaries in liquidation) and any of the individuals who acted as directors, officers, partners, employees, members, agents or advisers of the Company, Oxley Sparkle and its related entities. Further, the amount to be contributed by Oxley Sparkle had been finalised with an increase of A\$2.0 million to facilitate the fulfilment of the conditions precedent under the DOCAs.

Malaysia

As at 31 December 2022, the Group holds a 0.4 per cent. equity interest in AGH. AGH is incorporated in Singapore and listed on the Catalist board of the SGX-ST. AGH, together with its subsidiaries (collectively, the “**AGH Group**”), is a property development group based in Malaysia with a focus on developing affordable residential and mixed development properties at strategic locations, with quality infrastructure and amenities, which target middle-income mass market purchasers.

In June 2019, the Group, through its wholly-owned subsidiary Oxley Holdings (Malaysia) Sdn. Bhd., invested RM20 million for a 40 per cent. equity interest in Aspen Vision Homes Sdn. Bhd. (“**AV Homes**”), a subsidiary of AGH.

On 11 November 2022, the Group completed a distribution by way of a dividend in specie of its shares in AGH to entitled shareholders of the Group on the basis of 0.023 AGH shares for every one share of the Group held by such entitled shareholders. The rationale for the divestment of the Group’s equity interest in AGH was that it was part of the Group’s plan to streamline its investment portfolio and divest its non-core assets. The Group intended to focus on property development in more developed markets in the near term. In view that the Aspen Group’s principal activities comprise (i) property development mainly in Malaysia, (ii) manufacturing of gloves and (iii) restaurants, the directors of the Group were of the view that the investment in Aspen no longer aligned with the Group’s current business objectives.

KEY BUSINESS PROCESSES

Property development

The Group’s key business processes for its property development projects are set out below:

(i) Site evaluation and assessment

The Group seeks to identify potential development sites from announcements of public tenders, the government land sales programme, private tenders or sales through its network of property agents. In assessing the viability of a development site, various factors are taken into consideration, including, but not limited to, the availability of financing, purchase price of the site, accessibility of the location, vibrancy and amenities of the area, feasibility of a potential property development, profile of target home buyers, market conditions and restrictions from local authorities. These assessments may be done internally or externally by professional consultants engaged by the Group.

(ii) Acquisition of sites

After receiving satisfactory results of a site assessment, the Group bids for or offers to acquire the available site based on a pre-determined price range to ensure the profitability of acquiring the site for property development.

(iii) Appointment of professional consultants

After acquiring the site, the Group’s management engages a team of professional consultants, including architects, interior designers, registered surveyors, mechanical and electrical engineers, and civil and structural engineers. These professional consultants formulate the design of the site make-up, architecture and interior design, and specifications of the development such as the number of units to be built, floor area of the units and materials to be used. Approvals, licences and building plan clearances necessary for the sale and construction of the project are also to be obtained at this stage.

(iv) Marketing and sales

Based on the design and building plan approved for the proposed development, showrooms are built by professional contractors to prepare for the project launch. The Group's management is responsible for formulating the marketing strategy for the project, while external consultants are engaged to execute the necessary marketing and sales activities, including media advertising, and the design, production and distribution of promotional materials. Sales and marketing agents are engaged to handle sales of the development through exhibitions at the Group's showrooms during project launches and other channels.

(v) Construction and development of projects

Prior to the commencement of construction, a main contractor is selected and appointed, based on factors including its licensed qualifications, financial status, reliability, track record, ability to commit to the project timeline, and quality of workmanship and finishing. Construction work commences after a main contractor is appointed.

Although construction and other related activities are outsourced to external contractors and professionals, the Group's management and project teams manage and closely supervise the progress of each construction stage of the project, with the assistance of the engaged architect and other professional consultants, to ensure that building standards are met and that the project will be completed within the allocated budget and scheduled timeline.

Property investment

The Group appraises each and every potential investment property based on potential capital appreciation and rental yield to assess its feasibility and viability. The Group typically retains units of properties it develops as the cost of purchase is lower compared with acquiring properties from third parties. The Group also manages its investment properties, including marketing and advertising the properties, negotiating lease renewals, collecting rental income, day-to-day maintenance and upgrading of the properties and ensuring that proper security measures are in place. By managing its portfolio of investment properties, the Group seeks to uphold the standard of maintenance of its properties to ensure that its properties remain competitive in the leasing market and to preserve the capital value of these properties. The Group may from time to time make long-term investments in, or acquisitions or divestments of, completed properties when appropriate opportunities arise.

Hospitality

The Group follows a multi-step process in seeking partners to operate the hotels it develops. Where opportunities appear promising, the Group conducts due diligence including the feasibility of the location, the proposed hotel manager's background and performance, the suitability of the hotel manager for the hotel that the Group intends to develop and other factors. The Group assesses the value each opportunity is expected to bring to its brand and, if applicable, the specific property development project as a whole. After the Group has selected a partner to manage the hotel, the Group enters into a memorandum of understanding with the appropriate party, followed by a hotel management agreement. Prior to the construction of the hotel, the hotel manager typically provides technical assistance on the construction, pre-opening and commissioning of the hotel.

Joint ventures and strategic alliances

Historically, the Group has grown its land bank primarily through direct purchases. Since 2013, the Group has sought to diversify its direct land purchase strategy by entering into joint venture agreements with landowners, particularly for its overseas projects.

The Group's interests in these joint ventures vary depending on the value of the land against the estimated development cost. As part of these arrangements, the Group is responsible for providing its expertise in developing properties while the Group's partners contribute the land that they own for such development. Profits from the sales of the property development are shared between the Group and its partners. Such arrangements also enable the pooling of financial resources and management expertise in the development of projects and reduce the risks undertaken by the Group. The Group expects that this strategy will enable Group to expand its portfolio more rapidly and efficiently, as it allows the Group to commit lower amounts of capital while enjoying strong cash flows when the Group launches and sells the properties.

The joint venture partner is also required to provide warranties over his/her title over the land and, if necessary, to vacate tenants and informal occupants located on the development site prior to the commencement of development work by the Group. All costs relating to clearing the land of tenants and informal occupants are the responsibility of the joint venture partner, although the Group may provide cash advances to cover a portion of these costs, which will then be deducted from any sale proceeds attributable to the joint venture partner.

The Group believes that its track record of reliability and success in property development provides its joint venture partners with confidence in the future success of the Group's projects. The Group intends to focus its property development activities in more developed countries, such as the United Kingdom and Ireland.

For a discussion of certain risks associated with these joint venture arrangements, see "*Risk Factors — Risks Relating to the Group's Business — The Group may encounter problems with its joint ventures that may adversely affect its business*".

Sales and Marketing

The Group's senior management team leads the Group's sales and marketing efforts and is responsible for formulating and planning marketing strategies and activities for its businesses.

Property development

In line with its marketing strategy, the Group generally sells properties through various launch phases, prior to the completion of construction. The Group collaborates with marketing agencies to conceptualise and produce marketing materials, including brochures and videos, for its target markets. The Group also engages established sales and marketing agencies to undertake sales of its developments through various channels, including events, seminars and exhibitions. An on-site sales gallery and show units are typically established for each project, which allows potential customers to visualise how a development is expected to look, beyond the initial drawings and renderings. Sales agents are stationed at each sales gallery to attend to potential customers.

Property investment

The Group typically commences marketing and leasing of its developments prior to the start of construction, in order to secure appropriate anchor and specialty tenants for its new developments. This is carried out by the Group's in-house leasing team and appointed property agencies. The Group negotiates leases individually with each tenant, using the Group's standard set of lease terms as the starting point. The leases generally have a term of three years, with a tenant option to extend for three years.

Insurance

The Group maintains insurance policies for all its assets, including all of its properties under development, investment properties and equipment. The Group has insurance covering public liability, money in premises and transit, fire, and all-risk (which excludes acts of God, war or civil disorder) policies on contents of office and stock-in-trade. For its assets, the risks covered by the policies include all natural disasters, theft, vandalism and public liability which are normally incurred by companies in Singapore in similar industry. The Group also insures for public liabilities for claims by third parties in respect of bodily injury and damage arising out of properties and other assets owned by the Group.

The Group requires its contractors to maintain contractors' all risks and work injury compensation insurances during the construction period and maintenance period of the relevant project. Upon completion, the responsibility of insuring each individual unit typically passes to the purchasers. For development properties, the Group obtains insurance for each individual unit. For completed properties, the Group or the management corporation of the relevant development maintains fire and public liability insurance in relation to common property.

In addition, the Group maintains term life and personal accident policies for its employees and medical policies and workmen's compensation for its employees and liability insurance for its directors and officers.

Employees

The Group provides employees with on-the-job-training and other development programmes that assist them in effectively carrying out their jobs and that prepare them for career advancement in the Group.

As at the date of this Offering Circular, the Group has no collective bargaining agreements with its employees and none of the Group's employees belongs to a union.

The Company continuously strives to position itself as an employer of choice. It offers what it believes to be competitive salary and benefits packages that allow it to compete in the job market for quality employees. The Company has no employee stock option plan.

CAPITALISATION

The following table sets out the Group's unaudited but reviewed consolidated capitalisation and indebtedness as of 31 December 2022. The following information should be read in conjunction with the Group's consolidated financial statements and the related notes included elsewhere in this Offering Circular, "Use of Proceeds" and "Description of Material Indebtedness".

	As at 31 December 2022
	(\$'000)
Cash and cash equivalents	152,870
Borrowings	
Current	996,419
Non-current	1,104,350
Total borrowings	2,100,769
Equity	
Share capital	305,078
Treasury shares	(10,284)
Retained earnings	504,946
Other reserves	182,333
Non-controlling interest	50,655
Total equity	1,032,728
Total capitalisation	3,133,497

Note:

(1) Total capitalisation equals total borrowings plus total equity.

Except as otherwise disclosed in this Offering Circular, there has been no material adverse change in the Group's capitalisation or indebtedness since 31 December 2022.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The Group's indebtedness primarily consists of (a) long-term and short-term loans and (b) fixed rate notes issued under the Group's English law governed Euro Medium Term Note Programme. As at 31 December 2022, the Group had total borrowings and debt securities of S\$2.1 billion (excluding carrying amount of derivatives of S\$4 million and lease liabilities of S\$64 million).

Loans

The following sets out a summary of certain terms of the Group's indebtedness for each loan which has an outstanding amount exceeding S\$100 million as at 31 December 2022. Such loans carry interest rates of between 4.5 per cent. to 10.0 per cent. and contain customary financial covenants, including:

- (a) requirements to maintain a minimum consolidated tangible net worth and/or loan-to value ratio;
- (b) limitations on creating additional indebtedness; and
- (c) negative pledges.

This summary does not purport to be a complete description of the Group's indebtedness. Please refer to the Group's financial statements and the notes thereto and "*Capitalisation*" in this Offering Circular for additional information with respect to the Group's indebtedness.

Borrower	Lender/ Facility Agent	Currency	Original principal amount (millions)	Outstanding amount as at 31 December 2022 (millions)	Maturity	Purpose
Oxley Holdings Limited	Credit Suisse AG, Singapore Branch as agent	S\$	225.00	205.00	9 April 2023 and 16 April 2023 ⁽¹⁾	General corporate purposes
Oxley Spinel Pte. Ltd.	Oversea-Chinese Banking Corporation Limited as facility agent	S\$	459.92	179	Earliest of 25 July 2023, 6 months from the TOP Date and 30 September 2023	To finance the acquisition costs and development costs of Kent Ridge Hill Residences
Oxley Gem Pte. Ltd.	The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch as facility agent	S\$	540.00	540.00	31 October 2024	To refinance outstanding loan at Novotel Singapore on Stevens and Mercure Singapore on Stevens and for general corporate capital purposes
Oxley Holdings Limited	Dragons 619 Limited as lender	US\$	100.00	85.97	31 March 2023	General corporate purposes
Oxley Holdings Limited	TC Investment	S\$	100.00	100.00	No fixed maturity date	General corporate purposes
Oxley Holdings Limited	United Overseas Bank Limited	S\$	100.00	100.00	30 December 2023	General corporate purposes

Note:

- (1) Such maturity date may be extended by a further 12 months if mutually agreed between the borrower and the lender.

Fixed rate notes and bonds

As at 31 December 2022, the Group had the following outstanding debt securities:

- S\$75 million of senior unsecured fixed rate notes which were issued by the Issuer and guaranteed by the Guarantor as Series 3 under the Programme (the “**Series 003 Notes**”) on 25 February 2020 and which will mature on 28 February 2023. The Series 003 Notes bear a fixed interest rate of 6.50 per cent. per annum, payable semi-annually in arrear; and
- S\$205 million of senior unsecured fixed rate notes which were issued by the Issuer and guaranteed by the Guarantor as Series 4 under the Programme (the “**Series 004 Notes**”), in three tranches on 6 July 2021, 31 September 2021 and 12 April 2022 respectively and which will mature on 8 July 2024. The Series 004 Notes bear a fixed interest rate of 6.90 per cent. per annum, payable semi-annually in arrear.

DIRECTORS AND MANAGEMENT

DIRECTORS

The directors of the Company are responsible for the overall management of the Group.

The following table and description below sets forth certain information concerning the board of directors of the Company (“**Board**”) as at the date of this Offering Circular:

Name	Position
Ching Chiat Kwong	Executive Chairman and Chief Executive Officer
Low See Ching	Co-Founder, Executive Director and Deputy Chief Executive Officer
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

Ching Chiat Kwong

Executive Chairman and Chief Executive Officer

Mr. Ching Chiat Kwong (“**Mr. Ching**”) is the Executive Chairman and Chief Executive Officer of the Group. He is responsible for the formulation of corporate strategies, charting future growth plans and driving the overall performance of the Group.

Mr. Ching possesses more than 20 years of property industry experience. Prior to establishing the Group, he invested in, developed and successfully launched 13 residential property projects in various parts of Singapore. Mr. Ching’s 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 Company’s initial public offering on the Catalist of the SGX-ST in 2010.

Mr. Ching received the 2017 Real Estate Personality of the Year award 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 the National University of Singapore in 1989 and 1990 respectively.

Low See Ching

Co-founder, Executive Director and Deputy Chief Executive Officer

Mr. Low See Ching (“**Mr. Low**”) was appointed as Executive Director and Deputy Chief Executive Officer of the Group on 1 February 2014. Prior to this appointment, Mr. Low served on the Board as a Non-Executive Director. Mr. Low is responsible for the operations of the Group including sales and marketing, project development, business development and financial management. Mr. Low also assists the Chief Executive Officer 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 Singapore, namely Residences@Jansen at Jansen Road, Urban Lofts at Rangoon Road, Vetro at Mar Thoma Road, The Verve at Jalan Rajah and The Aristo@Amber at Amber Road.

Mr. Low is currently a non-executive director of Hafary Holdings Limited. He joined Hafary Group in 2000 and became the executive director and chief executive officer of the Hafary Group in 2005 before relinquishing his role in December 2013. He was responsible for the strategic growth and operational activities of Hafary Group, including sales, marketing and procurement strategies.

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 (“**Mr. Shawn Ching**”) was appointed Executive Director and Group General Manager on 15 November 2018. Mr. Shawn Ching is responsible for the general operations and administration of the Group. Mr. Shawn Ching is also deputy chairman at Oxpay Financial Limited, the first digital payments company to be listed on the SGX.

Mr. Shawn 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. Shawn 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 (“**Mr. Ng**”) 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 or non-executive director.

He is a Fellow of the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accountants (United Kingdom). Mr. Ng obtained a Master of Business Administration (General Business Administration) from The University of Hull, United Kingdom.

Phua Sian Chin

Independent Director

Mr. Phua Sian Chin (“**Mr. Phua**”) 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 30 years of experience in financial accounting, restructuring 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 various 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 6 years.

Mr. Phua graduated with a Bachelor of Accountancy degree from the University of Singapore in 1975. He is currently a Fellow of the Institute of Singapore Chartered Accountants, a Fellow of CPA Australia, a Fellow of the Association of Chartered Certified Accountants (United Kingdom), and a member of the Singapore Institute of Directors.

Lim Yeow Hua @ Lim You Qin

Independent Director

Mr. Lim Yeow Hua @ Lim You Qin (“**Mr. Lim**”) was appointed to the Board as Independent Director on 30 April 2014.

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

Mr. Lim currently sits on the boards as independent director and audit committee chairman of a number of companies listed on SGX-ST.

Mr. Lim is a Fellow of the Institute of Singapore Chartered Accountants, an Accredited Tax Advisor (Income Tax and Goods and Services Tax) of the Singapore Chartered Tax Professionals, and a full member of the Singapore Institute of Directors.

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

MANAGEMENT

The following table and description below sets forth certain information concerning the key management of the Company as at the date of this Offering Circular:

Name	Position
Jaslyn Leong Mei Kuan	Chief Financial Officer
Eddie Lim Chee Chong	Executive Director, Oxley Malaysia
Kupiec Piotr Jan	General Manager, Novotel & Mercure Singapore on Stevens
Ong Pee Hock, John	Project Director
Carol Ng Suat Kheng	Administrative Manager
Chua Lee Na	Senior Project Manager
Lindsay Tan Chew Guek	Quantity Survey Manager
Lim Thean Huat	Senior Project Manager
Victor, Ong Soon Lee	Senior Project Manager
Tan Sze Gee	Senior Manager, Marketing, Sales & Leasing

Jaslyn Leong Mei Kuan

Chief Financial Officer

Ms. Jaslyn Leong (“**Ms. Leong**”) is the Chief Financial Officer and is responsible for overseeing the Group’s finance, accounting, treasury, taxation and company secretarial matters.

Ms. Leong has more than 20 years of accounting, finance and audit experience. Before joining the Group, she held various senior positions including Head of Finance with the Manager of Sasseur REIT and Senior Manager with CapitaLand Group. Prior to that, she was an auditor with Ernst and Young in Singapore.

Ms. Leong holds a professional degree with the Association of Chartered Certified Accountants (ACCA) and a Bachelor degree in Business from Nanyang Technological University. Ms. Leong is a Fellow Chartered Accountant of Singapore with the Institute of Singapore Chartered Accountants (ISCA).

Eddie Lim Chee Chong

Executive Director, Oxley Malaysia

Mr. Eddie Lim Chee Chong (“**Mr. Lim Chee Chong**”) is the Executive Director of Oxley Holdings (Malaysia) Sdn Bhd, in addition to leading project development in the region and overseeing the hotel operations in Singapore. Prior to joining Oxley, Mr. Lim Chee Chong 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 of GPHL. Mr. Lim Chee Chong spearheaded the launch of GPHL’s premium hotel brand known as Parc Sovereign Hotel. Before GPHL, Mr. Lim Chee Chong 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 Chee Chong holds a Master of Business Administration degree from Arcadia University and a Bachelor degree in Engineering from Nanyang Technology University.

Kupiec Piotr Jan

General Manager, Novotel & Mercure Singapore on Stevens

Mr. Kupiec Piotr Jan (“**Mr. Kupiec**”) joined as General Manager of Novotel & Mercure Singapore on Stevens (“**NMS**”) in July 2022. Mr. Kupiec has over 20 years of experience in the hospitality industry and has been with Accor since 2004 under multiple Accor brands (Ibis, Novotel, SO and Sofitel) across 3 continents (Europe, Africa, Asia) and 5 countries (Poland, Germany, United Kingdom, Mauritius and Singapore).

Prior to joining NMS, Mr. Kupiec led the team at Sofitel Singapore Sentosa Resort & Spa and SO/Singapore. He was recently recognised by Singapore Business Review as the Executive of the Year and Employee Engagement of the Year under the Hospitality & Leisure category for the best practices implemented during Covid time to ensure employees engagement and business continuity.

Ong Pee Hock, John

Project Director

Mr. Ong Pee Hock, John (“**Mr. Ong**”) 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 10 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 operations in United Arab Emirates, Vietnam, Thailand and the PRC.

Mr. Ong holds a Diploma in Building Services Engineering.

Carol Ng Suat Kheng

Administrative Manager

Ms. Ng Suat Kheng, Carol (“**Ms. Ng**”) 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.

Chua Lee Na

Senior Project Manager

Ms. Chua Lee Na (“**Ms. Chua**”) 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 and Real Estate Investment Graduate Certificate from Harvard Extension School.

Lindsay Tan Chew Guek

Quantity Survey Manager

Ms. Lindsay Tan Chew Guek (“**Ms. Tan Chew Guek**”) joined Oxley in May 2010 as Quantity Survey Manager. She leads the Group’s quality control and procurement teams. Prior to joining Oxley, Ms. Tan Chew Guek 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 Chew Guek holds a Diploma in Civil and Structural Engineering from Singapore Polytechnic.

Lim Thean Huat

Senior Project Manager

Mr. Lim Thean Huat (“**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. Mr. Lim Thean Huat 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 more than 30 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 Thean Huat also held the position of senior vice president (Technical Service) and worked on projects in the United Kingdom, the PRC, Thailand, Vietnam and Laos.

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

Victor, Ong Soon Lee

Senior Project Manager

Mr. Victor Ong Soon Lee (“**Mr. Ong Soon Lee**”) joined Oxley in September 2011 as Project Manager and rose to the rank of Senior Project Manager. He is responsible for the Group’s developments 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 Soon Lee holds a Bachelor of Science (Building) degree from National University of Singapore.

Tan Sze Gee

Senior Manager, Marketing, Sales & Leasing

Ms. Tan Sze Gee (“**Ms. Tan Sze Gee**”) joined Oxley in September 2016. She rose through the ranks from an Assistant Manager to Senior Manager, Marketing, Sales & Leasing, responsible for the Group’s local and overseas projects. She was involved in conceptualising, sales launch and post launch for more than 10 local residential projects. In addition, she oversees all the local leasing portfolios to ensure high occupancy rates.

Ms. Tan Sze Gee holds a Bachelor Degree in Business (Marketing) from Royal Melbourne Institute of Technology.

BOARD COMMITTEES

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

In addition, in view of Mr. Ching’s concurrent appointment as the Group’s Executive Chairman and Chief Executive Officer, Mr. Ng has been appointed as the Lead Independent Director of the Company. 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 Chief Executive Officer or Management are inappropriate or inadequate. 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.

The Company’s constitution provides that where the Company has four Directors, the Lead Independent Director shall have a second or casting vote in the event of an equality of votes at any Board meeting where more than two directors are present.

Audit Committee

The members of the Audit Committee are Mr. Ng (Lead Independent Director), Mr. Phua (Independent Director) and Mr. Lim (Independent Director). Mr. Ng is the chairman of the Audit Committee. All members of the Audit Committee have recent and relevant accounting or related financial management expertise or experience to discharge their responsibilities as members of the committee. None of the members of the Audit Committee 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 Audit Committee are:

- to review the annual financial statements and the external auditor’s report on those financial statements, and discuss any significant adjustments, major risk areas, key audit matters, changes in accounting policies, compliance with relevant financial reporting standards, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of Management, where necessary, before submission to the Board for approval;
- to review the periodic 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;
- to review the independence of the external auditors annually;
- to make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external 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 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 Audit Committee, concerns about possible misconduct or wrongdoing relating to the Company and its officers, including improprieties in financial reporting or other matters, and ensure 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 (such review may be carried out internally or with the assistance of any competent third parties);
- 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 supplies 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 Chief Executive Officer 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 Audit Committee.

The Audit Committee 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 Audit Committee on any changes in accounting standards impacting the financial statements of the Group before an audit commences.

Nominating Committee

The members of the Nominating Committee are Mr. Phua (Independent Director), Mr. Ng (Lead Independent Director) and Mr. Lim (Independent Director). Mr. Phua is the chairman of the Nominating Committee.

The key terms of reference of the Nominating Committee are:

- to make recommendations to the Board on relevant matters relating to the review of succession plans for directors, in particular, the Executive Chairman, the Chief Executive Officer 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;
- 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 Nominating Committee is in charge of re-nominating the directors, having regard to their contribution and performance. It also 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.

Remuneration Committee

The members of the Remuneration Committee are Mr. Lim (Independent Director), Mr. Phua (Independent Director) and Mr. Ng (Lead Independent Director). Mr. Lim is the chairman of the Remuneration Committee.

The key terms of reference of the Remuneration Committee are:

- 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;
- to review and recommend to the Board the terms of the service contracts of executive directors and the terms of renewal thereof; 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 Remuneration Committee's recommendations are submitted for endorsement by the entire Board of Directors of the Company. No director is involved in deciding his own remuneration. If necessary, the Remuneration Committee will seek expert advice on the remuneration of the directors.

PRINCIPAL SHAREHOLDERS

Substantial shareholders

The interests of the substantial shareholders of the Company, based on information recorded in the Register of Substantial Shareholders maintained by the Company, as at 31 December 2022, are set forth in the table below:

Name of shareholder	Number of Shares	% ⁽²⁾
Ching Chiat Kwong ⁽¹⁾	1,792,278,951	42.45
Low See Ching (Liu Shijin) ⁽¹⁾	1,192,748,214	28.25
Tee Wee Sien (Zheng Weixian)	471,896,172	11.18

Notes:

- (1) Mr. Ching Chiat Kwong and Mr. 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) The percentages of issued share capital are calculated based on 4,222,554,639 issued shares (excluding treasury shares) in the capital of the Company as at 31 December 2022.

CLEARING AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream or CDP (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer and the Guarantor believe to be reliable, but none of the Issuer, the Guarantor, the Trustee, any Dealer, the Arrangers or any other party to the Agency Agreement takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Guarantor, the Trustee, or any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

The Clearing Systems

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system’s rules and procedures.

CDP

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (“**Depository System**”) maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a Global Note or a Global Certificate for persons holding the Notes in securities accounts with CDP (“**Depositors**”). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Notes through the Depository System may be effected through securities sub-accounts held with corporate depositors (“**Depository Agents**”). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Guarantor, the Trustee, any Dealer, the Arrangers or any other party will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Book-Entry Ownership

Bearer Notes

The Issuer has made applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. In respect of Bearer Notes, a Temporary Global Note and/or a Permanent Global Note will be deposited with a common depositary for Euroclear and/or Clearstream. Transfers of interests in a Temporary Global Note or a Permanent Global Note will be made in accordance with the normal market debt securities operating procedures of the Euroclear and/or Clearstream.

Registered Notes

The Issuer has made applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Registered Global Note. Each Series of Registered Notes will have an ISIN and a common code. Investors in Notes of such Series may hold their interests in a Registered Global Note through Euroclear and/or Clearstream.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within Euroclear and/or Clearstream will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. Euroclear and Clearstream have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among accountholders of Euroclear and Clearstream. However, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued or changed at any time. None of the Issuer, the Guarantor, the Trustee, the Paying Agents, the Registrar or any Dealer will be responsible for any performance by Euroclear, Clearstream or their respective accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

The following is a general description of certain Singapore tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Offering Circular and is subject to any change in law that may take effect after such date.

SINGAPORE TAXATION

The statements below regarding Singapore taxation are general in nature and based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore (“**IRAS**”) and the MAS in force as at the date of this Offering Circular and are subject to any changes in such laws, administrative guidelines or circulars, or in the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retrospective basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Notes or any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Guarantor, the Arrangers and the Dealer(s) and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act 1947 of Singapore (“**ITA**”), the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0 per cent. The applicable rate for non-resident individuals is 22.0 per cent. prior to the year of assessment 2024, and 24.0 per cent. thereafter. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (i) interest from debt securities derived on or after 1 January 2004;
- (ii) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (iii) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

In addition, as the Programme as a whole was arranged by Financial Sector Incentive (Standard Tier) or Financial Sector Incentive (Capital Market) Companies (as defined in the ITA), any tranche of the Notes (the “**Relevant Notes**”) issued as debt securities under the Programme during the period from the date of this Offering Circular to 31 December 2023 would be qualifying debt securities (“**QDS**”) for the purposes of the ITA, to which the following treatment shall apply:

- (A) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using the funds and profits of such person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Qualifying Income**”) from the Relevant Notes paid by the Issuer and derived by a holder who is not resident in Singapore and who (I) does not have any permanent establishment in Singapore or (II) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person’s operation through a permanent establishment in Singapore, are exempt from Singapore income tax;
- (B) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), Qualifying Income from the Relevant Notes paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(C) subject to:

- (I) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
- (II) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50.0 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and
- (B) even though a particular tranche of Relevant Notes are QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50.0 per cent. or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Notes held by:
 - (a) any related party of the Issuer; or
 - (b) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term “**related party**”, in relation to a person (A), means any person (a) who directly or indirectly controls A; (b) who is being controlled directly or indirectly by A; or (c) who, together with A, is directly or indirectly under the control of a common person.

The terms “break cost”, “prepayment fee” and “redemption premium” are defined in the ITA as follows:

- “**break cost**” means, in relation to debt securities and QDS, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;
- “**prepayment fee**” means, in relation to debt securities and QDS, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and
- “**redemption premium**” means, in relation to debt securities and QDS, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to “**break cost**”, “**prepayment fee**” and “**redemption premium**” in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any of the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax (including for the reasons described above) is required to include such income in a return of income made under the ITA.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard (“**FRS**”) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be) may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be).

Please see the section below on “*Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes*”.

Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled “*Income Tax Implications Arising from the Adoption of FRS 39 — Financial Instruments: Recognition & Measurement*”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “*Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 — Financial Instruments*”.

Holders of the Notes who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

THE PROPOSED FINANCIAL TRANSACTIONS TAX (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s proposal**”) for a Directive for a common FTT in Austria, Belgium, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the “**participating Member States**”) and Estonia. However, Estonia has since stated that it will not participate.

The Commission’s proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission’s proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States and the United Kingdom may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining “foreign passthru payments”. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

The Arrangers and the Dealers have, in a dealer agreement dated 7 April 2017, as amended and/or supplemented on 19 January 2018, 17 January 2020, 28 June 2021 and 3 February 2023 and from time to time (the “**Dealer Agreement**”), agreed with the Issuer and the Guarantor a basis on which they or any of them may from time to time agree to subscribe Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. Under the terms of the Dealer Agreement, the Issuer (failing which, the Guarantor) will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer (failing which, the Guarantor) has agreed to reimburse the Arrangers for certain of its expenses incurred in connection with the establishment of the Programme and any future update of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer and the Guarantor have agreed to jointly and severally indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

The Dealers and certain of their affiliates may have performed certain investment banking and advisory services for the Issuer, the Guarantor and/or their respective affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer, the Guarantor and/or their respective affiliates in the ordinary course of their business.

In connection with each Tranche of Notes issued under the Programme, the Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. Further, the Dealers or their respective affiliates may purchase Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of the Issuer, the Guarantor or their respective subsidiaries or affiliates at the same time as the offer and sale of each Tranche of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Tranche of Notes to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Tranche of Notes).

United States of America

- 1.1 In respect of Notes offered or sold in reliance on Category 1 as specified in the applicable Pricing Supplement, the Notes and the Guarantee of the Notes have not been and will not be registered under the Securities Act, and the Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented, warranted and undertaken that it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment except in accordance with Rule 903 of Regulation S under the Securities Act.
- 1.2 In respect of Notes offered or sold in reliance on Category 2 as specified in the applicable Pricing Supplement, the Notes and the Guarantee of the Notes have not been and will not be registered under the Securities Act, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Subject to paragraph 1.5 below, each Dealer has represented, warranted and undertaken that it has offered, sold and delivered any Notes, and will offer, sell and deliver any Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified as provided below, only in accordance with Rule 903 of Regulation S under the Securities Act. Each Dealer who has purchased

Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and certify to the Principal Paying Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent has agreed to notify such Dealer or Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer has also agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the Securities Act), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S”.

Terms used in this paragraph 1.1 have the meanings given to them by Regulation S.

- 1.3 Each Dealer has further represented, warranted and undertaken that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and, in respect of Notes offered or sold in reliance on Category 2 as specified in the applicable Pricing Supplement, it and they have complied and will comply with the offering restrictions requirement of Regulation S.

The applicable Pricing Supplement will specify whether U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D), as in effect prior to the repeal of Section 163(f)(2)(B) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), or any successor rules that are substantially in the same form, in each case, are applicable (or relevant under IRS Notice 2012-20) for purposes of Section 4701 of the Code. In respect of Bearer Notes where TEFRA D is specified in the applicable Pricing Supplement:

- (a) except to the extent permitted under TEFRA D, each Dealer (i) has represented and agreed that it has not offered or sold, and has agreed that during a 40-day restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) has represented that it has not delivered and agreed that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (b) each Dealer has represented and agreed that it has and agreed that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by TEFRA D;
- (c) if it is a United States person, each Dealer has represented and agreed that it is acquiring Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with TEFRA D (including the requirements of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D)(6)); and

- (d) with respect to each affiliate of such Dealer that acquires Notes in bearer form from such Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer has repeated and confirmed the representations and agreements contained in subparagraphs (a), (b) and (c) on such affiliate's behalf.

Terms used in this paragraph 1.3 have the meanings given to them by the Code and Treasury regulations promulgated thereunder, including TEFRA D.

- 1.4 The applicable Pricing Supplement will specify whether U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C), as in effect prior to the repeal of Section 163(f)(2)(B) of the Code, or any successor rules that are substantially in the same form, in each case, are applicable (or relevant under IRS Notice 2012-20) for purposes of Section 4701 of the Code. In respect of Bearer Notes where TEFRA C is specified in the applicable Pricing Supplement, such Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Bearer Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented and agreed in connection with the original issuance of such Bearer Notes that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Bearer Notes.

Terms used in this paragraph 1.4 have the meanings given to them by the Code and Treasury regulations promulgated thereunder.

Prohibition of Sales to EEA Retail Investors

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (b) the expression an "offer" means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Public Offer Selling Restriction under the EU Prospectus Regulation

If the Pricing Supplement in respect of any Notes does not include a legend entitled “Prohibition of Sales to EEA Retail Investors”, in relation to each Member State of the European Economic Area, each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression “**EU Prospectus Regulation**” means Regulation (EU) 2017/1129.

Prohibition of Sales to UK Retail Investors

If the Pricing Supplement in respect of any Notes includes the legend “Prohibition of Sales to UK Retail Investors”, each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision, the expression “**retail investor**” means a person who is one (or more) of the following:

- (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
- (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

If the Pricing Supplement in respect of any Notes does not include the legend “Prohibition of Sales to UK Retail Investors”, each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Notes to the public**” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other UK regulatory restrictions

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that:

- (a) *No deposit-taking*: in relation to any Notes which have a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

- (c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA and sections 89 and 90 of the FSA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan. As used in this paragraph, “**resident of Japan**” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Hong Kong

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Netherlands

Zero Coupon Notes in definitive bearer form and other Notes in definitive bearer form on which interest does not become due and payable during their term but only at maturity (savings certificates or *spaarbewijzen* as defined in The Netherlands Savings Certificates Act (*Wet inzake spaarbewijzen*, the “**SCA**”)) may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such Notes to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business and (iii) the issue and trading of such Notes if they are physically issued outside The Netherlands and are not immediately thereafter distributed in The Netherlands.

As used herein “**Zero Coupon Notes**” are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and undertaken and each further Dealer appointed under the Programme will be required to represent, warrant and undertake that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

People's Republic of China

Each Dealer has represented, warranted and undertaken and each further Dealer appointed under the Programme will be required to represent, warrant and undertake that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the PRC.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer or the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Guarantor, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or the Guarantor or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer or the Guarantor. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing

their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the relevant affiliated Manager(s) (if any) to categorise it as a proprietary order and apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- the name of each underlying investor;
- a unique identification number for each investor;
- whether an underlying investor has any “Associations” (as used in the SFC Code);
- whether any underlying investor order is a “Proprietary Order” (as used in the SFC Code); and
- whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Guarantor, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

By placing an order, prospective investors (including any underlying investors in relation to omnibus orders) are deemed to represent to the Dealers that it is not a Sanctions Restricted Person. A “Sanctions Restricted Person” means an individual or entity (a “**Person**”): (a) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current “Specially Designated Nationals and Blocked Persons” list (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/sdnlist.pdf>) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (iii) the most current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: https://eeas.europa.eu/headquarters/headquartershomepage_en/8442/Consolidated%20list%20of%20sanctions); or (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of: (i) their inclusion in the most current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “**SSI List**”), (ii) their inclusion in Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the “**EU Annexes**”), (iii) their inclusion in any other list

maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes, (iv) them being the subject of restrictions imposed by the U.S. Department of Commerce's Bureau of Industry and Security ("BIS") under which BIS has restricted exports, re-exports or transfers of certain controlled goods, technology or software to such individuals or entities; (v) them being an entity listed in the Annex to the new Executive Order of 3 June 2021 entitled "Addressing the Threat from Securities Investments that Finance Certain Companies of the People's Republic of China" (known as the Non-SDN Chinese Military-Industrial Complex Companies List), which amends the Executive Order 13959 of 12 November 2020 entitled "Addressing the threat from Securities Investments that Finance Chinese Military Companies"; or (vi) them being subject to restrictions imposed on the operation of an online service, Internet application or other information or communication services in the United States directed at preventing a foreign government from accessing the data of U.S. persons; or (c) that is located, organised or a resident in a comprehensively sanctioned country or territory, including Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the Donetsk's People's Republic or Luhansk People's Republic. **"Sanctions Authority"** means: (a) the United States government; (b) the United Nations; (c) the European Union (or any of its member states); (d) the United Kingdom; (e) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (f) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty's Treasury.

General

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it will have complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Offering Circular or any Pricing Supplement or any related offering material, in all cases at its own expense, and neither the Issuer nor the Guarantor, shall have any responsibility therefor.

None of the Issuer, the Guarantor, the Trustee or any of the Dealers represent that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the applicable Pricing Supplement.

These selling restrictions may be modified by the agreement of each of the Issuer and the Dealer following a change in a relevant law, regulation or directive. Any such modification will be set out in the relevant Pricing Supplement issued in respect of the issue of the Notes to which it relates or in a supplement to this Offering Circular.

LEGAL MATTERS

Certain legal matters as to Singapore law will be passed upon for the Issuer and the Guarantor by Allen & Gledhill LLP. Certain legal matters as to Singapore and English laws will be passed upon for the Arrangers and the Dealers by Clifford Chance Pte. Ltd.

INDEPENDENT AUDITORS

RSM Chio Lim LLP, independent auditors, audited the Group's consolidated financial statements without qualification as of 30 June 2021 and 2022 and for years ended 30 June 2021 and 2022, and reviewed the Group's condensed interim consolidated financial statements as of 31 December 2022 and for each of the six months ended 31 December 2021 and 2022. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing. Consequently, it does not enable them to obtain assurance that they would become aware of all significant matters that might be identified in an audit. Accordingly, they do not express an audit opinion on the interim consolidated financial statements. The financial information included in this Offering Circular has been prepared under SFRS(I). RSM Chio Lim LLP has consented to the inclusion of its audit and review reports in this Offering Circular.

GENERAL INFORMATION

1. **Listing of Notes:** Approval in-principle has been received from the SGX-ST in connection with the Programme and application will be made for the listing and quotation of any Notes that may be issued under the Programme and which are agreed at or prior to the time of the issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted for listing and quotation on the SGX-ST. The relevant Pricing Supplement (as defined herein) in respect of any series of Notes will specify whether or not such Notes will be listed on the SGX-ST (or any other stock exchange). There is no assurance that the Issuer will be able to obtain or maintain the listing and quotation of such Notes on the SGX-ST (or any other stock exchange). The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Programme or any Notes on, the SGX-ST are not to be taken as an indication of the merits of the Programme, the Notes, the Guarantee of the Notes, the Issuer, the Guarantor, its subsidiaries, joint ventures and/or associated entities.
2. **Authorisations:** The Issuer and the Guarantor have obtained all necessary consents, approvals and authorisations in connection with the update of the Programme and the issue of Notes. The update of the Programme and issue of Notes thereunder was authorised by resolutions of the board of directors of the Issuer dated 7 April 2017, 17 February 2020, 25 June 2021 and 1 February 2023. The giving of the Guarantee of the Notes was authorised by resolutions of the board of directors of the Guarantor on 7 April 2017, 17 February 2020, 25 June 2021 and 1 February 2023.
3. **No Material Adverse Change:** Except as disclosed in this Offering Circular, there has been no material adverse change in the Group's financial position in the context of the issue and offering of any Notes under the Programme since 31 December 2022.
4. **Litigation:** Except as disclosed in this Offering Circular, the Group is not involved in any litigation or arbitration proceedings or any regulatory investigations relating to claims or amounts which are material in the context of the issue of the Notes nor, so far as it is aware, is any such litigation or arbitration pending or threatened.
5. **Bearer Notes, Receipts, Coupons and Talons:** Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend on its face: "ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE OF THE UNITED STATES) WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE".
6. **Clearing of the Notes:** The Notes may be accepted for clearance through Euroclear, Clearstream and CDP. The appropriate ISIN and common code in relation to the Notes of each Tranche will be specified in the relevant Pricing Supplement. If the Notes are to be cleared through any additional or alternative Clearing System, the appropriate information will be specified in the applicable Pricing Supplement.
7. **Available Documents:** For so long as Notes may be issued pursuant to this Offering Circular, the following documents will be available, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the Company's registered office at 138 Robinson Road #30-01, Oxley Tower, Singapore 068906 and at the specified office of the CDP Lodging and Paying Agent at One Raffles Quay, #16-00 South Tower, Singapore 048583:
 - (a) the Trust Deed (which includes the form of the Global Notes, the Notes in definitive form, the Coupons, the Receipts and the Talons);

- (b) the Agency Agreement;
 - (c) the constitution of the Issuer;
 - (d) the constitution of the Guarantor;
 - (e) the Group's 2021 Audited Financial Statements and 2022 Audited Financial Statements;
 - (f) the Group's 1H2023 Reviewed Financial Statements;
 - (g) each Pricing Supplement (save that a Pricing Supplement related to an unlisted Series of Notes will only be available for inspection by a holder of any such Notes and such holder must produce evidence satisfactory to the Issuer, the Guarantor or the Trustee as to its holding of Notes and identity); and
 - (h) a copy of this Offering Circular together with any supplement to this Offering Circular and any other documents incorporated herein or therein referenced.
8. **Independent Auditors:** RSM, independent auditors, have audited and rendered an unqualified audit report on the Group's 2021 Audited Financial Statements and 2022 Audited Financial Statements, and have reviewed and rendered an unqualified review report on the Group's 1H2023 Reviewed Financial Statements.
9. **Trustee's action:** The Conditions and the Trust Deed provide for the Trustee to take action on behalf of the Noteholders in certain circumstances, but only if the Trustee is indemnified and/or secured and/or pre-funded to its satisfaction. It may not always be possible for the Trustee to take certain actions, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it. Where the Trustee is unable to take any action, the Noteholders are permitted by the Conditions and the Trust Deed to take the relevant action directly.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Audited Consolidated Financial Statements of the Group as at and for the year ended 30 June 2021	
Independent Auditor's Report	F-2
Consolidated Statement of Profit or Loss and other Comprehensive Income	F-8
Statements of Financial Position	F-10
Statements of Changes in Equity	F-12
Consolidated Statement of Cash Flows.	F-14
Notes to the Financial Statements	F-16
Audited Consolidated Financial Statements of the Group as at and for the year ended 30 June 2022	
Independent Auditor's Report	F-113
Consolidated Statement of Profit or Loss and other Comprehensive Income	F-118
Statements of Financial Position	F-120
Statements of Changes in Equity	F-122
Consolidated Statement of Cash Flows.	F-124
Notes to the Financial Statements	F-126
Unaudited Condensed Interim Consolidated Financial Statements of the Group as at 31 December 2022 and for the six months ended 31 December 2022	
Report on the Condensed Interim Consolidated Financial Statements	F-220
Condensed Interim Consolidated Statement of Profit or Loss and other Comprehensive Income.	F-221
Condensed Interim Consolidated Statement of Financial Position.	F-223
Condensed Interim Consolidated Statement of Changes in Equity	F-224
Condensed Interim Consolidated Statement of Cash Flows	F-225
Notes to the Condensed Interim Consolidated Financial Statements	F-227

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 2021, 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 2021 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, 14 and 15 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 valuation experts engaged by management have used valuation techniques which involve certain estimates. In relying on the valuation reports, management exercised judgement to ensure that the valuation methods and estimates are reflective of current market conditions. The levels of estimation uncertainty and judgement required in determining the fair values of properties have increased due to changes in market and economic conditions caused by the COVID-19 pandemic. The valuation reports obtained from independent professional valuation experts for certain properties have included a cautionary clause on the reliance of the valuation report due to COVID-19 pandemic.

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) assessed the professional competence and objectivity of the independent professional valuation experts and discussion with management to understand the credentials of the experts engaged; (b) obtained 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) discussed, with the assistance of our in-house valuation specialists, with the independent professional valuation experts and management and evaluated the appropriateness of the methodologies and assumptions used in the valuation including key valuation adjustments made in response to the changes in market and economic conditions caused by the COVID-19 pandemic; (d) compared the assumptions and inputs to externally published benchmarks where available, actual financial performance and other supporting documents and considered whether these assumptions and inputs are consistent with the current market environment including implications from the COVID-19 pandemic; (e) obtained the valuation reports for the properties and confirmed that the valuation approach for each was in accordance with the ISCA Financial Reporting Guidance 1 on Real Property Valuation for Financial Reporting and suitable for use in determining the carrying value for the purpose of the financial statements; and (f) assessed the adequacy of the disclosures in the financial statements.

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

Please refer to Notes 2A, 2C and 23 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 including implications from the COVID-19 pandemic 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 and therefore warrant specific audit focus in this area.

The determination of the carrying amounts of the Group's development properties based on lower of cost or net realisable value 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. The changes in market and economic conditions and business disruptions caused by the COVID-19 pandemic have led to higher levels of estimation uncertainty and judgement required on the estimation of time and cost needed to complete ongoing projects. In addition, the valuation reports obtained from independent professional valuation experts for certain development properties have included a cautionary clause on the reliance of the valuation report due to COVID-19 pandemic.

INDEPENDENT AUDITOR'S REPORT

To the Members of OXLEY HOLDINGS LIMITED

Key audit matters (cont'd)

(2) Allowance for impairment loss in carrying amount of development properties (cont'd)

Our audit procedures included (a) assessed the reasonableness of the expected selling price of the unsold development properties used in the assessment of the net realisable value against historical and available market data, taking into consideration comparability and external market factors including changes in market and economic conditions caused by the COVID-19 pandemic; (b) in respect to the independent professional valuation reports obtained by management, assessed the objectivity and competency of the independent professional valuation experts and obtained an understanding of the basis of valuation; considering whether the valuation methodologies used were in line with generally accepted market practices for similar property types; and discussed with the independent professional valuation experts and management and evaluated the appropriateness of the methodologies and assumptions used in the valuation including key valuation adjustments made in response to the changes in market and economic conditions caused by the COVID-19 pandemic; (c) verified the actual cost incurred against underlying contracts with main contractors and vendors and supporting documents; assessed the reasonableness of cost to complete by comparing costs that have been committed to quotations from and contracts with contractors and vendors; discussed with the management the basis for the estimated cost to complete and challenged the underlying assumptions; and reviewed management's assessment and estimation of the additional time and costs needed to complete the on-going projects due to business disruptions caused by the COVID-19 pandemic; and (d) assessed the adequacy of the disclosures in the financial statements.

(3) Discontinued operations - Construction segment

Please refer to Notes 2B, 2C, 11 and 17 to the financial statements.

In October 2020, the Group granted a group of interested parties an exclusive due diligence investigation into Pindan Group Pty Ltd and its subsidiaries (the "Pindan Group") for the interested parties to acquire the Group's shares in Pindan Group (the "Proposed Transaction"). Pindan Group was previously presented under the "Construction" reportable segment of the Group. As the Group initiated and committed to a plan to sell the Pindan Group, the entire Construction segment of the Group is classified as assets held for sale and presented as discontinued operations in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*.

On 18 May 2021, the board of directors of Pindan Group Pty Ltd and certain of its subsidiaries, appointed voluntary administrators to administrate these companies (the "Administration"). Due to the Administration, management concluded that the Group has loss of control over Pindan Group as the financial and operating decision of Pindan Group lie with the independent administrators. Accordingly, the Group recognised the loss on deconsolidation and present the results of Pindan Group under discontinued operations based on information available when preparing the financial statement.

The presentation and assessment of the discontinued operations in the consolidated financial statements are complex and subject to judgement. There is significant judgement involved in calculating the quantum of loss on deconsolidation when considering whether the assets are impaired and additional provision is required as commitments of the Group.

INDEPENDENT AUDITOR'S REPORT

To the Members of OXLEY HOLDINGS LIMITED

Key audit matters (cont'd)

(3) Discontinued operations – Construction segment (cont'd)

Our audit procedures included (a) read agreements with the group of interested parties and assessing whether the classification of discontinued operations was in accordance with the accounting standards; (b) reviewed management's assessment of the conditions for deconsolidation in accordance with SFRS(I) 10 *Consolidated Financial Statements*; (c) read the report issued by the Independent Voluntary Administrator subsequent to the creditor meeting; (d) assessed management's evaluation of the commitment arising from the Administration process; (e) reviewed whether assets and liabilities of Pindan Group had been completely and correctly derecognised and management's computation of loss on deconsolidation of the Construction segment; and (f) assessed the adequacy of the disclosures in the financial statements.

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.

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.

INDEPENDENT AUDITOR'S REPORT

To the Members of OXLEY HOLDINGS LIMITED

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 Chong Cheng Yuan.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

28 September 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Reporting Year Ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Continuing operations			
Revenue	5	1,364,171	1,027,791
Cost of sales		(1,067,676)	(802,464)
Gross profit		296,495	225,327
Other income	6	6,474	6,378
Interest income		9,287	10,292
Other gains	7	39,742	6,957
Marketing and distribution costs		(10,302)	(10,225)
Administrative expenses		(38,669)	(48,734)
Other losses	7	(89,211)	(298,118)
Finance costs	9	(112,730)	(147,921)
Share of results from joint ventures and associates, net of tax		8,009	4,717
Profit / (loss) before tax		109,095	(251,327)
Income tax expense	10	(19,590)	(15,491)
Profit / (loss) from continuing operations		89,505	(266,818)
Discontinued operations			
Loss from discontinued operations, net of tax	11	(39,999)	(8,271)
Total profit / (loss) for the year		49,506	(275,089)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Net fair value gain on investment in equity securities		8,816	7,099
Loss on properties revaluation, net of tax		(32,004)	(70,281)
		(23,188)	(63,182)
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translation of foreign operations		14,975	5,879
Total other comprehensive loss, net of tax		(8,213)	(57,303)
Total comprehensive income / (loss) for the year		41,293	(332,392)
Profit / (loss) for the year attributable to:			
Owners of the Company		13,093	(280,612)
Non-controlling interests		36,413	5,523
		49,506	(275,089)
Profit / (loss) for the period attributable to owners of the Company:			
Profit / (loss) from continuing operations		53,092	(272,341)
Loss from discontinued operations		(39,999)	(8,271)
		13,093	(280,612)
Total comprehensive income / (loss) attributable to:			
Owners of the Company		4,880	(337,846)
Non-controlling interests		36,413	5,454
		41,293	(332,392)

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Reporting Year Ended 30 June 2021

	Notes	2021	2020
Basic and diluted earnings / (loss) per share attributable to owners of the Company:			
Basic earnings / (loss) per share (cents)			
– Continuing operations		1.26	(6.51)
– Discontinued operations		(0.95)	(0.20)
	12	<u>0.31</u>	<u>(6.71)</u>
Diluted earnings / (loss) per share (cents)			
– Continuing operations		1.25	(6.51)
– Discontinued operations		(0.94)	(0.20)
	12	<u>0.31</u>	<u>(6.71)</u>

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

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2021

		Group		Company	
	Notes	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	14	945,571	944,555	246	1,033
Investment properties	15	324,833	329,749	-	-
Intangible assets	16	-	27,182	-	-
Investments in subsidiaries	17	-	-	37,032	37,078
Investments in joint ventures	18	58,822	50,518	3,767	4,321
Investments in associates	19	23,420	28,367	490	490
Investments in securities	20	22,695	14,791	16,467	6,587
Deferred tax assets	10	15,391	24,164	2,950	-
Other receivables	21	188,986	178,175	1,271,107	1,282,907
Other non-financial assets	22	264	610	173	-
Total non-current assets		1,579,982	1,598,111	1,332,232	1,332,416
Current assets					
Inventories		54	1,626	-	-
Development properties	23	1,953,898	2,488,751	-	-
Trade and other receivables	24	378,895	629,973	715,621	661,877
Other non-financial assets	22	38,049	44,435	6,504	762
Cash and cash equivalents	25	215,839	384,722	44,389	205,783
Total current assets		2,586,735	3,549,507	766,514	868,422
Total assets		4,166,717	5,147,618	2,098,746	2,200,838
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	26	304,558	300,700	304,558	300,700
Treasury shares	27	(7,638)	(7,638)	(7,638)	(7,638)
Retained earnings		527,861	578,045	195,853	399,884
Other reserves	28	175,279	176,291	2,244	(13,773)
Equity attributable to owners of the Company		1,000,060	1,047,398	495,017	679,173
Non-controlling interests		50,096	18,124	-	-
Total equity		1,050,156	1,065,522	495,017	679,173

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

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2021

		Group		Company	
	Notes	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<u>Non-current liabilities</u>					
Deferred tax liabilities	10	42,051	45,151	-	-
Trade and other payables	29	-	-	-	64,259
Other financial liabilities	30	1,725,472	1,266,222	314,699	5,070
Total non-current liabilities		<u>1,767,523</u>	<u>1,311,373</u>	<u>314,699</u>	<u>69,329</u>
<u>Current liabilities</u>					
Income tax payable		46,915	55,038	-	384
Trade and other payables	29	489,127	558,295	1,019,230	1,028,250
Other financial liabilities	30	784,089	1,759,633	269,800	423,702
Other non-financial liabilities	31	28,907	397,757	-	-
Total current liabilities		<u>1,349,038</u>	<u>2,770,723</u>	<u>1,289,030</u>	<u>1,452,336</u>
Total liabilities		<u>3,116,561</u>	<u>4,082,096</u>	<u>1,603,729</u>	<u>1,521,665</u>
Total equity and liabilities		<u>4,166,717</u>	<u>5,147,618</u>	<u>2,098,746</u>	<u>2,200,838</u>

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

STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 30 June 2021

Group	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
Current year							
Balance at 1 July 2020	300,700	(7,638)	578,045	176,291	1,047,398	18,124	1,065,522
Dividends on ordinary shares (Note 13)	-	-	(63,277)	-	(63,277)	-	(63,277)
Issue of shares under the Scrip Dividend Scheme (Note 26)	3,858	-	-	-	3,858	-	3,858
Issue of warrants (Note 28)	-	-	-	7,201	7,201	-	7,201
Striking off a subsidiary	-	-	-	-	-	(340)	(340)
Deconsolidation of subsidiary with a change in control	-	-	-	-	-	(4,101)	(4,101)
Total comprehensive income / (loss) for the year	-	-	13,093	(8,213)	4,880	36,413	41,293
Balance at 30 June 2021	304,558	(7,638)	527,861	175,279	1,000,060	50,096	1,050,156
Previous year							
Balance at 1 July 2019	275,922	(3,943)	898,790	235,124	1,405,893	4,674	1,410,567
Dividends on ordinary shares (Note 13)	-	-	(41,732)	-	(41,732)	(531)	(42,263)
Issue of shares under the Scrip Dividend Scheme (Note 26)	24,778	-	-	-	24,778	-	24,778
Purchase of treasury shares (Note 27)	-	(3,695)	-	-	(3,695)	-	(3,695)
Increase in capital contribution by non-controlling interests of subsidiaries	-	-	-	-	-	4,357	4,357
Return of capital contribution to non-controlling interests of subsidiaries	-	-	-	-	-	(3,169)	(3,169)
Non-controlling interest arising from acquisition of a subsidiary (Note 17B)	-	-	-	-	-	7,339	7,339
Transfer upon disposal of investment in equity instruments at FVTOCI	-	-	1,599	(1,599)	-	-	-
Total comprehensive (loss) / income for the year	-	-	(280,612)	(57,234)	(337,846)	5,454	(332,392)
Balance at 30 June 2020	300,700	(7,638)	578,045	176,291	1,047,398	18,124	1,065,522

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

STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 30 June 2021

Company	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Other reserves \$'000	Total equity \$'000
Current year					
Balance at 1 July 2020	300,700	(7,638)	399,884	(13,773)	679,173
Dividends on ordinary shares (Note 13)	-	-	(63,277)	-	(63,277)
Issue of shares under the Scrip Dividend Scheme (Note 26)	3,858	-	-	-	3,858
Issue of warrants (Note 28)	-	-	-	7,201	7,201
Total comprehensive (loss) / income for the year	-	-	(140,754)	8,816	(131,938)
Balance at 30 June 2021	304,558	(7,638)	195,853	2,244	495,017
Previous year					
Balance at 1 July 2019	275,922	(3,943)	447,701	(19,273)	700,407
Dividends on ordinary shares (Note 13)	-	-	(41,732)	-	(41,732)
Issue of shares under the Scrip Dividend Scheme (Note 26)	24,778	-	-	-	24,778
Purchase of treasury shares (Note 27)	-	(3,695)	-	-	(3,695)
Transfer upon disposal of investment in equity instruments at FVTOCI	-	-	1,599	(1,599)	-
Total comprehensive (loss) / income for the year	-	-	(7,684)	7,099	(585)
Balance at 30 June 2020	300,700	(7,638)	399,884	(13,773)	679,173

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Reporting Year Ended 30 June 2021

	2021 \$'000	2020 \$'000
Cash flows from operating activities		
Profit / (loss) before tax from continuing operations	109,095	(251,327)
Loss before tax from discontinued operations (Note 11)	(41,121)	(6,999)
Profit / (loss) before tax, total	67,974	(258,326)
Dividend income	-	(337)
Interest income	(9,287)	(10,321)
Finance costs	112,730	149,969
Depreciation of property, plant and equipment	17,611	16,105
Gain on striking off a subsidiary	(340)	-
Impairment loss on investments in joint ventures	140	-
Impairment loss on development properties	32,455	1,182
Impairment loss on receivables	13,291	115,507
Fair value loss on derivative financial instruments	1,896	4,726
Gains on disposal of property, plant and equipment	-	(253)
Gains on disposal of investment properties	-	(1,747)
Loss on fair value changes in investment properties	17,694	48,709
Loss on deconsolidation of a subsidiary (Note 11)	39,999	-
Loss on disposal of investment in an associate	-	100,885
Share of results from associates and joint ventures, net of tax	(8,009)	(4,768)
Net effect of exchange rate changes	(5,751)	22,743
Operating cash flows before changes in working capital	280,403	184,074
Inventories	(146)	150
Development properties	498,151	116,865
Trade and other receivables	221,171	(74,196)
Other non-financial assets	4,184	(5,044)
Trade and other payables	13,705	(21,835)
Other non-financial liabilities	(366,247)	(124,338)
Cash flows from operations	651,221	75,676
Income taxes paid	(27,649)	(36,787)
Net cash flows from operating activities	623,572	38,889

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Reporting Year Ended 30 June 2021

	2021 \$'000	2020 \$'000
Cash flows from investing activities		
Additions of property, plant and equipment (Note A)	(2,165)	(4,475)
Additions of investment properties	-	(144,738)
Other receivables, non-current	133	884
Proceeds from disposal of investments in associates	-	56,285
Proceeds from disposal of investments in securities	-	342,844
Proceeds from disposal of property, plant and equipment	-	463
Proceeds from disposal of investment properties	-	380,903
Investments in associates	(814)	(2,410)
Investments in joint ventures	-	(1)
Net cash inflow on acquisition of a subsidiary (Note 17B)	-	5,749
Net cash outflow on deconsolidated of a subsidiary (Note 17A)	(7,018)	-
Dividends from associates and joint ventures	1,470	13,820
Advances (to) / from associates	(1,647)	47
Advances to joint ventures	(44,100)	(9,002)
Interest income received	9,287	10,321
Net cash flows (used in) / from investing activities	(44,854)	650,690
Cash flows from financing activities		
Proceeds from new borrowings	576,596	1,037,166
Repayment of borrowings	(1,172,392)	(1,677,164)
Cash restricted in use	36,312	14,211
Dividends paid to equity owners	(59,419)	(16,954)
Dividends paid to non-controlling interests	-	(531)
Purchase of treasury shares	-	(3,695)
Advances (to) / from non-controlling shareholders	(2,325)	565
Return of capital to non-controlling interests of subsidiaries	-	(3,169)
Capital contribution by non-controlling interests of subsidiaries	-	4,357
Interest expense paid	(89,827)	(120,827)
Net cash flows used in financing activities	(711,055)	(766,041)
Net decrease in cash and cash equivalents	(132,337)	(76,462)
Cash and cash equivalents, at beginning of the reporting year	305,967	381,441
Effects of exchange rate changes on cash held in foreign currency	(234)	988
Cash and cash equivalents, at end of the reporting year (Note 25A)	173,396	305,967

Note A

During the reporting year, additions to the Group's property, plant and equipment included right-of-use assets amounting to \$72,669,000 (2020: Nil), which is a non-cash item.

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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, and the Group's interests in joint ventures and associates (collectively the "Group"). All financial information are presented in Singapore Dollar ("S\$") and have been rounded to the nearest thousand ("S\$'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 directors have the power to amend and reissue the financial statements.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries are disclosed 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.

COVID-19 pandemic and the aftermath

The COVID-19 pandemic and the aftermath of the pandemic globally forced to suspend or limit business operations during the reporting year and the aftermath is expected for the unforeseeable period ahead. Measures were taken by the governments in which the countries where the Group has operations to contain the spread of COVID-19, including travels, social distancing and closure of non-essential services. This resulted in an economic slowdown, which have impacted the business of the Group. The economic uncertainties have created questions about the uncertainties relating to the impairment or recoverability of certain assets (including impairment allowances for development properties and receivables) and the completeness or valuation of certain assets and liabilities reflected in these financial statements. An assessment was made by management whether for the current reporting year there were any indications that these assets and liabilities may be impacted adversely. If any such indication of uncertainties existed, an estimate was made of the realisable amount and or fair value of the relevant assets and the completeness of the liabilities (which balances are more fully disclosed in the relevant notes to these financial statements). The recoverability of the assets and the ability of the Group and of the Company to maintain or pay its debts as they mature are dependent to a large extent on the efficacy of the fiscal and other measures undertaken by Singapore and the affected countries overseas to successfully meet those economic challenges. As the pandemic continues to progress and evolve, it is extremely challenging to predict the full extent and duration of its impact on the Group's businesses and the countries where the Group operates. The Group has adequate financial resources and satisfactory arrangements with its suppliers and lenders. The Group's construction sites have gradually returned to full operation while sales and marketing activities have ramped up. The Group has been receiving sales collection from the projects progressively. Therefore, management believes that the Group is well placed to manage its business risks and able to continue in operational existence for the foreseeable future in face of the challenges posed by COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

1. General (cont'd)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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.

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 external 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 expenses the related capitalised development costs. 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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)*

A contract asset is recognised as development properties 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.

(b) *Revenue from hotel ownership and operations*

Revenue from the ownership and operation of hotels includes room 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.

(d) *Construction services*

Revenue relating to the provision of construction services is recognised over time. The stage of completion is determined with reference to the service performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

(e) *Maintenance services*

Revenue from provision of maintenance services is recognised in the accounting period that the services are rendered over time.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

2A. Significant accounting policies (cont'd)

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.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

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.

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. Borrowing costs relating to development properties where revenue is recognised over time are not capitalised and instead, are expensed when incurred.

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 2021

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.

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 2021

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 and freehold properties

Hotel property comprises freehold land and hotel buildings and improvements.

Hotel property and freehold properties are 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 ("OCI") 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

2A. Significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

Derecognition of property, plant and equipment

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.

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 the property, plant and equipment are as follows:

Hotel buildings and improvements	-	5 to 60 years
Freehold properties	-	60 years
Renovation	-	3 to 4 years
Fixtures and equipment	-	3 to 5 years
Motor vehicles	-	2 to 10 years
Right-of-use assets	-	2 to 10 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 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

2A. Significant accounting policies (cont'd)

Investment property (cont'd)

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 independent professional valuation experts 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.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment.

Leases of lessee

Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded in property, plant and equipment. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as an expense. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Leases of lessor

For a lessor each of lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. 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.

Intangible assets

Identifiable intangible assets acquired as part of a business combination are initially recognised separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The other intangible assets are amortised over 3 years.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

2A. Significant accounting policies (cont'd)

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition-date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with the financial reporting standard on business combinations (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with the financial reporting standard on business combinations.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Irrespective of whether there is any indication of impairment, goodwill and also any intangible asset with an indefinite useful life or any intangible asset not yet available for use are tested for impairment at least annually. Goodwill impairment is not reversed in any circumstances.

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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.

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 2021

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 a 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.

Carrying amounts of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

2A. Significant accounting policies (cont'd)

Carrying amounts of non-financial assets (cont'd)

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.

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.

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 2021

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 2021

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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.

In making the fair value measurement for a non-financial asset, management determines the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis.

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 2021

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

2B. Other explanatory information (cont'd)

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.

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.

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 the financial reporting standard on non-current assets held for sale and discontinued operations 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.

In addition, the results of discontinued operations are presented separately in profit or loss. A discontinued operation is a component of the business that represents a separate major line of business or geographical area of operations that has been sold, or classified as held for sale or has been abandoned. They are shown separately in profit or loss and comparative figures are restated to reclassify them from continuing to discontinued operations.

Classification of equity and liabilities

Liabilities and equity financial instruments: A financial instrument is classified as a liability or as equity in accordance with the substance of the contractual arrangement on initial recognition. Where the financial instrument does not give rise to a contractual obligation on the part of the issuer to make payment in cash or kind under conditions that are potentially unfavourable to the issuer, it is classified as an equity instrument. The equity and the liability elements of compound instruments are classified separately as equity and as a liability. Equity instruments are recorded at the amounts of the proceeds net of direct issue costs.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

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 valuation experts 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 including implications from the COVID-19 pandemic. The carrying amounts and the key assumptions used to determine the fair values are disclosed in Notes 14 and 15.

Allowance for impairment loss 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 including the implication from the COVID-19 pandemic. 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 at the end of the reporting year is disclosed in Note 23.

Assessment of assets held for sale and discontinued operations

As a result of the intended sale and subsequent appointment of independent administrators for Pindan Group Pty Ltd and certain of its subsidiaries, the entire Construction segment of the Group is classified as assets held for sale and presented as discontinued operations during the reporting year. The presentation and assessment of the discontinued operations in the consolidated financial statements are complex and subject to judgement. There is significant judgement involved in calculating the quantum of loss on deconsolidation when considering whether the assets are impaired and additional provision is required as commitments of the Group. Management has assessed the above matters and the result of the discontinued operations and the deconsolidation of the disposal group is disclosed in Notes 11 and 17 respectively.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

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

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.

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.

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 at end of the reporting year is disclosed in Note 14.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

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

Useful lives of property, plant and equipment

The cost or revalued amount of property, plant and equipment is depreciated on a straight-line basis over useful lives of the assets. Management estimates the useful lives of these property, plant and equipment to be within 2 to 60 years (2020: 2 to 60 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 carrying value 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 amount of annual depreciation charge for the current reporting year are disclosed in Note 14.

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 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 including the implication from the COVID-19 pandemic. The trade receivables are considered to have low credit risk individually. 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 of trade and other receivables at the end of the reporting year are disclosed in the Notes 21 and 24.

Assessment of impairment of goodwill

The amount of goodwill was tested for impairment at the end of the previous reporting year. The process to assess impairment test was complex and highly judgmental and was based on assumptions that are affected by expected future market or economic conditions. As a result, judgement was required in evaluating the assumptions and methodologies used by management, in particular those relating to the forecasted capitalisation and growth rates. The disclosures about goodwill are included in Note 16, which explains that changes in the key assumptions used. Actual outcomes could vary from these estimates. During the reporting year, following the loss of control over Pindan Group (Note 11), the Group derecognised the assets of Pindan Group, including goodwill and other intangible assets in Note 16.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

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.

Related parties in these financial statements refer to the entities controlled by the controlling shareholders and are outside 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.

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:

	Group	
	2021 \$'000	2020 \$'000
<u>Non-controlling interests</u>		
Interest income	642	644
Interest expense	(964)	(967)
<u>Joint ventures</u>		
Dividend income	122	6,921
Interest income	7,532	8,977
Interest expense	(187)	(125)
Management income	2,193	(3,301)
<u>Associates</u>		
Dividend income	1,470	6,899
Interest income	314	617
<u>Related parties</u>		
Interest expense	(3,209)	(638)
<u>Controlling shareholders</u>		
Interest expense	—	(477)

3C. Key management compensation

	Group	
	2021 \$'000	2020 \$'000
Salaries and other short-term employee benefits	6,421	3,661

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

3C. Key management compensation (cont'd)

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

	Group	
	2021 \$'000	2020 \$'000
Remuneration to directors of the Company	4,642	1,127
Fees to directors of the Company	202	202

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 five reportable operating segments as follows:

- Property development – development of properties for sale
- Property investment – leasing of commercial properties
- Hotel – operation of owned hotels
- Construction – construction of commercial and residential properties
- Corporate – provision of corporate and investment services, and treasury functions

The structure 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.

The construction segment is presented as discontinued operations due to the deconsolidation of Disposal Group as disclosed in Notes 11 and 17.

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 2021

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

4B. Business segments

	Continuing operations					Discontinued operations	
	Property development \$'000	Property investment \$'000	Hotel \$'000	Corporate \$'000	Subtotal \$'000	Construction \$'000	Total \$'000
<u>2021</u>							
Segment revenue:							
Revenue from external parties	1,330,320	–	21,752	–	1,352,072	218,208	1,570,280
Rental income	–	12,099	–	–	12,099	–	12,099
Total revenue	1,330,320	12,099	21,752	–	1,364,171	218,208	1,582,379
Segment result	235,376	8,975	3,060	(11,256)	236,155	(39,501)	196,654
Net fair value (loss) / gain on financial instruments	–	(19)	45	(1,922)	(1,896)	–	(1,896)
Net fair value loss on investment properties	–	(17,694)	–	–	(17,694)	–	(17,694)
Gain on striking off a subsidiary	–	–	–	340	340	–	340
Gain on redemption of bonds	–	–	–	915	915	–	915
Impairment loss on receivables	(6,407)	–	(1)	(6,883)	(13,291)	(62)	(13,353)
Interest income	476	645	–	8,166	9,287	11	9,298
Operating profit / (loss)	229,445	(8,093)	3,104	(10,640)	213,816	(39,552)	174,264
Finance costs	(20,643)	(3,389)	(17,911)	(70,787)	(112,730)	(1,569)	(114,299)
Share of results from joint ventures and associates, net of tax	8,009	–	–	–	8,009	–	8,009
Profit / (loss) before tax	216,811	(11,482)	(14,807)	(81,427)	109,095	(41,121)	67,974
Income tax (expense) / credit	(15,963)	(999)	(285)	(2,343)	(19,590)	1,122	(18,468)
Profit / (loss) for the year	200,848	(12,481)	(15,092)	(83,770)	89,505	(39,999)	49,506

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

4B. Business segments (cont'd)

	Continuing operations					Discontinued operations	
	Property development \$'000	Property investment \$'000	Hotel \$'000	Corporate \$'000	Subtotal \$'000	Construction \$'000	Total \$'000
<u>2021</u>							
Other significant items:							
Depreciation expense	(612)	–	(11,510)	(5,489)	(17,611)	(829)	(18,440)
Impairment loss on development properties	(32,455)	–	–	–	(32,455)	–	(32,455)
Assets and reconciliations:							
Segment assets	2,306,026	330,416	832,244	593,094	4,061,780	–	4,061,780
Investments in joint ventures and associates	78,909	–	–	3,333	82,242	–	82,242
Investments in securities	7,291	–	–	15,404	22,695	–	22,695
Total assets	2,392,226	330,416	832,244	611,831	4,166,717	–	4,166,717
Additions:							
Property, plant and equipment	50	–	125	74,659	74,834	–	74,834
Liabilities and reconciliations:							
Segment liabilities	1,275,205	118,569	694,656	1,028,131	3,116,561	–	3,116,561

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

4B. Business segments (cont'd)

	Continuing operations					Discontinued operations	
	Property development \$'000	Property investment \$'000	Hotel \$'000	Corporate \$'000	Subtotal \$'000	Construction \$'000	Total \$'000
<u>2020</u>							
Segment revenue:							
Revenue from external parties	975,206	–	41,225	–	1,016,431	205,169	1,221,600
Rental income	–	11,360	–	–	11,360	–	11,360
Total revenue	975,206	11,360	41,225	–	1,027,791	205,169	1,232,960
Segment result	169,700	6,744	4,101	(31,037)	149,508	(4,874)	144,634
Net fair value (loss) / gain on financial instruments	(188)	(792)	(8,746)	5,000	(4,726)	–	(4,726)
Net fair value loss on investment properties	–	(48,709)	–	–	(48,709)	–	(48,709)
Loss on disposal of associates	–	–	–	(100,746)	(100,746)	(139)	(100,885)
Gain on disposal of investment properties	–	1,747	–	–	1,747	–	1,747
Impairment loss on receivables	(198)	(913)	–	(114,378)	(115,489)	(18)	(115,507)
Interest income	1,267	644	–	8,381	10,292	29	10,321
Operating profit / (loss)	170,581	(41,279)	(4,645)	(232,780)	(108,123)	(5,002)	(113,125)
Finance costs	(33,271)	(5,288)	(21,087)	(88,275)	(147,921)	(2,048)	(149,969)
Share of results from joint ventures and associates, net of tax	4,717	–	–	–	4,717	51	4,768
Profit / (loss) before tax	142,027	(46,567)	(25,732)	(321,055)	(251,327)	(6,999)	(258,326)
Income tax (expense) / credit	(14,809)	2,406	–	(3,088)	(15,491)	(1,272)	(16,763)
Profit / (loss) for the year	127,218	(44,161)	(25,732)	(324,143)	(266,818)	(8,271)	(275,089)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

4B. Business segments (cont'd)

	Continuing operations					Discontinued operations	
	Property development	Property investment	Hotel	Corporate	Subtotal	Construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>2020</u>							
Other significant items:							
Depreciation expense	(246)	–	(13,273)	(1,457)	(14,976)	(1,129)	(16,105)
Impairment loss on development properties	(1,182)	–	–	–	(1,182)	–	(1,182)
Assets and reconciliations:							
Segment assets	3,044,543	357,956	881,273	678,316	4,962,088	91,854	5,053,942
Investments in joint ventures and associates	69,595	–	–	–	69,595	9,290	78,885
Investments in securities	7,322	–	–	6,587	13,909	882	14,791
Total assets	3,121,460	357,956	881,273	684,903	5,045,592	102,026	5,147,618
Additions:							
Property, plant and equipment	90	–	3,402	339	3,831	644	4,475
Investment properties	–	144,738	–	–	144,738	–	144,738
Liabilities and reconciliations:							
Segment liabilities	1,829,018	195,900	712,602	1,255,679	3,993,199	88,897	4,082,096

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
- Ireland – property development and property investment
- Cambodia – property development and property investment
- Malaysia – property development
- Australia – property development, construction and corporate

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

4C. Geographical information (cont'd)

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Singapore	458,499	311,228	1,413,572	1,410,688
United Kingdom	341,960	443,739	20,703	33,860
Ireland	101,715	97,468	-	-
Cambodia	441,346	160,455	100,082	45,902
Malaysia	20,651	14,901	29,793	30,098
Australia	-	-	301	68,857
Others	-	-	15,531	8,706
Continuing operations	1,364,171	1,027,791	1,579,982	1,598,111
Discontinued operations	218,208	205,169	-	-
Total	1,582,379	1,232,960	1,579,982	1,598,111

5. Revenue

	Group	
	2021 \$'000	2020 \$'000
Revenue from sale of development properties:		
- recognised at point in time	884,788	701,459
- recognised over time	445,532	273,747
	1,330,320	975,206
Revenue from hotel ownership and operations:		
- recognised at point in time	4,888	9,961
- recognised over time	16,864	31,264
	21,752	41,225
Rental income from investment properties	12,099	11,360
Continuing operations	1,364,171	1,027,791
Revenue from construction projects		
- recognised at point in time	22,402	5,845
- recognised over time	195,806	199,324
Discontinued operations	218,208	205,169
Total	1,582,379	1,232,960

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

6. Other income

	Group	
	2021	2020
	\$'000	\$'000
<u>Continuing operations</u>		
Rental income	1,180	981
Dividend income	–	337
Government grant income (a)	5,254	4,871
Other income	40	189
	<u>6,474</u>	<u>6,378</u>
<u>Discontinued operations</u>		
Other income	74	120
Total	<u>6,548</u>	<u>6,498</u>

(a) Included in the amount of government grants is the Job Support Scheme amounting to \$3,715,000 (2020: \$1,891,000) which is to provide wage support to employers to help them retain their local employees during this period of economic uncertainty amid COVID-19.

7. Other gains and (other losses)

	Group	
	2021	2020
	\$'000	\$'000
<u>Continuing operations</u>		
Compensation received	2,500	–
Customer deposits forfeited	4,154	1,929
Defect and settlement costs	(10,396)	(312)
Gains on disposal of property, plant and equipment	–	253
Gains on disposal of investment property	–	1,747
Gain on redemption of bonds	915	–
Gain on disposal of development properties	7,982	–
Gain on striking off a subsidiary	340	–
Impairment loss on investment in joint venture	(140)	–
Impairment loss on development properties (Note 23)	(32,455)	(1,182)
Impairment loss on receivables	(13,291)	(115,489)
Loss on disposal of investment in associates	–	(100,746)
Management fee income	2,996	2,701
Net fair value loss on investment properties (Note 15)	(17,694)	(48,709)
Net fair value loss on derivative financial instruments	(1,896)	(4,726)
Net foreign exchange gain / (loss), net	18,025	(23,711)
Rental support	(12,885)	–
Other gains	2,830	327
Other losses	(454)	(3,243)
Net from continuing operations	<u>(49,469)</u>	<u>(291,161)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

7. Other gains and (other losses) (cont'd)

	Group	
	2021	2020
	\$'000	\$'000
<u>Discontinued operations</u>		
Loss on deconsolidation of Pindan Group	(15,901)	–
Impairment loss on other receivables from Pindan Group	(21,151)	–
Other gains	302	280
Other losses	(62)	(158)
Net from discontinued operations	(36,812)	122
 Presented in profit or loss as:		
<u>Continuing operations</u>		
Other gains	39,742	6,957
Other losses	(89,211)	(298,118)
	(49,469)	(291,161)
 <u>Discontinued operations</u>		
Other gains	302	280
Other losses	(37,114)	(158)
Total	(36,812)	122

8. Employee benefits expense

	Group	
	2021	2020
	\$'000	\$'000
<u>Continuing operations</u>		
Short-term employee benefits expense	13,895	12,516
Contribution to defined contribution plan	922	1,241
Subtotal	14,817	13,757
 <u>Discontinued operations</u>		
Short-term employee benefits expense	14,343	13,585
Contribution to defined contribution plan	1,263	2,197
Subtotal	15,606	15,782
Total	30,423	29,539

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

9. Finance costs

	Group	
	2021 \$'000	2020 \$'000
<u>Continuing operations</u>		
Amortisation of transaction costs capitalised on borrowings	19,044	24,493
Interest expense on borrowings	90,243	122,140
Interest expenses on lease liabilities	2,755	–
Others	688	1,288
	<u>112,730</u>	<u>147,921</u>
<u>Discontinued operations</u>		
Interest expense on borrowings	1,569	2,048
Total	<u>114,299</u>	<u>149,969</u>

10. Income tax

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

	Group	
	2021 \$'000	2020 \$'000
<u>Continuing operations:</u>		
<u>Current tax expense</u>		
Current tax expense	17,295	28,553
(Over) / under adjustments in respect of prior years	(2,660)	206
Subtotal	<u>14,635</u>	<u>28,759</u>
<u>Deferred tax expense / (credit)</u>		
Deferred tax expense / (credit)	5,214	(13,405)
(Over) / under adjustments in respect of prior years	(259)	137
Subtotal	<u>4,955</u>	<u>(13,268)</u>
Total income tax expense from continuing operations	<u>19,590</u>	<u>15,491</u>
<u>Discontinued operations:</u>		
<u>Current tax expense</u>		
Current tax expense	–	1,438
Over adjustments in respect of prior years	–	(1,544)
Subtotal	<u>–</u>	<u>(106)</u>
<u>Deferred tax (credit) / expense</u>		
Deferred tax (credit) / expense	(1,122)	1,378
Total income tax expense from discontinued operations (Note 11)	<u>(1,122)</u>	<u>1,272</u>
Total	<u>18,468</u>	<u>16,763</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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% (2020: 17%) to profit or loss before tax as a result of the following differences.

	Group	
	2021 \$'000	2020 \$'000
Profit / (loss) before tax		
- Continuing operations	109,095	(251,327)
- Discontinued operations (Note 11)	(41,121)	(6,999)
	67,974	(258,326)
Less: Share of results from associates and joint ventures, net of tax	(8,009)	(4,768)
	59,965	(263,094)
Income tax expense / (credit) at the above rate	10,194	(44,726)
Effect of different tax rates in different countries	5,767	(2,032)
Expenses not deductible for tax purposes	41,312	75,853
Income not subject to tax	(31,243)	(8,034)
Exemptions	-	(94)
Withholding tax expense	(6,028)	(4,473)
Over adjustments to tax in respect of prior years	(2,919)	(1,201)
Utilisation of previously unrecognised tax losses	(41)	(31)
Deferred tax assets not recognised	1,421	919
Others	5	582
Total income tax expense	18,468	16,763

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

10B. Deferred tax expense / (credit) recognised in profit or loss

	Group	
	2021 \$'000	2020 \$'000
Arising from changes in temporary differences:		
Tax losses carried forward	(3,535)	3,890
Profit relating to development properties recognised over time	7,187	(487)
Fair value gains on investment properties	1,000	(14,585)
Others	303	(708)
Total deferred tax expense / (credit) recognised in profit or loss	4,955	(11,890)

10C. Deferred tax credit recognised in other comprehensive income

	Group	
	2021 \$'000	2020 \$'000
Loss on revaluation of property, plant and equipment (Note 28B)	6,414	14,445

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

10. Income tax (cont'd)

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

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Tax losses carried forward	10,160	18,416	2,950	–
Profits relating to development properties recognised over time	(3,713)	(1,878)	–	–
Fair value gains on investment properties	–	(124)	–	–
Surplus on revaluation of property, plant and equipment	(32,717)	(38,130)	–	–
Others	(390)	729	–	–
Net balance	<u>(26,660)</u>	<u>(20,987)</u>	<u>2,950</u>	<u>–</u>
Presented in the statements of financial position:				
Deferred tax assets	15,391	24,164	2,950	–
Deferred tax liabilities	<u>(42,051)</u>	<u>(45,151)</u>	<u>–</u>	<u>–</u>
	<u>(26,660)</u>	<u>(20,987)</u>	<u>2,950</u>	<u>–</u>

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.

10E. Unrecognised deferred tax assets

Group	Gross amounts		Unrecognised deferred tax assets	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Unutilised tax losses carried forward	<u>43,058</u>	<u>34,942</u>	<u>7,320</u>	<u>5,940</u>

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.

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 those subsidiaries meeting certain statutory requirements in their respective countries of incorporation.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

11. Loss from discontinued operations, net of tax

In October 2020, the Group granted a group of interested parties an exclusive due diligence investigation into Pindan Group Pty Ltd and its subsidiaries (the "Pindan Group") for the interested parties to acquire the Group's shares in Pindan Group. Pindan Group was previously presented under the "Construction" reportable segment of the Group. As the Group initiated and committed to a plan to sell the Pindan Group, the entire Construction segment of the Group is classified as assets held for sale and presented as discontinued operations in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*.

On 18 May 2021, due to the challenges posed by COVID-19 pandemic that caused delays to construction activities, project completions and collections of project proceeds, the Board of Directors of Pindan Group Pty Ltd decided to appoint voluntary administrators for Pindan Group and certain of its subsidiaries (the "Disposal Group"). The appointment of voluntary administrators has led to the Group's loss of control over the Disposal Group. As a result of the loss of control, the entire results of the Disposal Group are presented separately on the consolidated statement of profit or loss and other comprehensive income as "Discontinued operations".

The results for the discontinued operation for the reporting year were as follows:

	2021 \$'000	2020 \$'000
Revenue	218,208	205,169
Cost of sales	(198,934)	(185,947)
Gross profit	19,274	19,222
Other income	74	120
Interest income	11	29
Other gains (Note 7)	302	280
Marketing and distribution costs	(193)	(378)
Administrative expenses	(21,906)	(24,117)
Other losses (Note 7)	(37,114)	(158)
Finance costs	(1,569)	(2,048)
Share of results from associates and joint ventures, net of tax	-	51
Loss before tax	(41,121)	(6,999)
Income tax credit / (expense)	1,122	(1,272)
Loss from discontinued operations	(39,999)	(8,271)

11A. The cash flows of the discontinued operations for the reporting year

Operating cash flows	(11,983)	(5,349)
Investing activities	8,776	4,250
Financing activities	2,961	11,224
Total cash flows	(246)	10,125

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

12. Earnings / (loss) per share

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

	Group	
	2021	2020
Profit / (loss) for the year attributable to owners of the Company (\$'000)		
Continuing operations	53,092	(272,341)
Discontinued operations	(39,999)	(8,271)
	<u>13,093</u>	<u>(280,612)</u>
Weighted average number of ordinary shares (excluding treasury shares) ('000)		
Basic	4,227,909	4,185,452
Adjustment for dilutive potential ordinary shares	11,063	-
Diluted	<u>4,238,972</u>	<u>4,185,452</u>
Basic earnings per share (cents)		
Continuing operations	1.26	(6.51)
Discontinued operations	(0.95)	(0.20)
	<u>0.31</u>	<u>(6.71)</u>
Diluted earnings per share (cents)		
Continuing operations	1.25	(6.51)
Discontinued operations	(0.94)	(0.20)
	<u>0.31</u>	<u>(6.71)</u>

Basic earnings / (loss) per share is calculated by dividing profit / (loss), 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 dilutive effect derives from transactions such as convertible notes (Note 30). The diluted earnings / (loss) per share is based on the weighted average number of ordinary shares and dilutive ordinary share equivalents outstanding during each reporting year. Where there are convertible loan notes, the average number of ordinary shares assumed to be outstanding during the reporting year are as if the convertible loan notes had been converted into ordinary shares and the profit or loss is after giving effect to the elimination of interest expense, net of tax benefit, applicable to the convertible loan notes.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

13. Dividends on equity shares

13A. Dividends to owners of the Company

	Rate per share		2021 \$'000	2020 \$'000
	2021 Cents	2020 Cents		
Final tax exempt (1-tier) dividend paid in respect of previous reporting year	0.50	0.68	21,092	28,258
Interim exempt (1-tier) dividend paid	–	0.32	–	13,474
Special tax exempt (1-tier) dividend paid	1.00	–	42,185	–
	<u>1.50</u>	<u>1.00</u>	<u>63,277</u>	<u>41,732</u>

In respect of the current reporting year, the directors proposed that a final of 0.25 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 treasury 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 totalled \$3,858,000 (2020: \$24,778,000) (Note 26).

13B. Dividends to non-controlling interest of subsidiaries

In the reporting year 2020, interim exempt (1-tier) dividends totalled \$531,000 were declared and paid by certain subsidiaries to their non-controlling shareholders.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

14. Property, plant and equipment

Group	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000	Renovations \$'000	Fixtures and equipment \$'000	Motor vehicles \$'000	Hotel operating supplies \$'000	Right-of-use assets \$'000	Total \$'000
<u>Cost or valuation:</u>									
At 1 July 2019	658,864	294,136	62,412	4,036	6,712	-	1,228	-	1,027,388
Additions	-	3,168	464	98	351	241	153	-	4,475
Acquisition of subsidiary (Note 17B)	-	-	22,692	827	12,081	3,562	-	-	39,162
Disposals	-	-	(5,861)	-	(351)	(159)	-	-	(6,371)
Revaluation (decrease) / increase	(58,947)	(26,316)	529	-	-	-	-	-	(84,734)
Elimination of depreciation on revaluation	-	(11,905)	(1,293)	-	-	-	-	-	(13,198)
Foreign exchange adjustments	-	-	575	(175)	375	109	-	-	884
At 30 June 2020	599,917	259,083	79,518	4,786	19,168	3,753	1,381	-	967,606
Additions	-	17	-	568	1,580	-	-	72,669	74,834
Disposals	-	-	-	-	(13)	-	-	-	(13)
Transfer from / (to) investment properties (Note 15)	-	-	1,774	(518)	-	-	-	-	1,256
Revaluation decrease	(19,417)	(18,614)	(149)	-	-	-	-	-	(38,180)
Elimination of depreciation on revaluation	-	(10,969)	-	-	-	-	-	-	(10,969)
Deconsolidation of subsidiary (Note 17A)	-	-	(15,474)	(889)	(12,796)	(3,684)	-	-	(32,843)
Foreign exchange adjustments	-	-	(2,423)	8	532	141	-	80	(1,662)
At 30 June 2021	580,500	229,517	63,246	3,955	8,471	210	1,381	72,749	960,029
<u>Represented by:</u>									
Cost	-	-	-	3,955	8,471	210	1,381	72,749	86,766
Valuation	580,500	229,517	63,246	-	-	-	-	-	873,263
	580,500	229,517	63,246	3,955	8,471	210	1,381	72,749	960,029

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

14. Property, plant and equipment (cont'd)

Group	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000	Renovations \$'000	Fixtures and equipment \$'000	Motor vehicles \$'000	Hotel operating supplies \$'000	Right-of-use assets \$'000	Total \$'000
<u>Accumulated depreciation:</u>									
At 1 July 2019	-	-	-	2,127	3,926	-	-	-	6,053
Depreciation for the year	-	11,905	642	931	2,161	466	-	-	16,105
Acquisition of subsidiary (Note 17B)	-	-	6,365	44	10,964	2,454	-	-	19,827
Disposals	-	-	(5,707)	-	(342)	(112)	-	-	(6,161)
Elimination of depreciation on revaluation	-	(11,905)	(1,293)	-	-	-	-	-	(13,198)
Foreign exchange adjustments	-	-	(7)	7	338	87	-	-	425
At 30 June 2020	-	-	-	3,109	17,047	2,895	-	-	23,051
Depreciation for the year	-	10,969	1,226	861	1,063	82	-	4,239	18,440
Disposals	-	-	-	-	(10)	-	-	-	(10)
Elimination of depreciation on revaluation	-	(10,969)	-	-	-	-	-	-	(10,969)
Deconsolidation of subsidiary (Note 17A)	-	-	(2,431)	(86)	(11,903)	(2,922)	-	-	(17,342)
Foreign exchange adjustments	-	-	1,205	(7)	(32)	117	-	5	1,288
At 30 June 2021	-	-	-	3,877	6,165	172	-	4,244	14,458
<u>Carrying value:</u>									
At 1 July 2019	658,864	294,136	62,412	1,909	2,786	-	1,228	-	1,021,335
At 30 June 2020	599,917	259,083	79,518	1,677	2,121	858	1,381	-	944,555
At 30 June 2021	580,500	229,517	63,246	78	2,306	38	1,381	68,505	945,571

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

14. Property, plant and equipment (cont'd)

Company	Renovations \$'000	Fixtures and equipment \$'000	Total \$'000
<u>Cost:</u>			
At 1 July 2019	3,034	1,214	4,248
Additions	7	95	102
Disposals	–	(6)	(6)
At 30 June 2020	3,041	1,303	4,344
Additions	–	57	57
At 30 June 2021	3,041	1,360	4,401
<u>Accumulated depreciation:</u>			
At 1 July 2019	1,495	744	2,239
Depreciation for the year	758	320	1,078
Disposals	–	(6)	(6)
At 30 June 2020	2,253	1,058	3,311
Depreciation for the year	682	162	844
At 30 June 2021	2,935	1,220	4,155
<u>Carrying value:</u>			
At 1 July 2019	1,539	470	2,009
At 30 June 2020	788	245	1,033
At 30 June 2021	106	140	246

Allocation of the depreciation expense:

	Group	
	2021 \$'000	2020 \$'000
Cost of sales	11,510	13,273
Administrative expenses	6,101	1,703
From continuing operations	17,611	14,976
Loss from discontinued operations, net of tax	829	1,129
	18,440	16,105

- (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) The surplus net of applicable deferred income tax liability on revaluation has been credited to asset revaluation reserve in equity (Note 28B).
- (c) 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 (Note 30A).
- (d) The right-of-use assets mainly relate to lease arrangements in commercial units. Typically the leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The lease contracts require these properties in a good state of repair and return the properties in their original condition at the end of the lease.

The related lease liabilities are disclosed in Note 30.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

14. Property, plant and equipment (cont'd)

- (e) For each revalued class of property, plant and equipment, the carrying values at the end of the reporting year that would have been recognised had the assets been carried under the cost model are as follows:

Group	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000
<u>2021:</u>			
Cost	465,378	194,771	53,234
Additions	–	17	–
Deconsolidation of subsidiary	–	–	(15,474)
Accumulated depreciation	–	(39,821)	(2,847)
Foreign exchange adjustment	–	–	(798)
Carrying value	465,378	154,967	34,115
<u>2020:</u>			
Cost	465,378	220,455	37,975
Additions	–	3,168	464
Acquisition of subsidiary	–	–	16,327
Disposal	–	–	(154)
Accumulated depreciation	–	(28,852)	(1,960)
Foreign exchange adjustment	–	–	582
Carrying value	465,378	194,771	53,234

- (f) The fair values of the properties were measured by independent professional valuation experts, who have the appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. The valuers of Singapore properties are members of the Singapore Institute of Surveyors and Valuers ("SISV") while the valuers of overseas properties are members of, or authorised by, a relevant professional body or authority. Valuations for Singapore properties are prepared in accordance with SISV Standards while valuation for overseas properties are prepared in accordance with domestic standards or the International Valuation Standards. 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.
- (g) Details of the Group's properties classified under property, plant and equipment are as follows:

Description of property	Location	Tenure	Existing use
Novotel and Mercure on Stevens	28 and 30 Stevens Road, Singapore	Freehold	Hotel
12 office units at Oxley Tower	138 Robinson Road, Singapore	Freehold	Office
Concierge at Royal Wharf	North Woolwich Road, London E16, United Kingdom	Freehold	Office
Office at SOHO Tower, The Bridge	Phum 4, National Assembly Road, Sangkat Tonle Bassac, Khan Chamkarmon Phnom Penh City, Cambodia	Freehold	Office

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

14. Property, plant and equipment (cont'd)

(h) 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
			2021	2020	
Novotel and Mercure on Stevens	Discounted cash flow	Growth rate	2.0%–17.5%	-7.3%–6.0%	The higher the growth rate, the higher the fair value
		Discount rate	4.75%	4.75%	The higher the discount rate, the lower the fair value
		Terminal capitalisation rate	2.75%	3.5%	The higher the terminal capitalisation rate, the lower the fair value
12 office units at Oxley Tower	Direct comparison	Market price per square metre	\$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	\$3,216	\$3,216	The higher the market price per square meter, the higher the valuation
Office units at SOHO Tower, The Bridge	Direct comparison	Market price per square metre	\$4,246	\$3,210	The higher the market price per square meter, the higher the valuation
Pindan office building #	Discounted cash flow	Growth rate	–	0.9%–4.1%	The higher the growth rate, the higher the fair value
		Discount rate	–	8.5%	The higher the discount rate, the lower the fair value
	Income capitalisation	Capitalisation rate	–	8.5%	The higher the capitalisation rate, the lower the fair value
Warehouse at Orange Grove #	Direct comparison	Market price per square metre	–	\$187	The higher the market price per square metre, the higher the valuation
Warehouse at Forrestfield #	Discounted cash flow	Discount rate	–	6.5%	The higher the discount rate, the lower the fair value
	Income capitalisation	Capitalisation rate	–	6.5%	The higher the capitalisation rate, the lower the fair value
	Direct comparison	Market price per square metre	–	\$504	The higher the market price per square metre, the higher the valuation
Reception office at Capeview #	Direct comparison	Market price per square metre	–	\$2,032	The higher the market price per square metre, the higher the valuation
Townhouse at Leeuwin #	Direct comparison	Market price per square metre	–	\$1,771	The higher the market price per square metre, the higher the valuation

These properties are held under the disposal group in the current reporting year.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

14. Property, plant and equipment (cont'd)

- (h) Fair value hierarchy – recurring fair value measurements (cont'd)

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, terminal yield 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 or per square meter.

15. Investment properties

	Group	
	2021	2020
	\$'000	\$'000
At fair value:		
At beginning of the year	329,749	571,077
Additions	–	144,738
Deconsolidated	–	(367,749)
Transferred from development properties	16,831	27,819
Transfer to property, plant and equipment (Note 14)	(1,256)	–
Acquisition of subsidiary (Note 17B)	–	3,014
Deconsolidation of subsidiary (Note 17A)	(3,294)	–
Losses on fair value included in profit or loss under other gains and other losses (Note 7)	(17,694)	(48,709)
Foreign exchange adjustments	497	(441)
At end of the year	324,833	329,749
Rental income from investment properties	12,099	11,360
Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the year	(3,003)	(3,436)

- (a) Investment properties are leased out under operating leases. See Note 34 on operating lease income commitments.
- (b) In the reporting year 2020, borrowing costs of \$2,219,000 arising on financing incurred for the investment properties under development were capitalised. The average interest capitalisation rates were 6.33% 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 (Note 30A).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

15. Investment properties (cont'd)

- (e) During the reporting year, following the change in use of certain commercial units in the completed property development previously held for sale, the Group transferred these units with carrying value of \$16,831,000 from development properties to investment properties (Note 23).
- (f) Other than the carrying value of the carpark lots in The Peak in Cambodia at the end of the previous reporting year, the fair values of properties of the Group were measured by independent professional valuation experts, who have the appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. The valuers of Singapore properties are members of the Singapore Institute of Surveyors and Valuers ("SISV") while the valuers of overseas properties are members of, or authorised by, a relevant professional body or authority. Valuations for Singapore properties are prepared in accordance with SISV Standards while valuation for overseas properties are prepared in accordance with domestic standards or the International Valuation Standards. 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. In the reporting year 2020, the management determined that the fair value of the carpark lots in The Peak in Cambodia, which was under construction, was not reliably measurable but expected the fair value of the property to be reliably measurable when construction is completed. Accordingly, the management measured this property using the cost model in reporting year 2020.
- (g) Details of the Group's investment properties are as follows:

Description of property	Location	Tenure	Existing use	Carrying value	
				2021 \$'000	2020 \$'000
Space@ Tampines	18 Tampines Industrial Crescent, Singapore	Leasehold 30 years from 2012	Industrial	170,000	170,000
Novotel and Mercure on Stevens	30 Stevens Road, Singapore	Freehold	Commercial - food and beverages	90,000	91,000
Floravista	7 Ang Mo Kio Street 66, Singapore	Freehold	Commercial	40,405	24,740
Royal Wharf	North Woolwich Road, London E16, United Kingdom	Freehold	Commercial	16,114	16,008
The Peak	Lot No 8, Samdach Hun Sea Road, Sangkat Tank Bassac, Khan Chamkarman, Phnom Penh City, Cambodia	Freehold	Carpark	8,314	24,896
Capeview	12 to 14 Little Colin Street, Broadwater, Australia	Freehold	Service apartment	–	3,105
				<u>324,833</u>	<u>329,749</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

15. 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
				2021	2020	
Space@ Tampines	Direct comparison	Level 3	Market price per square metre	\$2,580	\$2,580	The estimated fair value increases with higher market price
Novotel and Mercure on Stevens	Direct comparison	Level 3	Market price per square metre	\$31,950	\$31,941	The estimated fair value increases with higher market price
Floravista	Direct comparison	Level 3	Market price per square metre	\$32,903	\$31,748	The estimated fair value increases with higher market price
Royal Wharf	Direct comparison	Level 3	Market price per square metre	\$3,461	\$3,792	The estimated fair value increases with higher market price
The Peak	Income capitalisation	Level 3	Capitalisation rate	7%	–	The estimated fair value increases with lower capitalisation rate
Capeview	Direct comparison	Level 3	Market price per square metre	–	\$1,127	The estimated fair value increases with higher market price

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

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 or per square meter.

16. Intangible assets

	Group	
	2021 \$'000	2020 \$'000
Goodwill (Note 16A)	–	21,427
Other intangible assets (Note 16B)	–	5,755
	<u>–</u>	<u>27,182</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

16. Intangible assets (cont'd)

16A. Goodwill

The goodwill is allocated to Pindan Group Pty Ltd and its subsidiaries ("Pindan Group") which was acquired in the reporting year 2020 (See Note 17B) and grouped under Construction segment. The initial purchase price allocation to identifiable net assets acquired is being assessed and has been finalised during the reporting year ended 30 June 2021.

The goodwill was tested for impairment at the end of the previous reporting year. An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit ("CGU") is the higher of its fair value less costs of disposal or its value in use. The recoverable amounts of cash-generating units have been measured based on the fair value less costs of disposal method or the value in use method as appropriate for the separate CGUs.

Value-in-use method used to determine the recoverable amount of the cash-generating unit ("CGU") in which goodwill is attributed to and the recoverable amount is higher than the carrying amount of goodwill. The value in use was measured by management using maintainable earnings method. The key assumptions for the value in use calculations are capitalisation and growth rates. The value in use is a recurring fair value measurement (Level 3). The quantitative information about the value in use measurement using significant unobservable inputs for the CGU are consistent with those used for the measurement of the CGU and is analysed as follows:

<u>Unobservable inputs</u>	Range (weighted average)	
	2021	2020
Estimated capitalisation rates	-	11.1% to 16.7%
Growth rates based on industry growth forecasts and not exceeding the average long-term growth rate for the relevant markets	-	1% to 72%
Cash flow forecasts derived from the most recent financial budgets and plans approved by management	-	3 years

During the reporting year, following the loss of control over Pindan Group (Note 11), the Group derecognised the assets, included the carrying value of goodwill amounting to \$21,427,000 and other intangible assets of \$2,877,000 in Note 16B (Note 17A).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

16. Intangible assets (cont'd)

16B. Other intangible assets

	Group \$'000
<u>Cost</u>	
At 1 July 2019	–
Acquisition of subsidiary (Note 17B)	5,755
At 30 June 2020	5,755
Deconsolidation of subsidiary (Note 17A)	(5,755)
At 30 June 2021	–
<u>Accumulated amortisation</u>	
At 1 July 2019	–
Amortisation for the year	–
At 30 June 2020	–
Amortisation for the year	2,878
Deconsolidation of subsidiary (Note 17A)	(2,878)
At 30 June 2021	–
<u>Carrying value</u>	
At 1 July 2019	–
At 30 June 2020	5,755
At 30 June 2021	–

Amortisation of other intangible assets are included in loss from discontinued operations, net of tax.

17. Investments in subsidiaries

	Company	
	2021 \$'000	2020 \$'000
Unquoted equity shares at cost	39,083	45,591
Less: Allowance for impairment	(2,051)	(8,513)
Net carrying value	37,032	37,078
Movement in cost:		
At beginning of the year	45,591	45,591
Disposals	(6,508)	–
At end of the year	39,083	45,591
Movements in allowance for impairment:		
At beginning of the year	(8,513)	(2,784)
Impairment loss charge to profit or loss	(46)	(5,729)
Utilised	6,508	–
At end of the year	(2,051)	(8,513)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

17. Investments in subsidiaries (cont'd)

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

The decreasing performance of certain subsidiaries was considered sufficient evidence to trigger the impairment test. The impairment test was carried out by management. As there are no immediate future business plan for these subsidiaries, an additional loss of impairment up to the cost of investment has been recognised in the current reporting year.

17A. Deconsolidation of a subsidiary

As a result of the loss of control over the Disposal Group (Note 11), the carrying value of assets and liabilities of Pindan Group as of the date of deconsolidation and the effects of the deconsolidation were:

	At the date of deconsolidation \$'000
Property, plant and equipment	15,501
Investment properties	3,294
Goodwill (Notes 16A and 17B)	21,427
Other intangible assets (Note 16B)	2,877
Investment in associate	9,853
Investment in securities	1,381
Deferred tax assets	10,530
Other non-financial assets, non-current	54
Inventories	1,718
Trade and other receivables	32,836
Other non-financial assets	2,652
Cash and cash equivalents	7,018
Deferred tax liabilities	(1,652)
Trade and other payables, non-current	(19,188)
Other financial liabilities, non-current	(12,583)
Income tax payable	(1,874)
Trade and other payables, current	(32,391)
Other financial liabilities, current	(1,454)
Net identifiable assets	<u>39,999</u>
<u>Loss on deconsolidation:</u>	
Cash consideration	-
Net identifiable assets derecognised	<u>(39,999)</u>
	<u>(39,999)</u>
<u>Net cash outflow on deconsolidation:</u>	
Cash at Disposal Group	<u>(7,018)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

17. Investments in subsidiaries (cont'd)

17B. Acquisition of subsidiary

On 4 October 2019, the Group acquired remaining 60% of the share capital in Pindan Group Pty Ltd ("Pindan"), a company incorporated in Australia, and from that date the Group gained control of Pindan. The shares were transferred to the Group for nil consideration in settlement of a claim made by the Group relating to Pindan failing to meet agreed performance target. Prior to the acquisition, the Group held 40% equity interest in Pindan. Pursuant to the acquisition, Pindan became a wholly-owned subsidiary in the Group. The transaction was accounted for by the acquisition method of accounting.

The fair values of identifiable assets acquired and liabilities assumed shown below for the acquisition of Pindan and its subsidiaries and associates (collectively, the "Pindan Group") are recorded on a provisional basis for the reporting year ended 30 June 2020 and are subject to change upon completion of the purchase price allocation exercise as required under SFRS(I) 3 *Business Combination*. The purchase price allocation exercise has been finalised during the reporting year ended 30 June 2021.

The fair values of Pindan Group's identifiable assets acquired and liabilities assumed at the date of acquisition are shown below:

	Acquiree's carrying amounts	
	Pre-acquisition book value under SFRS(I) \$'000	Fair values \$'000
Property, plant and equipment	19,072	19,335
Investment properties	3,276	3,014
Other intangible assets (Note 16B)	–	5,755
Investments in associates	10,951	10,951
Deferred tax assets	6,324	8,911
Other receivables, non-current	7,505	7,505
Investment in securities	863	863
Inventories	1,701	1,701
Development properties	20,955	20,955
Trade and other receivables	40,036	40,036
Other non-financial assets	3,418	3,418
Cash and cash equivalents	5,749	5,749
Other financial liabilities	(23,258)	(23,258)
Trade and other payables	(70,152)	(74,179)
Other liabilities	(5,143)	(5,143)
Deferred tax liabilities	(150)	(150)
Income tax payables	(5,357)	(5,357)
Non-controlling interests	(7,359)	(7,339)
Net identifiable assets	8,431	12,767

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

17. Investments in subsidiaries (cont'd)

17B. Acquisition of subsidiary (cont'd)

	\$'000
Fair value of equity interest held immediately before acquisition of remaining 60% interest	34,194
Fair value of identifiable net assets acquired	(12,767)
Goodwill arising on acquisition (Note 16A)	21,427
<u>Net cash inflow on acquisition:</u>	
Cash taken over	5,749

The contributions from Pindan Group for the period between the date of acquisition and the end of the reporting year were as follows:

	From date of acquisition to 30 June 2020 \$'000	From 1 July 2019 to 30 June 2020 \$'000
Revenue	205,169	287,606
Loss before tax	(8,825)	(8,773)

18. Investments in joint ventures

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Investments in joint ventures	62,910	54,443	36,074	36,074
Less: Allowance for impairment	(4,088)	(3,925)	(32,307)	(31,753)
Net carrying value	58,822	50,518	3,767	4,321
Movement in allowance for impairment:				
At beginning of the year	3,925	-	31,753	27,828
Impairment loss charge to profit or loss	140	3,925	554	3,925
Foreign exchange adjustments	23	-	-	-
At end of the year	4,088	3,925	32,307	31,753

Details of joint ventures in the Group are disclosed in Note 40.

The Group has not recognised its share of losses exceeding the amount of investment in certain joint ventures for current reporting year amounting to \$446,000 (2020: \$4,170,000) and cumulatively \$12,897,000 (30 June 2020: \$13,907,000). The Group has not incurred legal or constructive obligations or made payments on behalf of these joint ventures.

The Group's share of the commitments of the joint ventures' development expenditure contracted for development properties amounting to \$105,599,000 (2020: \$140,256,000).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

18. Investments in joint ventures (cont'd)

18A. Aggregate for all non-material joint ventures

The joint ventures are considered individually not material to the Group. The aggregate amount of the financial information if the non-material joint ventures based on their financial statements are shown below:

	Group	
	2021 \$'000	2020 \$'000
Revenue	577,701	423,151
Profit / (loss) for the reporting year	11,841	(16,744)
Total comprehensive income / (loss)	11,841	(16,744)
Net assets / (liabilities) of the joint ventures	25,300	(22,351)

There are no significant restrictions on the ability of the joint ventures to transfer funds to the Group in the form of cash dividends.

19. Investments in associates

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net carrying value	23,420	28,367	490	490

Details of associates in the Group are disclosed in Note 41.

In the reporting year 2020, the Group has not recognised share of losses exceeding the amount of investment in certain associates amounting to \$1,176,000. As at the end of the reporting year, the cumulative share of losses exceeding the amount of investment in certain associates amounting to \$1,827,000 (2020: \$1,977,000). The Group has not incurred legal or constructive obligations or made payments on behalf of these associates.

In the reporting year 2020, the Group disposed of its entire 18.8% interest in Galliard Group Limited to an unrelated party. The loss on disposal amounted to \$100,885,000 was recognised in profit or loss under other losses (Note 7).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

19. Investments in associates (cont'd)

19A. Non-material associates

The associates are considered individually not material to the Group. The aggregate amount of the financial information if the non-material associates based on their financial statements are shown below:

	Group	
	2021	2020
	\$'000	\$'000
Revenue	4,541	77
Loss for the reporting year	(5,747)	(4,519)
Total comprehensive loss	(5,747)	(4,519)
Net assets of the associates	213,836	167,865

There are no significant restrictions on the ability of the associates to transfer funds to the Group in the form of cash dividends.

20. Investments in securities

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<u>Quoted equity investments:</u>				
- at FVTOCI (Note 20A)	15,403	6,587	15,403	6,587
<u>Quoted debt assets investments:</u>				
- at amortised cost (Note 20B)	-	-	1,064	-
<u>Unquoted equity investments:</u>				
- at FVTOCI (Note 20C)	7,292	7,322	-	-
- at FVTPL (Note 20C)	-	882	-	-
	22,695	14,791	16,467	6,587

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

20. Investments in securities (cont'd)

20A. Quoted equity investments at FVTOCI

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
At beginning of the year	6,587	342,017	6,587	342,017
Additions	-	337	-	337
Disposals	-	(342,866)	-	(342,866)
Fair value gain recognised in other comprehensive income (Note 28C)	8,816	7,099	8,816	7,099
At end of the year	15,403	6,587	15,403	6,587

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

In the reporting year 2020, management disposed certain quoted shares. The fair value of the investments at the date of derecognition was \$342,866,000. The cumulative gain on disposal of \$1,599,000 was transferred to retained earnings (Note 28C).

At the end of reporting year, quoted equity investments amounting to \$15,403,000 (2020: Nil) have been pledged as securities for credit facilities (Note 30A).

20B. Quoted debt assets investments at amortised cost

	Company	
	2021 \$'000	2020 \$'000
At beginning of the year	-	-
Additions	1,064	-
At end of the year	1,064	-

The quoted debt investments are fixed rate notes issued by Oxley MTN Pte. Ltd., a wholly-owned subsidiary of the Company. The bonds are listed on the Singapore Exchange, bear interest rate of 6.50% per annum and maturing 28 February 2023. The quoted debt assets investments are subject to the expected credit loss model under the financial reporting standard on financial instruments. The quoted debt assets investments are considered to have low credit risk individually. No loss allowance is required.

As at the end of the reporting year, the fair value of the fixed rate notes are \$1,188,000 (2020: Nil).

None of the financial assets measured at amortised cost were reclassified to financial assets at fair value during the reporting year.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

20. Investments in securities (cont'd)

20C. Unquoted equity investments

	Group	
	2021 \$'000	2020 \$'000
Movements in assets at FVTOCI:		
At beginning of the year	7,322	7,372
Foreign exchange adjustments	(30)	(50)
At end of the year	7,292	7,322
Movements in assets at FVTPL:		
At beginning of the year	882	-
Acquisition of subsidiary (Note 17B)	-	863
Deconsolidation of subsidiary (Note 17A)	(1,381)	-
Foreign exchange adjustments	499	19
At end of the year	-	882

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, using the comparable market price of similar real estate properties as at the end of the reporting year.

21. Other receivables, non-current

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Outside parties	3	136	-	-
Loans receivable from:				
- Joint ventures	188,983	178,039	188,983	178,039
- Subsidiaries	-	-	1,165,960	1,156,108
Less: Allowance for impairment	-	-	(83,836)	(51,240)
	188,986	178,175	1,271,107	1,282,907
Movement in allowance for impairment:				
At beginning of the year	-	-	(51,240)	-
Impairment loss charge to profit or loss	-	-	(32,596)	(51,240)
At end of the year	-	-	(83,836)	(51,240)

Loan receivables from joint ventures and subsidiaries 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

30 June 2021

21. Other receivables, non-current (cont'd)

The loans receivables from joint venture and associates are subject to the expected credit loss model under the financial reporting standard on financial instruments. The loans 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 the life time expected credit losses because there has not been a significant increase in credit risk since initial recognition. A loss allowance was recognised.

22. Other non-financial assets

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>				
Deposits to secure services	21	-	-	-
Prepayments	243	610	173	-
Subtotal	264	610	173	-
<u>Current</u>				
Deposits to secure services	8,915	8,241	35	35
Prepayments	29,134	36,194	6,469	727
Subtotal	38,049	44,435	6,504	762
Total other non-financial assets	38,313	45,045	6,677	762

23. Development properties

	Group	
	2021	2020
	\$'000	\$'000
Completed development properties held for sale	131,614	197,535
Development properties in progress under:		
- revenue recognised over time	780,115	1,024,687
- revenue recognised at a point in time	222,413	438,934
	1,002,528	1,463,621
Mixed developments properties *	622,741	749,112
Contract assets	197,015	78,483
	1,953,898	2,488,751

* Properties for mixed developments consist of residential units, office units, hotels, service residences and retail shops in the same development.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

23. Development properties (cont'd)

- (a) Development properties are stated after allowance for foreseeable losses as follows:

	Group	
	2021	2020
	\$'000	\$'000
At beginning of the year	16,830	15,660
Charged to profit or loss included in other losses (Note 7)	32,455	1,182
Reversal	(4,963)	-
Foreign exchange adjustments	(17)	(12)
At end of the year	<u>44,305</u>	<u>16,830</u>

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 with reference to valuation reports for the development project or comparable projects and prevailing property market conditions including the implication from the COVID-19 pandemic. 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 and the implication from the COVID-19 pandemic. The allowance made / (written back) for foreseeable losses is included in other losses (Note 7).

- (b) During the reporting year, following the change in use of certain commercial units in the completed property development previously held for sale, the Group transferred the properties with carrying value of \$16,831,000 from development properties to investment properties (Note 15).
- (c) Borrowing costs of \$12,304,000 (2020: \$21,974,000) arising from financing entered into for the development of properties for which revenue is recognised at a point in time were capitalised during the reporting year.
- (d) Certain development properties are mortgaged to financial institutions as securities for the credit facilities extended to the Group (See Note 30A).
- (e) The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 30 June 2021 is \$772,152,000 (2020: \$658,992,000) which the Group expects to recognise over the next 1 to 3 years as construction of the development properties progresses.
- (f) Details of the development properties of the Group are disclosed in Note 42.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

24. Trade and other receivables

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Trade receivables:				
Outside parties	212,158	437,402	6,659	8,463
Unbilled revenue ^(a)	3,065	12,455	-	-
Subtotal	215,223	449,857	6,659	8,463
Other receivables:				
Outside parties	26	503	26	-
Subsidiaries	-	-	637,180	550,920
Joint ventures	135,849	110,619	49,852	47,278
Associates	18,160	22,568	15,160	14,438
Non-controlling interests in subsidiaries	2,876	2,899	-	-
Related parties	4,661	7,027	4,644	4,278
Others	2,100	36,500	2,100	36,500
Subtotal	163,672	180,116	708,962	653,414
Total trade and other receivables	378,895	629,973	715,621	661,877

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

Other receivables from the following parties bear interest at 3% – 8% (2020: 3% – 6.5%) per annum:

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Subsidiaries	-	-	580,763	466,637
Joint ventures	27,143	25,041	27,143	25,041
Associates	15,053	14,438	15,053	14,438
Related parties	4,661	7,027	4,644	4,278

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 the life time expected credit losses because there has not been a significant increase in credit risk since initial recognition. No loss allowance is necessary.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

24. Trade and other receivables (cont'd)

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 (2020: 30 days). But some customers take a 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.

25. Cash and cash equivalents

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Restricted in use	42,443	78,755	20,422	61,600
Not restricted in use	85,559	206,951	23,967	144,183
Project Accounts ^(a)	87,837	99,016	–	–
	<u>215,839</u>	<u>384,722</u>	<u>44,389</u>	<u>205,783</u>

^(a) Payments from the buyers of the units in the Group's property development project are deposited into the Project Accounts. The withdrawals 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 and rules in those countries in which the Group operates.

The interest earning balances are not significant.

25A. Cash and cash equivalents in the consolidated statement of cash flows

	Group	
	2021 \$'000	2020 \$'000
Amount as shown above	215,839	384,722
Cash restricted in use	(42,443)	(78,755)
	<u>173,396</u>	<u>305,967</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

25. Cash and cash equivalents (cont'd)

25B. Reconciliation of liabilities arising from financing activities

	Group			
	Beginning of the year \$'000	Cash flows \$'000	Non-cash movement ^(a) \$'000	End of the year \$'000
<u>30 June 2021:</u>				
Other financial liabilities (current and non-current)	<u>3,025,855</u>	<u>(595,796)</u>	<u>79,502</u>	<u>2,509,561</u>
<u>30 June 2020:</u>				
Other financial liabilities (current and non-current)	3,580,233	(639,998)	85,620	3,025,855

(a) Non-cash movement pertains to acquisition of assets under right-of-use assets, foreign exchange movements, fair value changes, amortisation of transaction cost, acquisition and deconsolidation of a subsidiary.

26. Share capital

	Group and Company			
	Number of shares issued		2021 \$'000	2020 \$'000
	2021 '000	2020 '000		
At beginning of the year	4,245,903	4,165,043	300,700	275,922
Shares issued under the Scrip Dividend Scheme	18,110	80,860	3,858	24,778
At end of the year	4,264,013	4,245,903	304,558	300,700

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

On 17 December 2019 and 14 May 2020, the Company issued 72,932,489 and 7,926,741 shares of no par value at an issue price of \$0.3206 and \$0.1948 per ordinary share respectively to eligible shareholders who elected to participate in the Company's Scrip Dividend Scheme.

On 15 January 2021, the Company issued 18,109,707 shares of no par value at an issue price of \$0.2138 per ordinary share to eligible shareholders who elected to participate in the Company's Scrip Dividend Scheme.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

26. Share capital (cont'd)

Capital management:

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

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 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 (excluded derivative financial liabilities) less cash and cash equivalents. This ratio is calculated as net debt / adjusted capital as shown below:

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Net debt:				
Total borrowings	2,490,681	3,016,784	570,543	428,772
Less: Cash and cash equivalents	(215,839)	(384,722)	(44,389)	(205,783)
Net debt	<u>2,274,842</u>	<u>2,632,062</u>	<u>526,154</u>	<u>222,989</u>
Adjusted capital:				
Total equity	<u>1,050,156</u>	<u>1,065,522</u>	<u>495,017</u>	<u>679,173</u>
Debt-to-adjusted capital ratio	<u>217%</u>	<u>247%</u>	<u>106%</u>	<u>33%</u>

The change as shown by a decrease in the debt-to-adjusted capital ratio for the Group as at 30 June 2021 resulted primarily from the decrease in total current and non-current borrowings. Net debt decreased by \$357,220,000 (2020: \$473,490,000). The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk from borrowings.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

27. Treasury shares

	Group and Company			
	Number of Shares		2021 \$'000	2020 \$'000
	2021 '000	2020 '000		
At beginning of the year	27,429	9,300	7,638	3,943
Purchased during the year	-	18,129	-	3,695
At end of the year	27,429	27,429	7,638	7,638

Treasury shares relate to ordinary shares of the Company that are held by the Company. In the reporting year 2020, the purchase prices of the treasury shares ranged from \$0.198 to \$0.217 per share.

28. Other reserves

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Foreign currency translation reserve (Note 28A)	6,739	(8,236)	-	-
Asset revaluation reserve (Note 28B)	166,296	198,300	-	-
Fair value reserve (Note 28C)	(8,586)	(17,402)	(8,586)	(17,402)
Warrant reserve (Note 28D)	7,201	-	7,201	-
Other reserve (Note 28E)	3,629	3,629	3,629	3,629
	175,279	176,291	2,244	(13,773)

Other reserves are not available for cash dividends unless realised.

28A. Foreign currency translation reserve

	Group	
	2021 \$'000	2020 \$'000
At beginning of the year	(8,236)	(14,184)
Exchange differences on translating foreign operations	14,975	5,948
At end of the year	6,739	(8,236)

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

30 June 2021

28. Other reserves (cont'd)

28B. Asset revaluation reserve

	Group	
	2021	2020
	\$'000	\$'000
At beginning of the year	198,300	268,581
Changes in revaluation of property, plant and equipment	(38,180)	(84,734)
Deferred tax thereon (Note 10C)	6,414	14,445
Exchange differences on translating foreign operations	(238)	8
At end of the year	166,296	198,300

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.

28C. Fair value reserve

	Group and Company	
	2021	2020
	\$'000	\$'000
At beginning of the year	(17,402)	(22,902)
Fair value gain on financial assets at FVTOCI (Note 20A)	8,816	7,099
Transferred to retained earnings upon disposal	-	(1,599)
At end of the year	(8,586)	(17,402)

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

28D. Warrant reserve

On 21 April 2021, the Company issued 199,810,898 non-listed warrants to an unrelated lender in lieu of payment for finance costs under a facility agreement entered by the Company and the lender on 17 September 2020.

The warrant reserve represents the fair value of the unexercised warrants on the date of issuance.

28E. Other reserve

Other reserve arises from the excess of proceeds over cost of placing the treasury shares.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

29. Trade and other payables

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Non-current				
Other payables:				
Subsidiaries	-	-	-	64,259
Current				
Trade payables:				
Outside parties and accrued liabilities	247,895	405,247	24,942	20,653
Other payables:				
Outside parties	100,376	33,567	4,147	-
Subsidiaries	-	-	912,857	968,394
Joint ventures	10,812	19,079	1,227	14,062
Associates	4,288	6,960	-	-
Related parties	76,057	40,541	76,057	25,141
Non-controlling interests in subsidiaries	49,699	52,901	-	-
Subtotal	241,232	153,048	994,288	1,007,597
Total current portion	489,127	558,295	1,019,230	1,028,250
Total trade and other payables	489,127	558,295	1,019,230	1,092,509

Other payables from the following parties bear interest at 2.2% – 8.0% (2020: 2.3% – 15.5%) per annum:

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Subsidiaries	-	-	817,636	914,758
Joint ventures	1,227	14,062	1,227	14,062
Non-controlling interests	8,641	8,319	-	-
Related parties	72,983	40,541	72,983	25,141
Outside parties	-	26,906	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

30. Other financial liabilities

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>				
Financial instruments with floating interest rates:				
Bank loans (secured) (Note 30A)	1,272,847	1,039,036	-	-
Bank loans (unsecured) (Note 30B)	100,000	-	100,000	-
Less: Unamortised transaction costs	(1,749)	(1,340)	(541)	-
Subtotal	1,371,098	1,037,696	99,459	-
Financial instruments with fixed interest rates:				
Bank loans (secured) (Note 30A)	111,147	-	110,143	-
Bank loans (unsecured) (Note 30B)	5,000	5,000	5,000	5,000
Convertible notes (Note 30C)	86,988	-	86,988	-
Fixed rate notes (Note 30D)	73,936	225,000	-	-
Less: Unamortised transaction costs	(1,429)	(1,777)	(891)	-
Derivative financial liabilities (Note 32)	13,956	-	13,956	-
Lease liabilities (Note 30E)	64,776	303	44	70
Subtotal	354,374	228,526	215,240	5,070
Total non-current portion	1,725,472	1,266,222	314,699	5,070
<u>Current</u>				
Financial instruments with floating interest rates:				
Bank loans (secured) (Note 30A)	306,724	1,024,537	70,400	188,177
Bank loans (unsecured) (Note 30B)	205,000	243,000	205,000	243,000
Less: Unamortised transaction costs	(6,527)	(11,060)	(5,623)	(7,498)
Subtotal	505,197	1,256,477	269,777	423,679
Financial instruments with fixed interest rates:				
Bank loans (secured) (Note 30A)	121,077	-	-	-
Fixed rate notes (Note 30D)	150,000	494,835	-	-
Less: Unamortised transaction costs	(3,479)	(1,327)	-	-
Derivative financial liabilities (Note 32)	4,924	9,071	-	-
Lease liabilities (Note 30E)	6,370	577	23	23
Subtotal	278,892	503,156	23	23
Total current portion	784,089	1,759,633	269,800	423,702
Total non-current and current	2,509,561	3,025,855	584,499	428,772
The non-current portion is repayable as follows:				
Due within 2 to 5 years	1,627,059	1,158,484	314,699	5,070
More than 5 years	98,413	107,738	-	-
	1,725,472	1,266,222	314,699	5,070

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

30. Other financial liabilities (cont'd)

The weighted average effective interest rates per annum taking into consideration the amortisation of deferred transaction costs are as follows:

	Group		Company	
	2021 %	2020 %	2021 %	2020 %
Bank loans (secured)	1.69 – 7.75	1.63 – 7.76	2.76 – 5.01	2.93 – 6.35
Bank loans (unsecured)	2.45 – 6.50	2.45 – 6.97	2.45 – 6.50	2.45 – 6.97
Fixed rate notes	6.07 – 6.94	6.04 – 6.96	–	–
Lease liabilities	3.25 – 6.50	3.25 – 6.08	3.25	3.25

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

30A. Bank loans (secured)

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

- First legal mortgages on certain properties classified as property, plant and equipment and investment properties as disclosed in Notes 14 and 15 respectively;
- First legal mortgages on certain development properties disclosed in Note 23;
- Legal assignment of all rights, titles and benefits, interests in the construction contracts, insurance policies, performance bonds (if any), tenancy agreements and sale and purchase agreements with respect to the development properties;
- Fixed and floating charges on relevant present and future assets;
- Charge over shares held by the Company in certain subsidiaries;
- Joint and several guarantees from non-controlling shareholders of certain subsidiaries;
- Corporate guarantees by the Company;
- Deed of subordination of loans from shareholders and related companies of the subsidiaries; and
- Compliance with certain covenants.

Certain bank loans are repayable by monthly or quarterly instalments over 4 to 10 years (2020: 1 to 10 years) from the date of first drawdown.

Repayment terms of certain bank loans are in one lump sum ranging from 4 to 120 months (2020: 12 to 120 months) from the date of first drawdown of the loan or 6 months (2020: 3 to 6 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

30. Other financial liabilities (cont'd)

30B. Bank loans (unsecured)

Certain bank loans are repayable by monthly or quarterly instalments over 3 years (2020: 1 to 5 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.

30C. Convertible notes

	Group and Company	
	2021 \$'000	2020 \$'000
Nominal value of convertible notes issued	95,681	–
Fair value of the conversion option embedded in convertible notes ("embedded derivative") at the issue date	(12,239)	–
Liability component at date of issue	83,442	–
Accretion of interest	3,546	–
Liability component at end of the year	86,988	–

On 19 January 2021, the Company issued 4.5% convertible notes of US\$72,000,000 in aggregate principal amount of Tranche A Convertible Notes to the subscriber. The convertible notes are redeemable within 24 months after the first closing date at the option of the holder. The convertible notes are convertible in whole or in part into fully-paid ordinary shares of the Company at an initial conversion price of \$0.25 per ordinary shares, subject to the terms of the Subscription agreement dated 6 January 2021.

At the end of the reporting year, the convertible notes are secured by charge over shares held by the Company in a certain subsidiary, deed of assignment of loans by the Company, and compliance with certain covenants.

On the issue of the convertible notes, the fair value of the embedded derivative is determined using the Trinomial Option Pricing Model (Level 2). The fair value of the embedded derivative is remeasured at the end of the reporting year. The changes of the fair value is recognised in profit or loss. The remainder of the proceeds are allocated to the debt element of convertible notes and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption. The corresponding interest on convertible notes is expensed to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

30. Other financial liabilities (cont'd)

30C. Convertible notes (cont'd)

The interest expense recognised in the profit or loss is calculated using the effective interest rate method at 11.54% (2020: Nil) to the debt element of convertible payables for the period the convertible note payables were issued.

The fair value of the debt element of convertible note payables (Level 2) is \$86,988,000 (2020: Nil). The fair value of the debt element of convertible note payables was estimated by discounting the future cash flows payable under the terms of the loan using the year-end market interest rate applicable to loans of similar credit risk, terms and conditions (Level 2).

30D. Fixed rate notes

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.
- Compliance with certain financial covenants.

Details of the EMTN issued are as follows:

Date of issue	Source currency	Principal in source currency \$'000	Interest rate %	Maturity date	2021 \$'000	2020 \$'000
21 Apr 2017	USD	200,000	6.375	21 Apr 2021	-	278,780
16 May 2017	USD	100,000	6.375	21 Apr 2021	-	139,390
5 Jul 2017	USD	55,000	6.375	21 Apr 2021	-	76,665
31 Jan 2018	SGD	150,000	5.70	30 Jan 2022	150,000	150,000
28 Feb 2021	SGD	75,000	6.50	28 Feb 2023	73,936	75,000
Total non-current and current carrying value					<u>223,936</u>	<u>719,835</u>
The fair value of fixed rate notes (Level 1)					<u>218,378</u>	<u>679,222</u>

See Note 44 for events after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

30. Other financial liabilities (cont'd)

30E. Lease liabilities

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Non-current portion	6,370	577	23	23
Current portion	64,776	303	44	70
	<u>71,146</u>	<u>880</u>	<u>67</u>	<u>93</u>

The Group and the Company has certain leases relating to the commercial units and some office equipment. Other information about the leasing activities relating to the right-of-use assets are summarised as follows: the leases prohibit the lessee from selling or pledging the underlying leased assets as security unless permitted by the owner; with remaining terms ranging from 1 to 9 years; there are no variable payments linked to an index; there are options to purchase the underlying leased assets outright at the end of the lease; there are options to extend the leases for further terms at the option of lessor.

31. Other non-financial liabilities

	Group	
	2021 \$'000	2020 \$'000
Advanced rental	159	4,509
Contract liabilities	26,689	381,407
Deposits received	2,059	11,841
	<u>28,907</u>	<u>397,757</u>

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

Revenue recognised in current reporting year that was included in the contract liabilities at the beginning of the year upon sale of development properties was \$340,546,000 (2020: \$357,231,000).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

32. Derivative financial instruments

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Liabilities – derivatives with negative fair values:				
Embedded convertible option in convertible note (Note 30C)	13,956	–	13,956	–
Interest rate swap contracts (Note 32A)	4,924	9,071	–	–
	<u>18,880</u>	<u>9,071</u>	<u>13,956</u>	<u>–</u>
Non-current portion (Note 30)	13,956	–	13,956	–
Current portion (Note 30)	4,924	9,071	–	–
	<u>18,880</u>	<u>9,071</u>	<u>13,956</u>	<u>–</u>

32A. Interest rate swap contracts

The purpose of the interest rate swap 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.

As at 30 June 2021, the total notional amount and net fair value loss of the Group's open interest rate swap contracts were \$400,966,000 (2020: \$415,941,000) and \$4,923,000 (2020: \$9,071,000) respectively. The maturity of interest swap contracts is over the next 1 to 2 years (30 June 2020: 12 months).

The interest rate swaps are designed to convert floating rate borrowing to fixed rate at 0.69% – 1.63% (2020: 1.04% – 2.26%) per annum for the next 12 months.

At the end of the reporting year, the floating interest rates vary from 0.09% – 0.66% (2020: 0.06% – 1.98%) 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.

33. 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	
	2021	2020
	\$'000	\$'000
Development expenditure contracted for development properties	<u>763,391</u>	<u>673,756</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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:

	Group	
	2021 \$'000	2020 \$'000
Not later than one year	12,352	10,387
Between 1 and 2 years	5,108	9,685
Between 2 and 3 years	2,674	2,863
Between 3 and 4 years	1,782	958
Between 4 and 5 years	1,306	1,123
Later than 5 years	8,845	7,959
Total	32,067	32,975
Rental income for the year	12,099	11,360

Operating lease income commitments are rental receivables from tenants of investment properties. The lease rental income terms are negotiated for a range of one to twenty five years and rentals are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage.

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<u>Financial assets:</u>				
At amortised cost	980,735	1,271,353	2,032,181	2,150,567
At FVTPL (equity instruments)	–	882	–	–
At FVTOCI (equity instruments)	22,695	13,909	15,403	6,587
	1,003,430	1,286,144	2,047,584	2,157,154
<u>Financial liabilities:</u>				
At amortised cost	2,979,808	3,575,079	1,589,773	1,521,281
At FVTPL (derivative instruments)	18,880	9,071	13,956	–
	2,998,688	3,584,150	1,603,729	1,521,281

Further quantitative disclosures are included throughout these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

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.

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 both 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 value.

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, cash equivalents, receivables and other financial assets. 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 and 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 general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the impairment allowance. Under this general approach the financial assets move through the three stages as their credit quality changes. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) permitted by the financial reporting standards on financial instruments is applied for financial assets that do not have a significant financing component, such as trade receivables and contract assets. For credit risk on trade receivables, contract assets and other financial assets 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

35D. Credit risk on financial assets (cont'd)

Cash and cash equivalents disclosed in Note 25 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:

Non-derivative financial liabilities	Less than 1 year \$'000	2 - 5 years \$'000	More than 5 years \$'000	Total \$'000
<u>Group</u>				
<u>2021:</u>				
Gross borrowings	836,093	1,619,619	63,726	2,519,438
Lease liabilities	10,318	40,792	39,350	90,460
Trade and other payables	494,036	–	–	494,036
	<u>1,340,447</u>	<u>1,660,411</u>	<u>103,076</u>	<u>3,103,934</u>
<u>2020:</u>				
Gross borrowings	1,825,009	1,207,833	112,357	3,145,199
Lease liabilities	597	321	–	918
Trade and other payables	563,615	–	–	563,615
	<u>2,389,221</u>	<u>1,208,154</u>	<u>112,357</u>	<u>3,709,732</u>
<u>Company</u>				
<u>2021:</u>				
Gross borrowings	291,190	308,867	–	600,057
Lease liabilities	23	44	–	67
Trade and other payables	1,064,537	–	–	1,064,537
	<u>1,355,750</u>	<u>308,911</u>	<u>–</u>	<u>1,664,661</u>
<u>2020:</u>				
Gross borrowings	443,634	5,123	–	448,757
Lease liabilities	27	82	–	109
Trade and other payables	1,135,700	–	–	1,135,700
	<u>1,579,361</u>	<u>5,205</u>	<u>–</u>	<u>1,584,566</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

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

Non-derivative financial liabilities (cont'd)	Less than 1 year \$'000	2 - 5 years \$'000	More than 5 years \$'000	Total \$'000
<u>Derivative financial liabilities</u>				
<u>Group</u>				
<u>2021:</u>				
Embedded convertible option in convertible note	-	15,386	-	15,386
Interest rate swaps	4,924	-	-	4,924
	<u>4,924</u>	<u>15,386</u>	<u>-</u>	<u>20,310</u>
<u>2020:</u>				
Interest rate swaps	<u>9,071</u>	<u>-</u>	<u>-</u>	<u>9,071</u>
<u>Company</u>				
<u>2021:</u>				
Embedded convertible option in convertible note	<u>-</u>	<u>15,386</u>	<u>-</u>	<u>15,386</u>

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 (2020: 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

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

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	Less than 1 year \$'000	2 - 5 years \$'000	More than 5 years \$'000	Total \$'000
<u>2021:</u>				
Bank guarantees in favour of subsidiaries	509,002	1,284,861	61,181	1,855,044
Bank guarantees in favour of joint ventures	–	353,915	–	353,915
Bank guarantees in favour of associates	–	29,857	–	29,857
	<u>509,002</u>	<u>1,668,633</u>	<u>61,181</u>	<u>2,238,816</u>
<u>2020:</u>				
Bank guarantees in favour of subsidiaries	1,333,422	1,140,131	107,731	2,581,284
Bank guarantees in favour of joint ventures	–	428,946	–	428,946
Bank guarantees in favour of associates	–	29,052	–	29,052
	<u>1,333,422</u>	<u>1,598,129</u>	<u>107,731</u>	<u>3,039,282</u>

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<u>Financial liabilities with interest</u>				
Fixed rates	716,361	780,963	1,107,109	998,174
Floating rates	1,876,051	2,294,179	369,236	423,679
	<u>2,592,412</u>	<u>3,075,142</u>	<u>1,476,345</u>	<u>1,421,853</u>
<u>Financial assets with interest</u>				
Fixed rates	<u>46,837</u>	<u>46,505</u>	<u>627,603</u>	<u>510,394</u>

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 2021

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

35F. Interest rate risk (cont'd)

Sensitivity analysis:

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<u>Financial liabilities</u>				
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	-	897	-	-
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	18,761	22,045	3,692	4,237

The above 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 2021

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	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<u>Financial assets</u>				
Great Britain Pound	63	14	423,155	362,606
Euro	95	29,068	71,962	103,144
United States Dollar	13,443	54,498	58,406	85,426
Australian Dollar	252	3	66,149	65,850
Malaysia Ringgit	112	-	112	-
Others	2	115	2	115
Total financial assets	13,967	83,698	619,786	617,141
<u>Financial liabilities</u>				
Great Britain Pound	-	-	(558,891)	(186,320)
Euro	-	-	-	(64,352)
United States Dollar	(216,042)	(679,881)	(216,042)	(669,568)
Total financial liabilities	(216,042)	(679,881)	(774,933)	(920,240)
<u>Net financial assets / (liabilities)</u>				
Great Britain Pound	63	14	(135,736)	176,286
Euro	95	29,068	71,962	38,792
United States Dollar	(202,599)	(625,383)	(157,636)	(584,142)
Australian Dollar	252	3	66,149	65,850
Malaysia Ringgit	112	-	112	-
Others	2	115	2	115

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Great Britain Pound	(6)	(1)	13,574	(17,629)
Euro	(10)	(2,907)	(7,196)	(3,879)
United States Dollar	20,260	62,538	15,764	58,414
Australian Dollar	(25)	-	(6,615)	(6,585)
Malaysia Ringgit	(11)	-	(11)	-
Others	-	(12)	-	(12)

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	
	2021	2020	2021	2020
	\$'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	1,540	659	1,540	659
A hypothetical 10% increase in the market index that relates to unquoted equity shares would have an effect on other comprehensive income before tax of	729	820	-	-

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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	
	2021	2020
	\$'000	\$'000
Audit fees paid or payable to:		
- auditor of the Company and its overseas affiliates	602	586
- others auditors	3	176
Non-audit fees paid or payable to:		
- auditor of the Company and its overseas affiliates	130	130
- others auditors	239	210

37. Changes and adoption of financial reporting standards and reclassification

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the Group are listed below:

SFRS(I) No.	Title
SFRS(I) 3	Definition of a Business – Amendments
SFRS(I) 1-1 and 1-8	Definition of Material – Amendments to

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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 Group for future reporting years are listed below:

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 16	COVID-19 – Related Rent Concessions beyond 30 June 2021	1 April 2021
Various	Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
SFRS(I) 3	Definition of a Business - Reference to the Conceptual Framework – Amendments to	1 January 2022
SFRS(I) 1-16	Property, Plant and Equipment: Proceeds before Intended Use – Amendments to	1 January 2022
SFRS(I) 1-37	Onerous Contracts – Costs of Fulfilling a Contract – Amendments to	1 January 2022
SFRS(I) 9	Financial Instruments – Fees in the “10 per cent” test for derecognition of financial liabilities (Annual Improvement Project)	1 January 2022
Various	SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
SFRS(I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 January 2023
SFRS(I) 1-8	Definition of Accounting Estimates	1 January 2023
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 year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the Group’s financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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		Effective equity held by the Group	
		2021 \$'000	2020 \$'000	2021 %	2020 %
Held by the Company					
Action Property Pte. Ltd. ^(d) Property development	Singapore	510	510	51	51
Citrine Property Pte. Ltd. ^(a) Property development	Singapore	3,000	3,000	100	100
Galaxy Land Pte. Ltd. ^(h) Property development	Singapore	–	1,308	–	100
Hume Homes Pte. Ltd. ^(a) Property development	Singapore	1,173	1,173	100	100
OXHM Pte. Ltd. ^(h) Hotel management	Singapore	–	#	–	100
Oxley Amber Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Amethyst Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Ascend Realty Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
Oxley Asset Management Pte. Ltd. ^(a) Investment holding	Singapore	#	#	100	100
Oxley Assets Pte. Ltd. ^(h) Property development	Singapore	–	994	–	100
Oxley Bliss Pte. Ltd. ^(a) Property investment	Singapore	700	700	70	70
Oxley Blossom Pte. Ltd. ^(h) Property development	Singapore	–	1,000	–	100
Oxley Bright Pte. Ltd. ^(h) Investment holding	Singapore	–	#	–	100
Oxley Connections Pte. Ltd. ^(a) Investment holding	Singapore	2,600	2,600	52	52

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		Effective equity held by the Group	
		2021 \$'000	2020 \$'000	2021 %	2020 %
Held by the Company					
Oxley Consortium Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Fund Management Pte. Ltd. ^(a) Dormant	Singapore	#	#	100	100
Oxley Fort Pte. Ltd. ^(h) Property development	Singapore	–	1,000	–	100
Oxley Garnet Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Gem Pte. Ltd. ^(a) Hotel owner and property investment	Singapore	1,000	1,000	100	100
Oxley Global Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley International Holdings Pte. Ltd. ^(a) Investment holding	Singapore	#	#	100	100
Oxley Jasper Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Module Pte. Ltd. ^(h) Property development	Singapore	–	656	–	66
Oxley Mosaic Pte. Ltd. ^(d) Property development	Singapore	1,000	1,000	100	100
Oxley MTN Pte. Ltd. ^(a) Provision of financial and treasury services	Singapore	7,000	7,000	100	100
Oxley Niche Pte. Ltd. ^(h) Property development	Singapore	–	1,000	–	100
Oxley Onyx Pte. Ltd. ^(a) Property development	Singapore	#	#	100	100
Oxley Opal Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		Effective equity held by the Group	
		2021 \$'000	2020 \$'000	2021 %	2020 %
Held by the Company					
Oxley Pearl Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Petalite Pte. Ltd. ^(h) Dormant	Singapore	–	#	–	100
Oxley Quartz Pte. Ltd. ^{(a) (e)} Dormant	Singapore	#	#	100	100
Oxley Rise Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Rising Pte. Ltd. ^(a) Property development	Singapore	#	#	100	100
Oxley Sanctuary Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
Oxley Sparkle Pte. Ltd. ^(a) Investment holding	Singapore	#	#	100	100
Oxley Spinel Pte. Ltd. ^(a) Property development	Singapore	4,000	4,000	100	100
Oxley Topaz Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Vibes Pte. Ltd. ^(a) Property development	Singapore	900	900	90	90
Oxley Vibrant Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Vista Pte. Ltd. ^(h) Property development	Singapore	–	550	–	55
Oxley Viva Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
Oxley YCK Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
Oxley Zircon Pte. Ltd. ^(h) Investment holding	Singapore	–	#	–	100
		39,083	45,591		

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
<i>Held through Oxley Asset Management Pte. Ltd.</i>			
Oxley Worldbridgeland Asset Management Pte. Ltd. ^(c) Lease agency	Cambodia	79	79
<i>Held through Oxley Connections Pte. Ltd.</i>			
Orchard Suites Residence Pte. Ltd. ⁽ⁿ⁾ Property development	Singapore	–	52
<i>Held through Oxley Fund Management Pte. Ltd.</i>			
Oxley Singapore Opportunistic Development Fund Ltd ^(a) ^(e) Dormant	Singapore	100	100
<i>Held through Oxley Sparkle Pte. Ltd.</i>			
Pindan Group Pty. Ltd. ^(f) Investment holding	Australia	–	100
<i>Held through Pindan Group Pty. Ltd.</i>			
Pindan Assets Pty. Ltd. ^(f) Investment holding	Australia	–	100
Pindan Capital Ltd. ^(f) Investment holding	Australia	–	100
Pindan Manage Pty. Ltd. ^(f) Investment holding	Australia	–	100
Pindan Build Pty. Ltd. ^(f) Investment holding	Australia	–	100
<i>Held through Pindan Group Pty. Ltd. and Pindan Asset Pty. Ltd.</i>			
Moselle Holdings Pty. Ltd. ^(f) Investment holding	Australia	–	100
<i>Held through Pindan Capital Ltd.</i>			
Pindan Capital Investment Pty. Ltd. ^(f) Investment holding	Australia	–	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
<i>Held through Pindan Capital Investments Pty. Ltd. and Oxley Australia Pty. Ltd.</i>			
Pindan Capital Berry Pty. Ltd. ⁽¹⁾ Property development	Australia	–	56
Pindan Capital Mermaid Beach Pty. Ltd. ⁽¹⁾ Property development	Australia	–	100
<i>Held through Pindan Manage Pty. Ltd.</i>			
Pindan Developments Pty. Ltd. ⁽¹⁾ Property development	Australia	–	100
Pindan Realty Pty. Ltd. ⁽¹⁾ Property development	Australia	–	100
<i>Held through Pindan Build Pty. Ltd.</i>			
Pindan Contracting Pty. Ltd. ⁽¹⁾ Construction	Australia	–	85
Pindan Constructions Pty. Ltd. ⁽¹⁾ Construction	Australia	–	100
Pindan Homes Pty. Ltd. ⁽¹⁾ Construction	Australia	–	100
Pindan Projects WA Pty. Ltd. ⁽¹⁾ Construction	Australia	–	100
Pindan Constructions (NSW) Pty. Ltd. ⁽¹⁾ Construction	Australia	–	100
<i>Held through Pindan Contracting Pty. Ltd.</i>			
Pindan Asset Management Pty. Ltd. ⁽¹⁾ Construction	Australia	–	85
Pilbara Frames Pty. Ltd. ⁽¹⁾ Construction	Australia	–	85

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
Held through Oxley International Holdings Pte. Ltd.			
Oxley Australia Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Cambodia Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley China Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Cyprus Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Dublin Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Florence Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Japan Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Ireland Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley London Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Malaysia Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Myanmar Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley UK Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Vietnam Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Held through Oxley Australia Pte. Ltd.			
Walker Street No.100 Pty. Ltd. ^(b) Property development	Australia	100	100
Oxley Australia Pty. Ltd. ^(b) Property development	Australia	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
Held through Oxley Cambodia Pte. Ltd.			
Oxley Holdings (Cambodia) Co., Ltd. ^(c) Investment holding	Cambodia	100	100
Held through Oxley Holdings (Cambodia) Co., Ltd.			
Oxley-Worldbridge (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
Oxley Emerald (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
Oxley Gem (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
Oxley Sapphire (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
Held through Oxley Malaysia Pte. Ltd.			
Oxley Holdings (Malaysia) Sdn. Bhd. ^(b) Investment holding	Malaysia	100	100
Held through Oxley Holdings (Malaysia) Sdn. Bhd.			
Oxley Diamond Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Emerald Sdn. Bhd. ^(b) Investment holding	Malaysia	100	100
Oxley Gem Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Rising Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Ruby Sdn. Bhd. ^(b) Investment holding	Malaysia	100	100
Oxley Sapphire Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Star Sdn. Bhd. ^(b) Property development	Malaysia	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
Held through Oxley London Pte. Ltd.			
Oxley Wharf Limited ^(b) Investment holding	United Kingdom	100	100
Oxley Wharf Property 1 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 2 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 3 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 4 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 8 Limited ^(b) Property development	United Kingdom	100	100
Held through Oxley Myanmar Pte. Ltd.			
Oxley Yangon Company Limited ^(a) Investment holding	Myanmar	100	100
Held through Oxley Yangon Company Limited			
Oxley Consultancy & Management Company Limited ^(a) Property development	Myanmar	100	100
Held through Oxley Dublin Pte. Ltd.			
Oxley Docklands Quay 1 Limited ^(b) Property development	Ireland	100	100
Oxley Docklands Quay 2 Limited ^(b) Property development	Ireland	100	100
Oxley Docklands Quay 3 Limited ^(b) Property development	Ireland	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
Held through Oxley Vietnam Pte. Ltd.			
Oxley MK Holdings Vietnam Co., Ltd. ^(b) Management service	Vietnam	90	90
Oxley Thu Thiem Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Centra Cove Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Held through Centra Cove Pte. Ltd.			
Phu Thinh Land Co., Ltd. ^(b) Property development	Vietnam	80	80
Held through Oxley Thu Thiem Pte. Ltd.			
Oxley Shenton Holdings Pte. Ltd. ⁽¹⁾ Investment holding	Singapore	60	–
Held through Oxley Shenton Holdings Pte. Ltd.			
Oxley MK Thu Thiem Development Company Limited ⁽¹⁾ Property development	Vietnam	60	–
Held through Oxley MK Holdings Vietnam Co., Ltd.			
OMK HCMC Co., Ltd. ^(b) Property development	Vietnam	64	90
Oxley MK Development JSC ^(b) Property development	Vietnam	76	76
Held through OMK HCMC Co., Ltd.			
OMK Investment Co.,Ltd. ^(b) Investment holding	Vietnam	64	90
Held through OMK Investment Co., Ltd.			
Oxley MK Thao Dien Co.,Ltd. ^(b) Property development	Vietnam	64	90

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2021	2020
		%	%
<i>Held through Oxley Florence Pte. Ltd.</i>			
Oxley Florence S.P.A. ^(d) Dormant	Italy	100	100
<i>Held through Oxley Cyprus Pte. Ltd.</i>			
Oxley Holdings (Cyprus) Limited ^(g) Investment holding	Cyprus	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 member firms of RSM International.

^(c) Audited by RSM Chio Lim LLP for consolidation purpose.

^(d) Not audited, as it is immaterial.

^(e) The entity was dormant during the reporting year.

^(f) Deconsolidated during the reporting year.

^(g) Audited by other auditors.

^(h) The entity was deregistered during the reporting year.

⁽ⁱ⁾ Transferred from joint venture during the reporting year.

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

40. Listing of and information on joint ventures

The listing of and information on the joint ventures are given below:

Name of joint ventures and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
Held by the Company			
Oxley-LBD Pte. Ltd. ^(a) Property development	Singapore	50	50
Rio Casa Venture Pte. Ltd. ^(a) Property development	Singapore	35	35
Oxley Serangoon Pte. Ltd. ^(a) Property development	Singapore	40	40
Metro Global Solutions Pte. Ltd. ⁽ⁱ⁾ Asset management and consultancy services	Singapore	–	50
Held through Oxley Emerald Sdn. Bhd.			
Posh Properties Sdn. Bhd. ^{(c) (f)} Property development	Malaysia	50	50
Held through Oxley Ruby Sdn. Bhd.			
Peninsular Teamwork Sdn. Bhd. ^{(b) (f)} Property development	Malaysia	50	50
Held through Oxley China Pte. Ltd.			
KAP Holdings (China) Pte. Ltd. ^(a) Investment holding	Singapore	55	55
Held through Oxley Holdings (Cambodia) Co., Ltd.			
Oxley Diamond (Cambodia) Co., Ltd. ^{(d) (f)} Property development	Cambodia	50	50
Held through Oxley Asset Management Pte. Ltd.			
Oxley-Worldbridge Asset Management (Cambodia) Co., Ltd. ^{(d) (f)} Asset management and consultancy services	Cambodia	50	50
Held through Oxley UK Pte. Ltd.			
Ballymore Deanston Limited ^(h) Property development	United Kingdom	–	50
Ballymore Oxley Deanston Holding Co., Ltd ^{(c) (f)} Investment holding (Incorporated on 3 March 2021)	United Kingdom	50	–

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

40. Listing of and information on joint ventures (cont'd)

Name of joint ventures and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
Held through Ballymore Oxley Deanston Holding Co., Ltd.			
Ballymore Deanston Ltd. ^(c) ^(f) Property development	United Kingdom	50	–
Held through Ballymore Deanston Ltd.			
Ballymore Deanston Acquisition Co., Ltd ^(c) ^(f) Property development	United Kingdom	50	–
Held through Oxley Holdings (Cyprus) Limited			
Oxley Planetvision Properties Ltd. ^(c) ^(f) Property development	Cyprus	50	50
Held through Oxley Vietnam Pte. Ltd.			
Oxley MK Development Management Pte. Ltd. ^(a) Investment holding	Singapore	50	50
Held through Oxley MK Development Management Pte. Ltd.			
Oxley MK Vietnam Development Management Company Limited ^(f) Property development	Vietnam	50	50
Held through Oxley Thu Thiem Pte. Ltd.			
Oxley Shenton Holdings Pte. Ltd. ^(g) Investment holding	Singapore	–	60
Held through Oxley Shenton Holdings Pte. Ltd.			
Oxley MK Thu Thiem Development Company Limited ^(g) Property development	Vietnam	–	60
Held through Oxley Australia Pty. Ltd.			
Pindan Capital Berry Pty. Ltd. ⁽ⁱ⁾ Property development	Australia	25.5	–
Held through Pindan Contracting Pty. Ltd.			
Pindan Yurra Joint Venture ^(h) Construction	Australia	–	42.5
Balladong & Pindan Contracting Joint Venture ^(h) Construction	Australia	–	42.5

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

40. Listing of and information on joint ventures (cont'd)

- (a) Audited by RSM Chio Lim LLP, a member of RSM International.
- (b) Audited by member firms of RSM International.
- (c) Audited by other auditors.
- (d) Audited by RSM Chio Lim LLP for consolidation purpose.
- (e) Not required to be audited under the laws of the country of incorporation.
- (f) The management financial statements at 30 June 2021 of the joint ventures have been used for equity accounting purpose.
- (g) Transferred to subsidiary during the reporting year.
- (h) Deconsolidated during the reporting year.
- (i) Transferred from subsidiary during the reporting year.
- (j) The entity was deregistered during the reporting year.

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 the above joint venture would not compromise the standard and effectiveness of the audit of the Group.

41. Listing of and information on associates

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

Name of associates and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
<i>Held by the Company</i>			
Goldprime Land Pte. Ltd. ^(a) ^(c) Property development	Singapore	49	49
SLB-Oxley (NIR) Pte. Ltd. ^(a) ^(c) Property development	Singapore	49	49
<i>Held through Oxley Holdings (Malaysia) Sdn. Bhd.</i>			
Aspen Vision Homes Sdn. Bhd. ^(a) ^(c) Property development	Malaysia	40	40
Aspen Park Hills Sdn. Bhd. ^(a) ^(c) Property development	Malaysia	30	30
<i>Held through Oxley MK Holdings Vietnam Co., Ltd.</i>			
Oxley MK Hanoi Joint Stock Company ^(a) ^(c) Property development	Vietnam	26	26
MK Thao Dien Co., Ltd. ^(a) ^(c) Property development	Vietnam	36	36

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

41. Listing of and information on associates (cont'd)

Name of associates and principal activities	Country of incorporation	Effective equity held by the Group	
		2021 %	2020 %
<i>Held through MK Thao Dien Co., Ltd.</i>			
MK Thao Dien Investment Co., Ltd. ^(a) ^(c) Property development	Vietnam	36	36
MK Thao Dien Project Co., Ltd. ^(a) ^(c) Property development	Vietnam	36	36
<i>Held through Oxley-Worldbridge Asset Management (Cambodia) Co., Ltd.</i>			
Metro Global Solutions (Cambodia) Co., Ltd. ^(b) Asset management and consultancy services	Cambodia	–	24.5
<i>Held through Oxley China Pte. Ltd.</i>			
KAP Hotel Investment Pte. Ltd. ^(a) ^(c) Management consultancy services for hotels and holding of assets for investment	Singapore	20	20
<i>Held through KAP Hotel Investments Pte. Ltd.</i>			
Yuedong International Hotel Co., Ltd. ^(a) ^(c) Property investment	China	10.7	10.7
<i>Held through KAP Holdings (China) Pte. Ltd.</i>			
Hebei Yue Zhi Real Estate Development Co., Ltd. ^(a) ^(c) Property development	China	24.75	24.75
Sino-Singapore KAP Construction Co., Ltd. ^(a) ^(c) Asset management and construction	China	27.5	27.5
<i>Held through Sino-Singapore KAP Construction Co., Ltd.</i>			
Gaobeidian City KAP Real Estate Development Co., Ltd. ^(a) ^(c) Property development	China	27.5	27.5
Hebei Xu Xing Investment Co., Ltd. ^(a) ^(c) Asset management and consultancy services	China	24.75	24.75

^(a) The management financial statements of the associates for the 12 months ended 30 June 2021 have been used for equity accounting purposes.

^(b) Deregistered during the reporting year.

^(c) Audited by other auditors.

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 auditing firms for the above associates would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

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)	
			Land area	Gross floor area
<u>Singapore</u>				
Oxley Tower 138 Robinson Road, Singapore	32-storey mixed development with 3-level podium mall and 3-level basement carparks	Freehold	1,490	16,755
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
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
The Flow 66 East Coast Road, Singapore	7-storey commercial development with basement and mechanised carpark	Freehold	2,176	6,527
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
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	13,138
Sixteen35 Residences 16 Lorong 35 Geylang, Singapore	8-storey mixed development, carpark, swimming pool and communal facilities	99 years leasehold	2,220	6,215

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

42. Listing of and information on development properties (cont'd)

Project name/ location	Description	Tenure	Approximate area (sqm)	
			Land area	Gross floor area
Singapore (cont'd)				
Sea Pavilion Residences 494 Upper East Coast Road, Singapore	5-storey residential building with a swimming pool, attic and a conserved sea pavillion	Freehold	1,292	2,024
The Addition 21 Meyappa Chettiar Road, Singapore	8-storey development, carpark and swimming pool	Freehold	898	1,945
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 mechanised carpark, communal swimming pool and addition and alteration to 7 units of conserved shophouses	Freehold	1,667	5,399
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
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	29,827
Parkwood Residences 208 Yio Chu Kang Road, Singapore	5-storey development with attic and swimming pool	Leasehold	1,313	1,827
Cambodia				
The Garage Street #84, Phum #13, Sangkat Srah Chork, Khan Daun Penh, Phnom Penh, Cambodia	Mixed retail and residential development	Freehold	8,923	– (a)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

42. Listing of and information on development properties (cont'd)

Project name/ location	Description	Tenure	Approximate area (sqm)	
			Land area	Gross floor area
The Peak Samdach Hun Sen Street Village 14, Sangkat Tonle Bassac, Khan Chamkamorn, Phnom Penh, Cambodia	Mixed retail, hotel, office and residential development	Freehold	12,609	209,604 ^(a)
The Palms National Road No.1, Phum Kdey Takoy, Sangkat Veal Sbov, Khan Mean Chey, Phnom Penh, Cambodia	Residential development	Freehold	37,689	65,592 ^(a)
<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 ^(a)
Medini ^(b) Plot B3 & B5 Iskandar, Johor, Malaysia	Mixed development	99 + 30 years extension	17,300	– ^(a)
Section 16 ^(b) Lot 26315, Bt 6 Jalan Damansara, Daerah Petaling Jaya, Negeri Selangor, Malaysia	Mixed development	Freehold	19,098	– ^(a)
<u>Ireland</u>				
Dublin Landings North Wall Quay Dublin 1	Residential development	Leasehold	23,500	96,330
Conolly Quarter Conolly Station Amien Street Dublin 1	Mixed retail, hotel, office and residential development	Leasehold	19,600	92,903 ^(a)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

42. Listing of and information on development properties (con'td)

Project name/ location	Description	Tenure	Approximate area (sqm)	
			Land area	Gross floor area
<u>United Kingdom</u>				
Royal Wharf North Woolwich Road, London, United Kingdom	Township development	Freehold	160,389	394,026

- (a) The plans for these projects are subject to modification.
 (b) Project names are for illustrative purpose only.

43. Litigation cases

- Legal proceedings against Oxley Sanctuary Pte Ltd ("Oxley Sanctuary")

The KAP Mall (the "Mall") was developed by Oxley Sanctuary Pte Ltd, a 55% owned subsidiary of the Group. The Mall obtained Certificate of Completion on 24 May 2017. In May 2019, the owners of 19 units (the "Plaintiffs") at KAP Mall commenced an action against Oxley Sanctuary, a 55%-owned subsidiary of the Group, on the grounds that (i) Oxley Sanctuary's marketing agents and other co-broke agents allegedly misrepresented to the Plaintiffs in the course of marketing the units that McDonald's and Cold Storage were returning as stores at KAP Mall and they had suffered losses as McDonald's and Cold Storage did not eventually return to the KAP Mall, and (ii) Oxley Sanctuary breached an implied term of the contract that McDonald's and Cold Storage would be stores at KAP Mall. Oxley Sanctuary has refuted the Plaintiffs' claims and has joined the marketing agent as a third party in the suit. The Plaintiffs have not quantified their claim.

Oxley Sanctuary applied to strike out the Plaintiffs' claims. On 26 July 2021, the High Court held that the Plaintiffs must elect to proceed on either the misrepresentation or breach of implied term claim, and directed the Plaintiffs to make further amendments to their Statement of Claim. The proceedings are ongoing as at the date of these financial statements.

As the proceeding is on-going, based on external legal advice, management is of the view that it is possible, but not probable and not practicable to estimate the financial effect, if any. Accordingly, no provision for any liability has been made in these financial statements.

- Legal proceedings involving Oxley Gem (Cambodia) Co., Ltd ("Oxley Gem")

The Peak is a 55-storey mixed hotel development project comprising one tower of hotel and offices, two towers of residential units, a retail mall and a multi-story car park (the "Project"), which is being developed by Oxley Gem. Sino Great Wall International Engineering Co., Ltd. ("SGW") was engaged by Oxley Gem as the main contractor for the Project.

The matters on the SGX announcements dated 26 February and 23 April 2020 are ongoing as at the date of these financial statements.

As the proceeding is on-going, based on external legal advice, management is of the view that it is possible, but not probable and not practicable to estimate the financial effect, if any. Accordingly, no provision for any liability has been made in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

44. Events after the end of the reporting year

- Completion of sale of an overseas asset in the ordinary course of business

On 30 June 2021, a wholly-owned subsidiary of the Group entered into a contract for the sale of a piece of land to third party (the "Sale"). The Sale has been completed on 21 September 2021. Upon completion, the Group will be receiving gross proceeds of approximately S\$96,300,000, less payments for taxes and transaction costs.

As there is no outstanding bank loan secured by the asset, the entire amount of the net proceeds will contribute positively to the cashflow of the Group.

- Pricing of S\$70,000,000 6.9 per cent. Notes due 2024 under the U.S.\$1,000,000,000 Guaranteed Euro Medium Term Note Programme

On 30 June 2021, the Company's wholly-owned subsidiary, Oxley MTN Pte. Ltd. (the "Issuer") priced its S\$70,000,000 6.9 per cent. notes due 2024 (the "Series 4 Notes") under its U.S.\$1,000,000,000 Guaranteed Euro Medium Term Note Programme, pursuant to which the Issuer may from time to time issue medium term notes unconditionally and irrevocably guaranteed by the Company. The Series 4 Notes will bear interest at a fixed rate of 6.9 per cent. per annum and will mature on 8 July 2024. The Series 4 Notes were fully subscribed on 8 July 2021.

- Tender offer exercise by Oxley MTN Pte. Ltd. (the "Issuer") in respect of the outstanding S\$150,000,000 5.70 per cent. Notes due 2022 comprised in series 002 (the "Notes") issued by the Issuer pursuant to the U.S.\$1,000,000,000 Euro Medium Term Note programme of the Issuer unconditionally and irrevocably guaranteed by the Company

On 8 September 2021, the Company announced that invitation is made to the existing bondholders of the S\$150,000,000 5.70% Notes due 2022 to buy-back from the outstanding notes and proposed issue of the new notes via re-opening of the existing S\$70,000,000 6.9% Notes due 2024.

On 23 September 2021, the Company announced that \$49,750,000 in aggregate principal amount of the Notes have been validly or, subject to the sole and absolute discretion of the Issuer to waive any factor rendering an offer invalid, otherwise offered for sale for cash pursuant to the Invitation (the "Offered Notes"), and that such Offered Notes have been accepted for purchase by Issuer on the terms and conditions set forth in the Invitation Memorandum (the "Final Accepted Offered Notes").

The Settlement Date of the Final Accepted Offered Notes accepted for purchase by the Issuer is expected to be on or about 30 September 2021.

Following the cancellation of the Final Accepted Offered Notes on the Settlement Date, the aggregate principal amount of the Notes outstanding will be \$100,250,000.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2021

44. Events after the end of the reporting year (cont'd)

- Pricing of S\$85,000,000 6.90 per cent. Notes due 2024 comprised in series 4 tranche 002 (to be consolidated and form a single series with the existing S\$70,000,000 6.90 per cent. Notes due 2024 comprised in series 4 tranche 001 issued on 8 July 2021) under the U.S.\$1,000,000,000 guaranteed Euro Medium Term Note Programme (the "Programme")

On 23 September 2021, the Company announced that Oxley MTN Pte Ltd (the "Issuer") has priced its S\$85,000,000 6.90 per cent. Notes due 2024 comprised in Series 4 Tranche 002 (the "Series 4 Tranche 002 Notes") (to be consolidated and form a single series with the existing S\$70,000,000 6.90 per cent. notes due 2024 comprised in Series 4 Tranche 001 issued on 8 July 2021 (the "Series 4 Tranche 001 Notes" and, together with the Series 4 Tranche 002 Notes, the "Series 4 Notes")) under the Programme.

The Series 4 Tranche 002 Notes will be unconditionally and irrevocably guaranteed (the "Guarantee") by the Company. The Series 4 Tranche 002 Notes will bear interest at a fixed rate of 6.90 per cent. per annum and will mature on 8 July 2024. The Series 4 Tranche 002 Notes are expected to be issued on 30 September 2021, subject to the satisfaction of customary closing conditions. The net proceeds from the issue of the Series 4 Tranche 002 Notes are presently intended to be used for (i) financing the aggregate purchase price for the outstanding S\$150,000,000 5.70 per cent notes due 2022 comprised in Series 002 issued by the Issuer and guaranteed by the Company under the Programme, validly tendered and accepted for purchase by the Issuer, and (ii) general corporate purposes, including the refinancing of borrowings and working capital and capital expenditure requirements of the Group and the Group's joint venture entities and associated entities.

- Subsidiaries under voluntary administration in Australia

On 16 September 2021, the Group provided an update relating to the appointment of voluntary administrators by the Group's wholly-owned subsidiary in Australia, Pindan Group Pty Ltd ("PGPL"), and certain of its subsidiaries (collectively, the "Pindan Group").

The convening period for the second meeting of creditors of the Pindan Group, other than Pindan Asset Management Pty Ltd, has been extended to 28 October 2021.

Save for the foregoing, there has been no material development in the voluntary administration since the last announcement of the Company via SGXNET on 16 September 2021.

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 statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2022, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and consolidated 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 Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") 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 2022 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, 14 and 15 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 valuation experts engaged by management have used valuation techniques which included certain estimates. In relying on the valuation reports, management exercised judgement to ensure that the valuation methods and estimates are reflective of current market conditions. The levels of estimation uncertainty and judgement required in determining the fair values of properties have increased due to changes in market and economic conditions caused by the COVID-19 pandemic. The valuation reports obtained from independent professional valuation experts for certain properties have included a cautionary clause on the reliance of the report due to COVID-19 pandemic.

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) assessed the professional competence and objectivity of the independent professional valuation experts and discussion with management to understand the credentials of the experts engaged; (b) obtained 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) discussed, with the assistance of our in-house valuation specialists, with the independent professional valuation experts and management and evaluated the appropriateness of the methodologies and assumptions used in the valuation including key valuation adjustments made in response to the changes in market and economic conditions caused by the COVID-19 pandemic; (d) compared the assumptions and inputs to externally published benchmarks where available, actual financial performance and other supporting documents and considered whether these assumptions and inputs are consistent with the current market environment including implications from the COVID-19 pandemic; (e) obtained the valuation reports for the properties and confirmed that the valuation approach for each was in accordance with the Financial Reporting Guidance 1 on Real Property Valuation for Financial Reporting issued by the Institute of Singapore Chartered Accountants and suitable for use in determining the carrying value for the purpose of the financial statements; and (f) assessed the adequacy of the disclosures in the financial statements.

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

Please refer to Notes 2A, 2C and 23 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 demands for development properties arising from government policies and changes in global economic activities including implications from the COVID-19 pandemic 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 and therefore warrant specific audit focus in this area.

The determination of the carrying amounts of the Group's development properties based on lower of cost or net realisable value 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. The changes in market and economic conditions and business disruptions caused by the COVID-19 pandemic have led to higher levels of estimation uncertainty and judgement required on the estimation of time and cost needed to complete ongoing projects. In addition, the valuation reports obtained from independent professional valuation experts for certain development properties have included a cautionary clause on the reliance of the report due to COVID-19 pandemic.

INDEPENDENT AUDITOR'S REPORT

To the Members of OXLEY HOLDINGS LIMITED

Key audit matters (cont'd)

(2) Allowance for impairment loss in carrying amount of development properties (cont'd)

Our audit procedures included (a) assessed the reasonableness of the expected selling price of the unsold development properties used in the assessment of the net realisable value against historical and available market data, taking into consideration comparability and external market factors including changes in market and economic conditions caused by the COVID-19 pandemic; (b) in respect to the independent professional valuation reports obtained by management, assessed the objectivity and competency of the independent professional valuation experts and obtained an understanding of the basis of valuation; considering whether the valuation methodologies used were in line with generally accepted market practices for similar property types; and discussed with the independent professional valuation experts and management and evaluated the appropriateness of the methodologies and assumptions used in the valuation including key valuation adjustments made in response to the changes in market and economic conditions caused by the COVID-19 pandemic; (c) verified the actual cost incurred against underlying contracts with main contractors and vendors and supporting documents; assessed the reasonableness of cost to complete by comparing costs that have been committed to quotations from and contracts with contractors and vendors; discussed with management the basis for the estimated cost to complete and challenges the underlying assumptions; and reviewed management's assessment and estimation of the additional time and costs needed to complete the on-going projects due to business disruptions caused the COVID-19 pandemic; and (d) assessed the adequacy of the disclosures in the financial statements.

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)s, 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.

INDEPENDENT AUDITOR'S REPORT

To the Members of OXLEY HOLDINGS LIMITED

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.

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 Chong Cheng Yuan.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

7 October 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Reporting Year Ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Continuing operations			
Revenue	5	925,899	1,364,171
Cost of sales		(796,265)	(1,067,676)
Gross profit		129,634	296,495
Other income	6	3,049	6,474
Interest income		12,525	9,287
Other gains	7	79,367	39,742
Marketing and distribution costs		(4,164)	(10,302)
Administrative expenses		(38,621)	(38,669)
Other losses	7	(49,870)	(89,211)
Finance costs	9	(117,275)	(112,730)
Share of results from joint ventures and associates, net of tax		20,322	8,009
Profit before tax		34,967	109,095
Income tax expense	10	(3,768)	(19,590)
Profit from continuing operations		31,199	89,505
Discontinued operations			
Loss from discontinued operations, net of tax	11	(23,892)	(39,999)
Profit for the year		7,307	49,506
Other comprehensive income / (loss)			
<i>Items that will not be reclassified to profit or loss</i>			
Net fair value (loss) / gain on equity investments measured at FVTOCI		(10,032)	8,816
Gain / (loss) on revaluation of properties, net of tax		44,634	(32,004)
		34,602	(23,188)
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(19,149)	14,975
Total other comprehensive income / (loss), net of tax		15,453	(8,213)
Total comprehensive income for the year		22,760	41,293
Profit for the year attributable to:			
Owners of the Company		3,224	13,093
Non-controlling interests		4,083	36,413
		7,307	49,506
Profit for the year attributable to owners of the Company:			
Profit from continuing operations		27,116	53,092
Loss from discontinued operations		(23,892)	(39,999)
		3,224	13,093
Total comprehensive income for the year attributable to:			
Owners of the Company		17,465	4,880
Non-controlling interests		5,295	36,413
		22,760	41,293

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Reporting Year Ended 30 June 2022

	Note	2022	2021
Basic and diluted earnings / (loss) per share attributable to owners of the Company:			
Basic earnings / (loss) per share (cents)			
- Continuing operations		0.64	1.26
- Discontinued operations		(0.56)	(0.95)
	12	<u>0.08</u>	<u>0.31</u>
Diluted earnings / (loss) per share (cents)			
- Continuing operations		0.58	1.25
- Discontinued operations		(0.51)	(0.94)
	12	<u>0.07</u>	<u>0.31</u>

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

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2022

		Group		Company	
	Note	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	14	953,686	945,571	185	246
Investment properties	15	342,922	324,833	-	-
Investments in subsidiaries	16	-	-	36,533	37,032
Investments in joint ventures	17	71,083	58,822	3,767	3,767
Investments in associates	18	26,677	23,420	490	490
Deferred tax assets	10	10,791	15,391	2,950	2,950
Other financial assets, non-current	19	12,470	22,695	7,434	16,467
Other receivables, non-current	20	197,359	188,986	1,087,255	1,271,107
Other non-financial assets, non-current	21	212	264	124	173
Total non-current assets		1,615,200	1,579,982	1,138,738	1,332,232
Current assets					
Assets classified as held for sale	22	32,334	-	-	-
Inventories		27	54	-	-
Development properties	23	1,710,790	1,953,898	-	-
Trade and other receivables	24	346,680	378,895	533,087	715,621
Other non-financial assets, current	21	38,607	38,049	4,296	6,504
Other financial assets, current	19	703	-	-	-
Cash and cash equivalents	25	143,874	215,839	51,210	44,389
Total current assets		2,273,015	2,586,735	588,593	766,514
Total assets		3,888,215	4,166,717	1,727,331	2,098,746
EQUITY AND LIABILITIES					
Equity					
Share capital	26	305,078	304,558	305,078	304,558
Treasury shares	27	(8,063)	(7,638)	(8,063)	(7,638)
Retained earnings		520,494	527,861	324,935	195,853
Other reserves	28	189,520	175,279	(7,788)	2,244
Equity attributable to owners of the Company		1,007,029	1,000,060	614,162	495,017
Non-controlling interests		55,312	50,096	-	-
Total equity		1,062,341	1,050,156	614,162	495,017

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

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2022

		Group		Company	
	Note	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Non-current liabilities					
Deferred tax liabilities	10	48,291	42,051	-	-
Other financial liabilities, non-current	30	525,330	1,725,472	102,501	314,699
Other non-financial liabilities, non-current	31	107	-	-	-
Total non-current liabilities		<u>573,728</u>	<u>1,767,523</u>	<u>102,501</u>	<u>314,699</u>
Current liabilities					
Liabilities classified as held for sale	22	145	-	-	-
Income tax payable		29,785	46,915	-	-
Trade and other payables, current	29	379,926	489,127	481,029	1,019,230
Other financial liabilities, current	30	1,801,779	784,089	529,639	269,800
Other non-financial liabilities, current	31	40,511	28,907	-	-
Total current liabilities		<u>2,252,146</u>	<u>1,349,038</u>	<u>1,010,668</u>	<u>1,289,030</u>
Total liabilities		<u>2,825,874</u>	<u>3,116,561</u>	<u>1,113,169</u>	<u>1,603,729</u>
Total equity and liabilities		<u>3,888,215</u>	<u>4,166,717</u>	<u>1,727,331</u>	<u>2,098,746</u>

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

STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 30 June 2022

Group	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
Current year							
Balance at 1 July 2021	304,558	(7,638)	527,861	175,279	1,000,060	50,096	1,050,156
Dividends on ordinary shares (Note 13)	-	-	(10,591)	-	(10,591)	(79)	(10,670)
Issue of shares under the Scrip Dividend Scheme (Note 26)	520	-	-	-	520	-	520
Purchase of treasury shares (Note 27)	-	(425)	-	-	(425)	-	(425)
Total comprehensive income for the year	-	-	3,224	14,241	17,465	5,295	22,760
Balance at 30 June 2022	305,078	(8,063)	520,494	189,520	1,007,029	55,312	1,062,341
Previous year							
Balance at 1 July 2020	300,700	(7,638)	578,045	176,291	1,047,398	18,124	1,065,522
Dividends on ordinary shares (Note 13)	-	-	(63,277)	-	(63,277)	-	(63,277)
Issue of shares under the Scrip Dividend Scheme (Note 26)	3,858	-	-	-	3,858	-	3,858
Issue of warrants (Note 28D)	-	-	-	7,201	7,201	-	7,201
Striking off of a subsidiary	-	-	-	-	-	(340)	(340)
Deconsolidation of subsidiary with a change in control	-	-	-	-	-	(4,101)	(4,101)
Total comprehensive income / (loss) for the year	-	-	13,093	(8,213)	4,880	36,413	41,293
Balance at 30 June 2021	304,558	(7,638)	527,861	175,279	1,000,060	50,096	1,050,156

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

STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 30 June 2022

Company	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Other reserves \$'000	Total equity \$'000
Current year					
Balance at 1 July 2021	304,558	(7,638)	195,853	2,244	495,017
Dividends on ordinary shares (Note 13)	-	-	(10,591)	-	(10,591)
Issue of shares under the Scrip Dividend Scheme (Note 26)	520	-	-	-	520
Purchase of treasury shares (Note 27)	-	(425)	-	-	(425)
Total comprehensive income / (loss) for the year	-	-	139,673	(10,032)	129,641
Balance at 30 June 2022	305,078	(8,063)	324,935	(7,788)	614,162
Previous year					
Balance at 1 July 2020	300,700	(7,638)	399,884	(13,773)	679,173
Dividends on ordinary shares (Note 13)	-	-	(63,277)	-	(63,277)
Issue of shares under the Scrip Dividend Scheme (Note 26)	3,858	-	-	-	3,858
Issue of warrants (Note 28D)	-	-	-	7,201	7,201
Total comprehensive (loss) / income for the year	-	-	(140,754)	8,816	(131,938)
Balance at 30 June 2021	304,558	(7,638)	195,853	2,244	495,017

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Reporting Year Ended 30 June 2022

	2022 \$'000	2021 \$'000
Cash flows from operating activities		
Profit before tax from continuing operations	34,967	109,095
Loss before tax from discontinued operations (Note 11)	(23,892)	(41,121)
Profit before tax, total	11,075	67,974
Adjustments for:		
Interest income	(12,525)	(9,287)
Finance costs	117,275	112,730
Depreciation of property, plant and equipment	21,261	17,611
Gain on striking off of a subsidiary	-	(340)
Impairment loss on right-of-use assets	32,233	-
Impairment loss on investments in joint ventures	-	140
Impairment loss on development properties – (reversal) / charge	(29,867)	32,455
Impairment loss on receivables	252	13,291
Fair value (gain) / loss on derivative financial instruments	(22,612)	1,896
Gain on disposal of investment properties	(1,235)	-
Fair value (gain) / loss on investment properties	(14,990)	17,694
Loss on deconsolidation of a subsidiary (Note 11)	23,892	39,999
Share of results from joint ventures and associates, net of tax	(20,322)	(8,009)
Net effect of exchange rate changes	(18,252)	(5,751)
Operating cash flows before changes in working capital	86,185	280,403
Inventories	27	(146)
Development properties	229,824	498,151
Trade and other receivables	19,067	221,171
Other non-financial assets	(7,846)	4,184
Trade and other payables	(68,047)	13,705
Other non-financial liabilities	10,665	(366,247)
Cash flows from operations	269,875	651,221
Income taxes paid	(17,935)	(27,649)
Net cash flows from operating activities	251,940	623,572

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Reporting Year Ended 30 June 2022

	2022 \$'000	2021 \$'000
Cash flows from investing activities		
Additions of property, plant and equipment (Note A)	(892)	(2,165)
Other receivables, non-current	-	133
Other non-financial assets, current	(20,707)	-
Proceeds from disposal of investment properties	2,314	-
Investments in associates	-	(814)
Net cash outflow on deconsolidation of a subsidiary (Note 16A)	-	(7,018)
Dividends from joint ventures and associates	392	1,470
Advances from / (to) associates	1,333	(1,647)
Advances to joint ventures	(17,263)	(44,100)
Interest income received	12,525	9,287
Net cash flows used in investing activities	(22,298)	(44,854)
Cash flows from financing activities		
Proceeds from loans and borrowings	521,798	576,596
Repayment of loans and borrowings	(736,203)	(1,172,392)
Cash restricted in use	20,886	36,312
Dividends paid to equity owners	(10,071)	(59,419)
Dividend paid to non-controlling interests	(79)	-
Purchase of treasury shares	(425)	-
Advances from / (to) non-controlling shareholders	245	(2,325)
Interest expense paid	(76,857)	(89,827)
Net cash flows used in financing activities	(280,706)	(711,055)
Net decrease in cash and cash equivalents	(51,064)	(132,337)
Cash and cash equivalents at beginning of the reporting year	173,396	305,967
Effects of exchange rate changes on cash and cash equivalents	(15)	(234)
Cash and cash equivalents at end of the reporting year (Note 25A)	122,317	173,396

Note A

During the reporting year, additions to the Group's property, plant and equipment of \$6,694,000 (2021: \$74,834,000) (Note 14) included right-of-use assets amounting to \$5,802,000 (2021: \$72,669,000), which is a non-cash item.

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

1. General

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

The financial statements cover the Company and its subsidiaries and the Group's interests in joint ventures and associates (collectively, the "Group"). All financial information are presented in Singapore Dollar ("S\$") and have been rounded to the nearest thousand ("S\$'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 directors have the power to amend and reissue the financial statements.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries are disclosed in Note 41 below.

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

The COVID-19 pandemic

Management has not identified any material uncertainties resulting from the COVID-19 pandemic and the aftermath of the pandemic surrounding the Company's business, and accordingly no further disclosures are made in these financial statements.

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") issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Companies Act 1967 (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.

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 2022

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 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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 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 external 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 expenses the related capitalised development costs. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised development 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 the 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 development properties 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 non-financial 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.

(b) *Revenue from hotel ownership and operations*

Revenue from the ownership and operation of hotels includes room 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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 (cont'd)*

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) *Rental income 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.

(d) *Revenue from construction services*

Revenue relating to the provision of construction services is recognised over time. The stage of completion is determined with reference to the service performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

(e) *Maintenance services*

Revenue from provision of maintenance services is recognised in the accounting period that the services are rendered over time.

Other income

Interest income is recognised using the effective interest method.

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

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2A. Significant accounting policies (cont'd)

Employee benefits

Contributions to a defined contribution 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 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.

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. Borrowing costs relating to development properties where revenue is recognised over time are not capitalised and instead, are expensed when incurred.

Foreign currency transactions

The functional currency of the Company is the Singapore Dollar as it reflects the primary economic environment in which it operates. Transactions in foreign currencies are recorded in the functional currency at the rates of exchange ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances of the Company's assets and liabilities that are denominated in non-functional currencies are translated at the rates of exchange ruling at the end of the reporting year. 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.

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 non-functional currencies are translated at rates of exchange at the end of the reporting year and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2A. Significant accounting policies (cont'd)

Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws 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 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, joint ventures and associates, 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.

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 and freehold properties, are carried at cost less any accumulated depreciation and any accumulated impairment losses.

Hotel and freehold properties

Hotel properties comprise freehold land and hotel buildings and improvements.

Hotel and freehold properties are carried at revalued amounts, being the fair values at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are conducted with sufficient regularity to ensure that the carrying amounts do not differ materially from those which would be measured using fair values 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 ("OCI") 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2A. Significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

Hotel and freehold properties (cont'd)

When an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in OCI 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.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment.

Derecognition of property, plant and equipment

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 surplus amount in the asset revaluation reserve relating to the revalued asset is transferred directly to retained earnings when the asset is derecognised.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2A. Significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

Depreciation (cont'd)

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

Hotel buildings and improvements	–	5 to 60 years
Freehold properties	–	60 years
Renovations	–	3 to 4 years
Fixtures and equipment	–	3 to 5 years
Motor vehicles	–	2 to 10 years
Right-of-use assets	–	2 to 10 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 accounting estimates, 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 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 independent professional valuation experts 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 of 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 2022

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

2A. Significant accounting policies (cont'd)

Leases of lessee

Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded in property, plant and equipment. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as an expense. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value assets are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Leases of lessor

For a lessor, each lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. 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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2A. Significant accounting policies (cont'd)

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 a 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, rather than rights to its assets and obligations for its liabilities.

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

Joint ventures and associates

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 does not have control or joint control over those policies.

An investment in a joint venture or an associate 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 joint venture or associate 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 joint venture or associate in the period in which the investment is acquired.

In the consolidated financial statements, the accounting for investments in joint ventures and associates are based 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 a joint venture or an associate 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 joint ventures or associates 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2A. Significant accounting policies (cont'd)

Joint ventures and associates (cont'd)

The Group discontinues the use of the equity method from the date that when its investment ceases to be a joint venture or an associate 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 joint venture or associate is measured at fair value at the date that it ceases to be a joint venture or an associate.

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

Carrying amounts 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 and recognised in other comprehensive income.

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, 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, 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.

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 2022

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 statements 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 expired.

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 FVTOCI: On initial recognition of an equity investment that is not held for trading, an irrevocable 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 transferred directly to retained earnings. 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 FVTPL: All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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 measured at 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 that form an integral part of cash management.

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.

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.

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 direct comparison 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2A. Significant accounting policies (cont'd)

Fair value measurement (cont'd)

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 assets or liabilities, 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 assets or liabilities 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.

In making the fair value measurement for a non-financial asset, management determines the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis.

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 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.

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. 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

2B. Other explanatory information (cont'd)

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.

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 the financial reporting standard on non-current assets held for sale and discontinued operations 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.

In addition, the results of discontinued operations are presented separately in profit or loss. A discontinued operation is a component of the business that represents a separate major line of business or geographical area of operations that has been sold, or classified as held for sale or has been abandoned. They are shown separately in profit or loss and comparative figures are restated to reclassify them from continuing to discontinued operations.

Classification of equity and liabilities

Liabilities and equity financial instruments: A financial instrument is classified as a liability or as equity in accordance with the substance of the contractual arrangement on initial recognition. Where the financial instrument does not give rise to a contractual obligation on the part of the issuer to make payment in cash or in kind under conditions that are potentially unfavourable to the issuer, it is classified as an equity instrument. The equity and the liability elements of compound instruments are classified separately as equity and liability. Equity instruments are recorded at the amounts of the proceeds net of direct issue costs.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

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 valuation experts engaged by management have used valuation techniques which include 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 including implications from the COVID-19 pandemic. The carrying amounts and the key assumptions used to determine the fair values are disclosed in Notes 14 and 15.

Allowance for impairment loss 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. In estimating the future selling prices of unsold development properties, the Group has taken into account the recent selling prices for the development projects or comparable projects, prevailing market conditions including implications from the COVID-19 pandemic and selling prices estimated by independent professional valuation experts when necessary. 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 at the end of the reporting year is disclosed in Note 23.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

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

Assessment of assets held for sale and discontinued operations

As a result of the intended sale and subsequent appointment of independent administrators for Pindan Group Pty Ltd and certain of its subsidiaries, the entire Construction segment of the Group is classified as assets held for sale and presented as discontinued operations during the last reporting year. The presentation and assessment of the discontinued operations in the consolidated financial statements are complex and subject to judgement. There is significant judgement involved in calculating the quantum of loss on deconsolidation when considering whether the assets are impaired and additional provision is required as commitments of the Group. Management has assessed the above matters and the result of the discontinued operations and the deconsolidation of the disposal group is disclosed in Notes 11 and 16A respectively.

Income tax and other taxes

The Group may have exposure to income taxes and other 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 tax, deferred tax and other taxes 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 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 provisions, deferred tax provisions and other taxes provisions in the reporting year in which such determination is made. Management believes that the amounts recognised for current income taxes, deferred income taxes and other taxes are adequate. The related account balances at the end of the reporting year are disclosed in the relevant Notes on income tax and trade and other payables.

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 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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 the 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 properties at end of the reporting year is disclosed in Note 14.

Useful lives of property, plant and equipment

The cost or revalued amount of property, plant and equipment less residual value is depreciated on a straight-line basis over useful lives of the assets. Management estimates the useful lives of these property, plant and equipment to be within 2 to 60 years (2021: 2 to 60 years). The estimation of the useful lives and residual amounts involves assumptions concerning the future and estimations of the assets' common life expectancies and expected level of usage. Any changes in the estimates will affect the carrying value of property, plant and equipment and the depreciation charge for the reporting year. The carrying amounts of the property, plant and equipment as at the end of the reporting year and the amount of annual depreciation charge for the current reporting year are disclosed in Note 14.

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 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 including the implication from the COVID-19 pandemic. The trade receivables are considered to have low credit risk individually. 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 of trade and other receivables as at the end of the reporting year are disclosed in the Notes 20 and 24.

Investments in joint ventures and associates (equity-accounted investees)

When the Group's share of losses exceeds its investment in an equity-accounted investee (including unsecured or subordinated intercompany advances made by the investor other than accounts receivable in the ordinary course of business), the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee. Management has determined that the Group does not have an obligation and it has not committed to provide further financial support to certain investees. The Group's share of losses exceeding its investments in joint ventures and associates not recognised are disclosed in Notes 17 and 18.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments; 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. Joint ventures and associates also include those that are joint ventures and associates of members of the Group.

Related parties in these financial statements refer to the entities which the controlling shareholders and directors of the Company; as well as their family members, have a controlling interest in.

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.

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:

	Group	
	2022 \$'000	2021 \$'000
<u>Non-controlling interests</u>		
Interest income	324	642
Interest expense	(569)	(964)
<u>Joint ventures</u>		
Dividend income	–	122
Interest income	9,982	7,532
Interest expense	(70)	(187)
Management income	381	2,193
<u>Associates</u>		
Dividend income	392	1,470
Interest income	615	314
<u>Related parties</u>		
Interest expense	(2,879)	(3,209)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

3C. Key management compensation

	Group	
	2022 \$'000	2021 \$'000
Salaries and other short-term employee benefits	2,470	6,421

During the reporting year, the Group updated the definition of its key management personnel as follows:

Directors and key management personnel (who are not directors) of the Company having authority and responsibility for planning, directing and controlling the activities of the Group.

Had this been effected in the reporting year 2021, the remuneration of its key management personnel would have been \$5,764,000.

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

	Group	
	2022 \$'000	2021 \$'000
Remuneration to directors of the Company	1,157	4,642
Fees to directors of the Company	202	202

Further information about the remuneration of each director and key management personnel (who is not a director) 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 five reportable operating segments as follows:

- Property development – development of properties for sale
- Property investment – leasing of commercial properties
- Hotel – operation of owned hotels
- Construction – construction of commercial and residential properties
- Corporate – provision of corporate and investment services, and treasury functions

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

4A. Information about reportable segment profit or loss, assets and liabilities (cont'd)

The structure 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.

The construction segment is presented as discontinued operations due to the deconsolidation of Disposal Group as disclosed in Notes 11 and 16A.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the Group 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 2022

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

4B. Business segments

	Continuing operations					Discontinued operations	
	Property development	Property investment	Hotel ^(a)	Corporate	Subtotal	Construction	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>2022</u>							
Segment revenue:							
Revenue from external parties	889,415	–	22,150	–	911,565	–	911,565
Rental income	–	14,334	–	–	14,334	–	14,334
Total revenue	889,415	14,334	22,150	–	925,899	–	925,899
Segment result	118,772	10,625	(889)	(47,700)	80,808	(23,892)	56,916
Fair value (loss) / gain on derivative financial instruments	–	(4)	2,093	20,523	22,612	–	22,612
Fair value gain on investment properties	–	14,990	–	–	14,990	–	14,990
Gain on disposal of investment properties	–	1,235	–	–	1,235	–	1,235
Gain on disposal of property, plant and equipment	–	–	–	2	2	–	2
Impairment loss on receivables	–	(145)	–	(107)	(252)	–	(252)
Interest income	518	330	1	11,676	12,525	–	12,525
Operating profit / (loss)	119,290	27,031	1,205	(15,606)	131,920	(23,892)	108,028
Finance costs	(16,925)	(3,864)	(23,692)	(72,794)	(117,275)	–	(117,275)
Share of results from joint ventures and associates, net of tax	20,322	–	–	–	20,322	–	20,322
Profit / (loss) before tax	122,687	23,167	(22,487)	(88,400)	34,967	(23,892)	11,075
Income tax (expense) / credit	(1,468)	(2,017)	(320)	37	(3,768)	–	(3,768)
Profit / (loss) for the year	121,219	21,150	(22,807)	(88,363)	31,199	(23,892)	7,307

^(a) Hotel segment for FY2022 reported Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of \$10,857,000. EBITDA included unrealised foreign exchange losses of \$3,810,000.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

4B. Business segments (cont'd)

	Continuing operations					Discontinued operations	
	Property development \$'000	Property investment \$'000	Hotel \$'000	Corporate \$'000	Subtotal \$'000	Construction \$'000	Total \$'000
2022 (cont'd)							
Other significant items:							
Depreciation expense	(966)	–	(9,653)	(10,642)	(21,261)	–	(21,261)
Reversal of impairment loss on development properties	29,867	–	–	–	29,867	–	29,867
Impairment loss on right-of-use assets	–	–	–	(32,233)	(32,233)	–	(32,233)
Assets and reconciliations:							
Segment assets	1,995,764	350,946	882,993	560,752	3,790,455	–	3,790,455
Investments in joint ventures and associates	97,760	–	–	–	97,760	–	97,760
Total assets	2,093,524	350,946	882,993	560,752	3,888,215	–	3,888,215
Additions:							
Property, plant and equipment	–	–	584	6,110	6,694	–	6,694
Liabilities and reconciliations:							
Segment liabilities	920,431	171,326	688,637	1,045,480	2,825,874	–	2,825,874

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

4B. Business segments (cont'd)

	Continuing operations					Discontinued operations	Total \$'000
	Property development \$'000	Property investment \$'000	Hotel ^(a) \$'000	Corporate \$'000	Subtotal \$'000	Construction \$'000	
2021							
Segment revenue:							
Revenue from external parties	1,330,320	–	21,752	–	1,352,072	218,208	1,570,280
Rental income	–	12,099	–	–	12,099	–	12,099
Total revenue	1,330,320	12,099	21,752	–	1,364,171	218,208	1,582,379
Segment result	235,376	8,975	3,060	(11,256)	236,155	(39,501)	196,654
Fair value (loss) / gain on derivative financial instruments	–	(19)	45	(1,922)	(1,896)	–	(1,896)
Fair value loss on investment properties	–	(17,694)	–	–	(17,694)	–	(17,694)
Gain on striking off of a subsidiary	–	–	–	340	340	–	340
Gain on redemption of bonds	–	–	–	915	915	–	915
Impairment loss on receivables	(6,407)	–	(1)	(6,883)	(13,291)	(62)	(13,353)
Interest income	476	645	–	8,166	9,287	11	9,298
Operating profit / (loss)	229,445	(8,093)	3,104	(10,640)	213,816	(39,552)	174,264
Finance costs	(20,643)	(3,389)	(17,911)	(70,787)	(112,730)	(1,569)	(114,299)
Share of results from joint ventures and associates, net of tax	8,009	–	–	–	8,009	–	8,009
Profit / (loss) before tax	216,811	(11,482)	(14,807)	(81,427)	109,095	(41,121)	67,974
Income tax (expense) / credit	(15,963)	(999)	(285)	(2,343)	(19,590)	1,122	(18,468)
Profit / (loss) for the year	200,848	(12,481)	(15,092)	(83,770)	89,505	(39,999)	49,506

^(a) Hotel segment for FY2021 reported Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of \$14,615,000. EBITDA included unrealised foreign exchange gains of \$1,246,000.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

4B. Business segments (cont'd)

	Continuing operations					Discontinued operations	
	Property development \$'000	Property investment \$'000	Hotel \$'000	Corporate \$'000	Subtotal \$'000	Construction \$'000	Total \$'000
2021 (cont'd)							
Other significant items:							
Depreciation expense	(612)	–	(11,510)	(5,489)	(17,611)	(829)	(18,440)
Impairment loss on development properties	(32,455)	–	–	–	(32,455)	–	(32,455)
Assets and reconciliations:							
Segment assets	2,313,317	330,416	832,244	608,498	4,084,475	–	4,084,475
Investments in joint ventures and associates	78,909	–	–	3,333	82,242	–	82,242
Total assets	2,392,226	330,416	832,244	611,831	4,166,717	–	4,166,717
Additions:							
Property, plant and equipment	50	–	125	74,659	74,834	–	74,834
Liabilities and reconciliations:							
Segment liabilities	1,275,205	118,569	694,656	1,028,131	3,116,561	–	3,116,561

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
- Ireland – property development and property investment
- Cambodia – property development and property investment
- Malaysia – property development
- Australia – property development

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

4C. Geographical information (cont'd)

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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Singapore	737,743	458,499	1,474,781	1,398,114
United Kingdom	7,622	341,960	34,906	36,161
Ireland	21,411	101,715	–	–
Cambodia	58,692	441,346	58,918	100,082
Malaysia	3,364	20,651	30,739	29,793
Australia	97,067	–	–	301
Others	–	–	15,856	15,531
Continuing operations	925,899	1,364,171	1,615,200	1,579,982
Discontinued operations	–	218,208	–	–
Total	925,899	1,582,379	1,615,200	1,579,982

5. Revenue

	Group	
	2022 \$'000	2021 \$'000
<u>Continuing operations</u>		
Revenue from sale of development properties:		
– recognised at point in time	183,433	884,788
– recognised over time	705,982	445,532
	889,415	1,330,320
Revenue from hotel ownership and operations:		
– recognised at point in time	2,754	4,888
– recognised over time	19,396	16,864
	22,150	21,752
Rental income from investment properties	14,334	12,099
Subtotal	925,899	1,364,171
<u>Discontinued operations</u>		
Revenue from construction services		
– recognised at point in time	–	22,402
– recognised over time	–	195,806
Subtotal (Note 11)	–	218,208
Total	925,899	1,582,379

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

6. Other income

	Group	
	2022 \$'000	2021 \$'000
<u>Continuing operations</u>		
Rental income	690	1,180
Government grant income ^(a)	2,171	5,254
Other income	188	40
	<u>3,049</u>	<u>6,474</u>
<u>Discontinued operations</u>		
Other income (Note 11)	–	74
Total	<u>3,049</u>	<u>6,548</u>

^(a) Included in the amount of government grants is the Job Support Scheme amounting to \$791,000 (2021: \$3,715,000) which is to provide wage support to employers to help them retain their local employees during this period of economic uncertainty amid COVID-19.

7. Other gains and (other losses)

	Group	
	2022 \$'000	2021 \$'000
<u>Continuing operations</u>		
Compensation received	–	2,500
Customer deposits forfeited	7,223	4,154
Defect and settlement costs	(6,832)	(10,396)
Gain on redemption of bonds	–	915
Gain on striking off of a subsidiary	–	340
Gain on disposal of investment properties	1,235	–
Gain on disposal of development properties	–	7,982
Impairment loss on investments in joint ventures	–	(140)
Impairment loss on receivables	(252)	(13,291)
Impairment loss on right-of-use assets (Note 14)	(32,233)	–
Impairment loss on development properties – reversal / (charge) (Note 23(b))	29,867	(32,455)
Fair value gain / (loss) on investment properties (Note 15)	14,990	(17,694)
Fair value gain / (loss) on derivative financial instruments	22,612	(1,896)
Foreign exchange (loss) / gain, net	(6,641)	18,025
Rental support	(3,887)	(12,885)
Management fee income	381	2,996
Miscellaneous gains	3,059	2,830
Miscellaneous losses	(25)	(454)
Net from continuing operations	<u>29,497</u>	<u>(49,469)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

7. Other gains and (other losses) (cont'd)

	Group	
	2022	2021
	\$'000	\$'000
Presented in consolidated statement of profit or loss as:		
Other gains	79,367	39,742
Other losses	(49,870)	(89,211)
	<u>29,497</u>	<u>(49,469)</u>
<u>Discontinued operations</u>		
Expenses incurred for the voluntary administration of Pindan Group	(23,892)	–
Loss on deconsolidation of Pindan Group	–	(15,901)
Impairment loss on other receivables from Pindan Group	–	(21,151)
Miscellaneous gains	–	302
Miscellaneous losses	–	(62)
Net from discontinued operations	<u>(23,892)</u>	<u>(36,812)</u>
Presented in consolidated statement of profit or loss as:		
Other gains (Note 11)	–	302
Other losses (Note 11)	(23,892)	(37,114)
	<u>(23,892)</u>	<u>(36,812)</u>

8. Employee benefits expense

	Group	
	2022	2021
	\$'000	\$'000
<u>Continuing operations</u>		
Short-term employee benefits expense	12,179	16,911
Contribution to defined contribution plan	1,155	1,218
Subtotal	<u>13,334</u>	<u>18,129</u>
<u>Discontinued operations</u>		
Short-term employee benefits expense	–	14,343
Contribution to defined contribution plan	–	1,263
Subtotal	<u>–</u>	<u>15,606</u>
Total	<u>13,334</u>	<u>33,735</u>

Allocation of the employee benefits expense:

	Group	
	2022	2021
	\$'000	\$'000
Cost of sales	2,613	3,312
Marketing and distribution costs	1,394	2,021
Administrative expenses	9,327	12,796
From continuing operations	<u>13,334</u>	<u>18,129</u>
Loss from discontinued operations, net of tax	–	15,606
Total	<u>13,334</u>	<u>33,735</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

9. Finance costs

	Group	
	2022	2021
	\$'000	\$'000
<u>Continuing operations</u>		
Amortisation of transaction costs capitalised on loans and borrowings	12,907	19,044
Interest expense on loans and borrowings	98,873	90,243
Interest expense on lease liabilities	5,139	2,755
Others	356	688
	<u>117,275</u>	<u>112,730</u>
<u>Discontinued operations</u>		
Interest expense on loans and borrowings (Note 11)	–	1,569
Total	<u>117,275</u>	<u>114,299</u>

10. Income tax expense

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

	Group	
	2022	2021
	\$'000	\$'000
<u>Continuing operations</u>		
Current tax expense:		
Current year	6,106	17,295
Over-provision in respect of prior years	(5,439)	(2,660)
Subtotal	<u>667</u>	<u>14,635</u>
Deferred tax expense:		
Origination and reversal of temporary differences	10,904	5,214
Over-provision in respect of prior years	(7,803)	(259)
Subtotal	<u>3,101</u>	<u>4,955</u>
Total income tax expense from continuing operations	<u>3,768</u>	<u>19,590</u>
<u>Discontinued operations</u>		
Deferred tax credit:		
Origination and reversal of temporary differences (Note 11)	–	(1,122)
Total income tax expense from discontinued operations	<u>–</u>	<u>(1,122)</u>
Total	<u>3,768</u>	<u>18,468</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

10. Income tax expense (cont'd)

10A. Components of income 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% (2021: 17%) to profit or loss before tax as a result of the following differences.

	Group	
	2022	2021
	\$'000	\$'000
Profit before tax		
- Continuing operations	34,967	109,095
- Discontinued operations (Note 11)	(23,892)	(41,121)
	11,075	67,974
Less: Share of results from joint ventures and associates, net of tax	(20,322)	(8,009)
	(9,247)	59,965
Income tax (credit) / expense at the above rate	(1,572)	10,194
Effect of different tax rates in different countries	(1,534)	5,767
Expenses not deductible for tax purposes	40,351	41,312
Income not subject to tax	(15,803)	(31,243)
Exemptions	(52)	-
Withholding tax expense / (credit)	995	(6,028)
Over-provision to tax in respect of prior years	(13,242)	(2,919)
Utilisation of previously unrecognised tax losses	(5,286)	(41)
Deferred tax assets not recognised	156	1,421
Others	(245)	5
Total income tax expense	3,768	18,468

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

10B. Deferred tax expense recognised in profit or loss

	Group	
	2022	2021
	\$'000	\$'000
Arising from changes in temporary differences:		
Tax losses carried forward	259	(3,535)
Profit relating to development properties recognised over time	2,142	7,187
Fair value gain on investment properties	1,090	1,000
Others	(390)	303
Total deferred tax expense	3,101	4,955

10C. Deferred tax expense / (credit) recognised in other comprehensive income

	Group	
	2022	2021
	\$'000	\$'000
Deferred tax expense / (credit) on revaluation gain / (loss) of property, plant and equipment (Note 28B)	9,142	(6,414)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

10. Income tax expense (cont'd)

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

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Tax losses carried forward	11,304	10,160	2,950	2,950
Profits relating to development properties recognised over time	(5,855)	(3,713)	–	–
Fair value gain on investment properties	(2,090)	(1,000)	–	–
Surplus on revaluation of property, plant and equipment	(40,859)	(31,717)	–	–
Others	–	(390)	–	–
Net balance	(37,500)	(26,660)	2,950	2,950
Presented in the statements of financial position:				
Deferred tax assets	10,791	15,391	2,950	2,950
Deferred tax liabilities	(48,291)	(42,051)	–	–
	(37,500)	(26,660)	2,950	2,950

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.

10E. Unrecognised deferred tax assets

Group	Gross amounts		Unrecognised deferred tax assets	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Unutilised tax losses carried forward	50,735	80,912	8,625	13,755

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.

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 those subsidiaries meeting certain statutory requirements in their respective countries of incorporation.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

11. Loss from discontinued operations, net of tax

During the previous reporting year, the Group's wholly-owned Pindan group of subsidiaries in Australia (the "Pindan Group") was placed under voluntary administration due to the challenges posed by COVID-19 pandemic that caused delays to construction activities, project completions and collections of project proceeds. Consequently, the Group lost control over Pindan Group and certain of its subsidiaries (the "Disposal Group") and the entire results of the Pindan Group have been presented separately in the consolidated statement of profit or loss and other comprehensive income as "Discontinued operations".

The loss from discontinued operations for the current reporting year is related to expenses for the voluntary administration of Pindan Group, mainly to facilitate the fulfilment of the conditions precedent and full financial obligations under the Deed of Company Arrangement ("DOCA").

The results for the discontinued operations for the reporting year were as follows:

	Group	
	2022 \$'000	2021 \$'000
Revenue (Note 5)	–	218,208
Cost of sales	–	(198,934)
Gross profit	–	19,274
Other income (Note 6)	–	74
Interest income	–	11
Other gains (Note 7)	–	302
Marketing and distribution costs	–	(193)
Administrative expenses	–	(21,906)
Other losses (Note 7)	(23,892)	(37,114)
Finance costs (Note 9)	–	(1,569)
Loss before tax	(23,892)	(41,121)
Income tax credit (Note 10A)	–	1,122
Loss from discontinued operations, net of tax	(23,892)	(39,999)

11A. The cash flows of the discontinued operations for the reporting year

	2022 \$'000	2021 \$'000
Operating cash flows	–	(11,983)
Investing activities	(20,707)	8,776
Financing activities	–	2,961
Total cash flows	(20,707)	(246)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

12. Earnings/(loss) per share

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

	Group	
	2022	2021
Profit / (loss) for the year attributable to owners of the Company (\$'000):		
Continuing operations	27,116	53,092
Discontinued operations	(23,892)	(39,999)
	<u>3,224</u>	<u>13,093</u>
Weighted average number of ordinary shares (excluding treasury shares) ('000):		
Basic	4,238,820	4,227,909
Adjustment for dilutive potential ordinary shares	429,327	11,063
Diluted	<u>4,668,147</u>	<u>4,238,972</u>
Basic earnings / (loss) per share (cents):		
Continuing operations	0.64	1.26
Discontinued operations	(0.56)	(0.95)
	<u>0.08</u>	<u>0.31</u>
Diluted earnings / (loss) per share (cents):		
Continuing operations	0.58	1.25
Discontinued operations	(0.51)	(0.94)
	<u>0.07</u>	<u>0.31</u>

Basic earnings / (loss) per share is calculated by dividing profit / (loss), net of tax for the reporting year attributable to owners of the Company by the weighted average number of ordinary shares. It is after the neutralisation by the treasury shares.

The dilutive effect derives from transactions such as conversion of the convertible notes (Note 30C) and unexercised warrants (Note 28D) to ordinary shares. The diluted earnings / (loss) per share is based on the weighted average number of ordinary shares and dilutive ordinary share equivalents outstanding during each reporting year. Where there are convertible notes and unexercised warrants, the average number of ordinary shares assumed to be outstanding during the reporting year are as if the convertible notes and unexercised warrants had been converted into ordinary shares and the profit or loss is after giving effect to the elimination of interest expense, net of tax benefit, applicable to the convertible notes and unexercised warrants.

The weighted average number of ordinary 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 shares outstanding without a corresponding change in resources. The number of shares outstanding before the event is adjusted for the proportionate change in the number of 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

13. Dividends on equity shares

13A. Dividends to owners of the Company

	Rate per share		Group and Company	
	2022 Cents	2021 Cents	2022 \$'000	2021 \$'000
Final tax exempt (1-tier)	0.25	0.50	10,591	21,092
Special tax exempt (1-tier)	–	1.00	–	42,185
	0.25	1.50	10,591	63,277

In respect of the current reporting year, the directors proposed that a final dividend of 0.25 Singapore cent per ordinary 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 treasury shares) in issue at the end of the reporting year and including any new qualifying shares issued up to the record date for the dividend. There are no income tax consequences of the dividends to owners of the Company.

On 8 September 2022, the Company announced a proposed dividend *in specie* of ordinary shares in the issued capital of Aspen (Group) Holdings Limited ("Aspen") held by the Company to be distributed to the shareholders. This dividend *in specie* is subject to approval by shareholders at an extraordinary general meeting and no appropriation out of the retained profits has been made in these financial statements. The proposed distribution will be effected by way of a dividend *in specie* of Aspen Shares to shareholders in proportion to their respective shareholdings in the Company. There are no income tax consequences of the dividends *in specie* to the entitled shareholders. The carrying amounts of the Company's investment in Aspen's shares are disclosed in Note 19A.

During the reporting year, dividends paid under the Scrip Dividend Scheme totalled \$520,000 (2021: \$3,858,000) (Note 26).

13B. Dividend to non-controlling interests of subsidiaries

During the reporting year, interim tax exempt (1-tier) dividend amounting to \$79,000 (2021: Nil) was declared and paid by certain subsidiary to its non-controlling shareholders.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

14. Property, plant and equipment

Group	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000	Renovations \$'000	Fixtures and equipment \$'000	Motor vehicles \$'000	Hotel operating supplies \$'000	Right-of-use assets \$'000	Total \$'000
<u>Cost or valuation:</u>									
At 1 July 2020	599,917	259,083	79,518	4,786	19,168	3,753	1,381	-	967,606
Additions	-	-	-	568	1,597	-	-	72,669	74,834
Disposals	-	-	-	-	(13)	-	-	-	(13)
Transfer from / (to) investment properties (Note 15)	-	-	1,774	(518)	-	-	-	-	1,256
Revaluation loss (Note 28B)	(19,417)	(18,614)	(149)	-	-	-	-	-	(38,180)
Elimination of depreciation upon revaluation	-	(10,969)	-	-	-	-	-	-	(10,969)
Deconsolidation of a subsidiary (Note 16A)	-	-	(15,474)	(889)	(12,796)	(3,684)	-	-	(32,843)
Foreign exchange adjustments	-	-	(2,423)	8	532	141	-	80	(1,662)
At 30 June 2021	580,500	229,500	63,246	3,955	8,488	210	1,381	72,749	960,029
Additions	-	-	-	120	772	-	-	5,802	6,694
Disposals	-	-	-	-	(25)	-	-	-	(25)
Revaluation gain / (loss) (Note 28B)	19,762	40,844	(6,830)	-	-	-	-	-	53,776
Elimination of depreciation upon revaluation	-	(9,506)	-	-	-	-	-	-	(9,506)
Reclassifications	-	-	602	-	(743)	143	(2)	-	-
Foreign exchange adjustments	-	-	(287)	22	52	12	-	2,575	2,374
At 30 June 2022	600,262	260,838	56,731	4,097	8,544	365	1,379	81,126	1,013,342
<u>Represented by:</u>									
Cost	-	-	-	4,097	8,544	365	1,379	81,126	95,511
Valuation	600,262	260,838	56,731	-	-	-	-	-	917,831
	600,262	260,838	56,731	4,097	8,544	365	1,379	81,126	1,013,342

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

14. Property, plant and equipment (cont'd)

Group	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000	Renovations \$'000	Fixtures and equipment \$'000	Motor vehicles \$'000	Hotel operating supplies \$'000	Right-of-use assets \$'000	Total \$'000
<u>Accumulated depreciation and impairment:</u>									
At 1 July 2020	-	-	-	3,109	17,047	2,895	-	-	23,051
Depreciation for the year	-	10,969	1,226	861	1,063	82	-	4,239	18,440
Disposals	-	-	-	-	(10)	-	-	-	(10)
Elimination of depreciation upon revaluation	-	(10,969)	-	-	-	-	-	-	(10,969)
Deconsolidation of a subsidiary (Note 16A)	-	-	(2,431)	(86)	(11,903)	(2,922)	-	-	(17,342)
Foreign exchange adjustments	-	-	1,205	(7)	(32)	117	-	5	1,288
At 30 June 2021	-	-	-	3,877	6,165	172	-	4,244	14,458
Depreciation for the year	-	9,506	394	296	507	64	-	10,494	21,261
Disposals	-	-	-	-	(25)	-	-	-	(25)
Elimination of depreciation upon revaluation	-	(9,506)	-	-	-	-	-	-	(9,506)
Reclassifications	-	-	(379)	(467)	785	61	-	-	-
Impairment loss included in profit or loss under other gains and (other losses) (Note 7)	-	-	-	-	-	-	-	32,233	32,233
Foreign exchange adjustments	-	-	(15)	16	17	9	-	1,208	1,235
At 30 June 2022	-	-	-	3,722	7,449	306	-	48,179	59,656
<u>Carrying value:</u>									
At 1 July 2020	599,917	259,083	79,518	1,677	2,121	858	1,381	-	944,555
At 30 June 2021	580,500	229,500	63,246	78	2,323	38	1,381	68,505	945,571
At 30 June 2022	600,262	260,838	56,731	375	1,095	59	1,379	32,947	953,686

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

14. Property, plant and equipment (cont'd)

Company	Renovations \$'000	Fixtures and equipment \$'000	Total \$'000
<u>Cost:</u>			
At 1 July 2020	3,041	1,303	4,344
Additions	–	57	57
At 30 June 2021	3,041	1,360	4,401
Additions	120	26	146
Disposals	–	(25)	(25)
At 30 June 2022	3,161	1,361	4,522
<u>Accumulated depreciation:</u>			
At 1 July 2020	2,253	1,058	3,311
Depreciation for the year	682	162	844
At 30 June 2021	2,935	1,220	4,155
Depreciation for the year	117	90	207
Disposals	–	(25)	(25)
At 30 June 2022	3,052	1,285	4,337
<u>Carrying value:</u>			
At 1 July 2020	788	245	1,033
At 30 June 2021	106	140	246
At 30 June 2022	109	76	185

Allocation of the depreciation expense:

	Group	
	2022 \$'000	2021 \$'000
Cost of sales	9,653	11,510
Administrative expenses	11,608	6,101
From continuing operations	21,261	17,611
Loss from discontinued operations, net of tax	–	829
	21,261	18,440

- (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) The surplus net of applicable deferred income tax liability on revaluation has been credited to asset revaluation reserve in equity (Note 28B).
- (c) At the end of the reporting year, the freehold land, hotel buildings and improvements and certain freehold properties of the Group are pledged to a third party lender as securities for credit facilities (Note 30A).
- (d) The right-of-use assets mainly relate to lease arrangements in commercial units. Typically the leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The lease contracts require these properties in a good state of repair and return the properties in their original condition at the end of the lease.

The related lease liabilities are disclosed in Note 30E.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

14. Property, plant and equipment (cont'd)

- (e) For each revalued class of property, plant and equipment, the carrying values at the end of the reporting year that would have been recognised had the assets been carried under the cost model are as follows:

Group	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000
<u>2022:</u>			
Cost	465,378	223,703	39,609
Accumulated depreciation	-	(45,818)	(3,270)
Carrying value	465,378	177,885	36,339
<u>2021:</u>			
Cost	465,378	223,650	39,784
Accumulated depreciation	-	(37,688)	(2,615)
Carrying value	465,378	185,962	37,169

- (f) The fair values of the properties of the Group were measured in December 2021 to June 2022 by independent professional valuation experts, who have the appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. The valuers of Singapore properties are members of the Singapore Institute of Surveyors and Valuers ("SISV") while the valuers of overseas properties are members of, or authorised by, a relevant professional body or authority. Valuations for Singapore properties are prepared in accordance with SISV Standards while valuations for overseas properties are prepared in accordance with domestic standards or the International Valuation Standards.
- (g) For the freehold land, hotel buildings and improvements and freehold properties, management is of the view 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.
- (h) During the reporting year, the Group recognised an impairment loss amounting to \$32,233,000 on its right-of-use assets in Cambodia based on the value in use method adopted by valuers to measure their recoverable amounts. The discount rate and growth rate used in measuring value in use was 9.5% to 10% (2021: 6.5%) and 0% to 3% (2021: 0% to 10%).
- (i) Details of the Group's properties classified under property, plant and equipment are as follows:

Description of property	Location	Tenure	Existing use
Novotel and Mercure on Stevens	26 and 28 Stevens Road, Singapore	Freehold	Hotel
12 office units at Oxley Tower	138 Robinson Road, Singapore	Freehold	Office
Concierge at Royal Wharf	North Woolwich Road, London, United Kingdom	Freehold	Office
Office units at SOHO Tower, The Bridge	Phum 4, National Assembly Road, Sangkat Tonle Bassac, Khan Chamkarmon Phnom Penh, Cambodia	Freehold	Office

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

14. Property, plant and equipment (cont'd)

(j) Fair value hierarchy

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
			2022	2021	
Novotel and Mercure on Stevens	Discounted cash flow	Growth rate	2.0% – 50.0%	2.0% – 17.5%	The higher the growth rate, the higher the fair value
		Discount rate	4.50%	4.75%	The higher the discount rate, the lower the fair value
		Terminal capitalisation rate	3.00%	2.75%	The higher the terminal capitalisation rate, the lower the fair value
12 office units at Oxley Tower	Direct comparison	Market price per square metre	\$30,556	\$34,820	The higher the market price per square metre, the higher the valuation
Concierge at Royal Wharf	Direct comparison	Market price per square metre	\$3,216	\$3,216	The higher the market price per square metre, the higher the valuation
Office units at SOHO Tower, The Bridge	Direct comparison	Market price per square metre	\$4,239	\$4,246	The higher the market price per square metre, 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, discount rate and terminal capitalisation rate.

Direct 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 to this valuation approach is market price per square metre.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

15. Investment properties

	Group	
	2022 \$'000	2021 \$'000
At fair value:		
At beginning of the year	324,833	329,749
Transfer from development properties (Note 23(f))	5,344	16,831
Transfer to property, plant and equipment (Note 14)	–	(1,256)
Disposals	(1,079)	–
Deconsolidation of a subsidiary (Note 16A)	–	(3,294)
Fair value gain / (loss) included in profit or loss under other gains and (other losses) (Note 7)	14,990	(17,694)
Foreign exchange adjustments	(1,166)	497
At end of the year	342,922	324,833
Rental income from investment properties	14,334	12,099
Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the year	(3,214)	(3,003)

- (a) Investment properties are leased out under operating leases. See Note 34 on operating lease income commitments.
- (b) At the end of the reporting year, certain investment properties of the Group are pledged as securities for credit facilities (Note 30A).
- (c) During the reporting year, following the change in use of certain commercial units in the completed property development previously held for sale, the Group transferred these units with carrying value of \$5,344,000 (2021: \$16,831,000) from development properties (Note 23(f)) to investment properties.
- (d) The fair values of the properties of the Group were measured in February 2022 to June 2022 by independent professional valuation experts, who have the appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. The valuers of Singapore properties are members of the SISV while the valuers of overseas properties are members of, or authorised by, a relevant professional body or authority. Valuations for Singapore properties are prepared in accordance with SISV Standards while valuations for overseas properties are prepared in accordance with domestic standards or the International Valuation Standards. Management is of the view 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 2022

15. Investment properties (cont'd)

(e) Details of the Group's investment properties are as follows:

Description of property	Location	Tenure	Existing use	Carrying value	
				2022 \$'000	2021 \$'000
Space@ Tampines	18 Tampines Industrial Crescent, Singapore	Leasehold 30 years from 2012	Industrial	175,000	170,000
Novotel and Mercure on Stevens	30 and 32 Stevens Road, Singapore	Freehold	Commercial	90,000	90,000
Floravista, Floraview and Floraville	7 Ang Mo Kio Street 66, Singapore	Freehold	Commercial	48,000	40,405
Royal Wharf	North Woolwich Road, London, United Kingdom	Freehold	Commercial	16,429	16,114
The Peak	Samdach Hun Seh Street Village 14, Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Cambodia	Freehold	Carpark	13,493	8,314
				<u>342,922</u>	<u>324,833</u>

(f) Fair value hierarchy

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
			2022	2021	
Space@ Tampines	Direct comparison	Market price per square metre	\$2,656	\$2,580	The estimated fair value increases with higher market price per square metre
Novotel and Mercure on Stevens	Discounted cash flow	Discount rate	4.50%	–	The estimated fair value increases with lower discount rate
		Capitalisation rate	3.00%	–	The estimated fair value increases with lower capitalisation rate
	Direct comparison	Market price per square metre	\$31,590	\$31,590	The estimated fair value increases with higher market price per square metre
Floravista, Floraview and Floraville	Direct comparison	Market price per square metre	\$34,286	\$32,903	The estimated fair value increases with higher market price per square metre
Royal Wharf	Direct comparison	Market price per square metre	\$3,866	\$3,461	The estimated fair value increases with higher market price per square metre
The Peak	Income capitalisation	Capitalisation rate	7.00%	7.00%	The estimated fair value increases with lower capitalisation rate

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

15. Investment properties (cont'd)

(f) Fair value hierarchy (cont'd)

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

Direct 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 to this valuation approach is market price per square metre.

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 discount rate and capitalisation rate.

Income capitalisation approach 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.

16. Investments in subsidiaries

	Company	
	2022 \$'000	2021 \$'000
Unquoted equity shares at cost	38,083	39,083
Less: Allowance for impairment	(1,550)	(2,051)
Net carrying value	<u>36,533</u>	<u>37,032</u>
Movements in cost:		
At beginning of the year	39,083	45,591
Disposals	(1,000)	(6,508)
At end of the year	<u>38,083</u>	<u>39,083</u>
Movements in allowance for impairment:		
At beginning of the year	2,051	8,513
Impairment loss (reverse) / charge to profit or loss	(501)	46
Utilised	-	(6,508)
At end of the year	<u>1,550</u>	<u>2,051</u>

Details of subsidiaries in the Group are disclosed in Note 41.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

16. Investments in subsidiaries (cont'd)

16A. Deconsolidation of a subsidiary

As a result of the loss of control over the Disposal Group (Note 11), the carrying value of assets and liabilities of Pindan Group as at the date of deconsolidation and the effects of the deconsolidation were:

	At the date of deconsolidation \$'000
Property, plant and equipment (Note 14)	15,501
Investment properties (Note 15)	3,294
Goodwill	21,427
Other intangible assets	2,877
Investments in associates	9,853
Other financial assets, non-current (Note 19C)	1,381
Deferred tax assets	10,530
Other non-financial assets, non-current	54
Inventories	1,718
Trade and other receivables	32,836
Other non-financial assets, current	2,652
Cash and cash equivalents	7,018
Deferred tax liabilities	(1,652)
Trade and other payables, non-current	(19,188)
Other financial liabilities, non-current	(12,583)
Income tax payable	(1,874)
Trade and other payables, current	(32,391)
Other financial liabilities, current	(1,454)
Net identifiable assets	<u>39,999</u>
<u>Loss on deconsolidation:</u>	
Cash consideration	-
Net identifiable assets derecognised	<u>(39,999)</u>
	<u>(39,999)</u>
<u>Net cash outflow on deconsolidation:</u>	
Cash at Disposal Group	<u>(7,018)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

17. Investments in joint ventures

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Investments in joint ventures at cost	75,166	62,910	36,074	36,074
Less: Allowance for impairment	(4,083)	(4,088)	(32,307)	(32,307)
Net carrying value	71,083	58,822	3,767	3,767
Movements in allowance for impairment:				
At beginning of the year	4,088	3,925	32,307	31,753
Impairment loss charge to profit or loss	-	140	-	554
Foreign exchange adjustments	(5)	23	-	-
At end of the year	4,083	4,088	32,307	32,307

Details of joint ventures in the Group are disclosed in Note 42.

The Group has not recognised share of losses exceeding the amount of investments in certain joint ventures for current reporting year amounting to \$24,378,000 (2021: \$2,793,000) and cumulatively \$28,331,000 (2021: \$12,897,000). The share of losses for the current reporting year is mainly pertaining to the impairment losses on right-of-use assets recognised by a joint venture. The Group has not incurred legal or constructive obligations or made payments on behalf of these joint ventures.

The Group's share of the commitments of the joint ventures' development expenditure contracted for development properties amounting to \$104,215,000 (2021: \$105,599,000).

17A. Material joint ventures

There are joint ventures that are considered material to the Group. The summarised financial information of each of the material joint venture and the amounts (and not the Group's share of those amounts) based on the financial statements of each joint venture are as follows:

	Group
	2022
	\$'000
<u>Oxley Serangoon Pte. Ltd.</u>	
Current assets	685,574
Non-current assets	-
Current liabilities	(396,282)
Non-current liabilities	(265,972)
Net assets of the joint venture	23,320
Proportion of the Group's interest in the joint venture	40%
	9,328
Revenue	551,031
Profit for the reporting year	45,680
Total comprehensive income	45,680

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

17. Investments in joint ventures (cont'd)

17A. Material joint ventures (cont'd)

	Group
	2022
	\$'000
<u>Rio Casa Venture Pte. Ltd.</u>	
Current assets	735,647
Current liabilities	(378,856)
Non-current liabilities	(279,158)
Net assets of the joint venture	77,633
Proportion of the Group's interest in the joint venture	35%
	<u>27,172</u>
Revenue	490,050
Profit for the reporting year	52,098
Total comprehensive income	<u>52,098</u>

17B. Aggregate for non-material joint ventures

The joint ventures are considered individually not material to the Group. The aggregate amount of the financial information of the non-material joint ventures based on their financial statements are shown below:

	Group	
	2022	2021
	\$'000	\$'000
Revenue	60,045	577,701
(Loss) / profit for the reporting year	(32,927)	11,841
Total comprehensive (loss) / income	(32,927)	11,841
Net (liabilities) / assets of the joint ventures	<u>(11,335)</u>	<u>25,300</u>

There are no significant restrictions on the ability of the joint ventures to transfer funds to the Group in the form of cash dividends.

18. Investments in associates

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Net carrying value	<u>26,677</u>	<u>23,420</u>	<u>490</u>	<u>490</u>

Details of associates in the Group are disclosed in Note 43.

In the previous reporting year, the cumulative share of losses exceeding the amount of investments in certain associates amounted to \$1,827,000. The Group has not incurred legal or constructive obligations or made payments on behalf of these associates.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

18. Investments in associates (cont'd)

18A. Aggregate for all non-material associates

The associates are considered individually not material to the Group. The aggregate amount of the financial information of the non-material associates based on their financial statements are shown below:

	Group	
	2022 \$'000	2021 \$'000
Revenue	98,045	4,541
Profit / (loss) for the reporting year	3,174	(5,747)
Total comprehensive profit / (loss)	3,174	(5,747)
Net assets of the associates	221,090	213,836

There are no significant restrictions on the ability of the associates to transfer funds to the Group in the form of cash dividends.

19. Other financial assets

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<u>Non-current</u>				
Quoted equity investments:				
– at FVTOCI (Note 19A)	5,371	15,403	5,371	15,403
Quoted debt assets investments:				
– at amortised cost (Note 19B)	–	–	2,063	1,064
Unquoted equity investments:				
– at FVTOCI (Note 19C)	7,099	7,292	–	–
Subtotal	12,470	22,695	7,434	16,467
<u>Current</u>				
Derivative financial assets				
– at FVTPL (Note 19D)	703	–	–	–
Total other financial assets	13,173	22,695	7,434	16,467

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

19. Other financial assets (cont'd)

19A. Quoted equity investments at FVTOCI

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
At beginning of the year	15,403	6,587	15,403	6,587
Fair value (loss) / gain recognised in other comprehensive income (Note 28C)	(10,032)	8,816	(10,032)	8,816
At end of the year	5,371	15,403	5,371	15,403

The quoted equity investment relates to ordinary shares in the issued capital of Aspen which is listed on the Main Board of SGX-ST. The fair value is derived based on quoted market prices in active market at the end of the reporting year (Level 1).

As at the end of the previous reporting year, quoted equity investment amounting to \$15,403,000 was pledged as securities for credit facilities (Note 30A). The securities have been discharged during the current reporting year.

On 8 September 2022, the Company announced a proposed dividend *in specie* of Aspen shares to be distributed to the shareholders (Note 13A).

19B. Quoted debt assets investments at amortised cost

	Company	
	2022 \$'000	2021 \$'000
At beginning of the year	1,064	-
Additions	999	1,064
At end of the year	2,063	1,064

The quoted debt assets investments are fixed rate notes issued by Oxley MTN Pte. Ltd., a wholly-owned subsidiary of the Company. The fixed rate notes are listed on the SGX-ST.

The fixed rate notes bear interest rate of 6.5% to 6.9% (2021: 6.5%) per annum and maturing in February 2023 to July 2024.

The quoted debt assets investments are subject to the expected credit loss model under the financial reporting standard on financial instruments. The quoted debt assets investments are considered to have low credit risk individually. No loss allowance is required.

As at the end of the reporting year, the fair value of the fixed rate notes is \$2,036,000 (2021: \$1,188,000).

None of the financial assets measured at amortised cost were reclassified to financial assets at fair value during the reporting year.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

19. Other financial assets (cont'd)

19C. Unquoted equity investments

	Group	
	2022	2021
	\$'000	\$'000
Movements in unquoted equity investments at FVTOCI:		
At beginning of the year	7,292	7,322
Foreign exchange adjustments	(193)	(30)
At end of the year	7,099	7,292
Movements in unquoted equity investments at FVTPL:		
At beginning of the year	-	882
Deconsolidation of a subsidiary (Note 16A)	-	(1,381)
Foreign exchange adjustments	-	499
At end of the year	-	-

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, using the comparable market price of similar real estate properties as at the end of the reporting year.

19D. Derivative financial assets

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Assets – derivatives with positive fair values:				
Interest rate swap contracts (Note 32A)	703	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

20. Other receivables, non-current

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Outside parties	-	3	-	-
Loans receivables from:				
- Joint ventures	197,359	188,983	197,359	188,983
- Subsidiaries	-	-	922,492	1,165,960
Less: Allowance for impairment	-	-	(32,596)	(83,836)
	<u>197,359</u>	<u>188,986</u>	<u>1,087,255</u>	<u>1,271,107</u>
Movements in allowance for impairment:				
At beginning of the year	-	-	(83,836)	(51,240)
Impairment loss charge to profit or loss	-	-	-	(32,596)
Utilised	-	-	51,240	-
At end of the year	<u>-</u>	<u>-</u>	<u>(32,596)</u>	<u>(83,836)</u>

Loans receivables from joint ventures and subsidiaries are quasi-equity loans which are unsecured, interest bearing and have no fixed terms of repayment but not expected to be settled in the foreseeable future.

The loans receivables from joint ventures and subsidiaries are subject to the expected credit loss model under the financial reporting standard on financial instruments. The loans 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 the life time expected credit loss if there has been a significant increase in credit risk since initial recognition. No additional loss allowance is required during the reporting year.

21. Other non-financial assets

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>				
Deposits to secure services	21	21	-	-
Prepayments	191	243	124	173
Subtotal	<u>212</u>	<u>264</u>	<u>124</u>	<u>173</u>
<u>Current</u>				
Deposits to secure services	10,774	8,915	81	35
Prepayments	27,833	29,134	4,215	6,469
Subtotal	<u>38,607</u>	<u>38,049</u>	<u>4,296</u>	<u>6,504</u>
Total other non-financial assets	<u>38,819</u>	<u>38,313</u>	<u>4,420</u>	<u>6,677</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

22. Assets and liabilities classified as held for sale

In April 2022, management committed to a plan to dispose the Group's entire 80% equity interest in Phu Thinh Land Co., Ltd. ("Phu Thinh"). This has resulted in the reclassification of Phu Thinh's assets and liabilities to assets and liabilities classified as held for sale at the end of the reporting year. The disposal of the subsidiary is expected to be completed within next 12 months.

22A. Assets and liabilities of disposal group held for sale

As at the end of the reporting year, the transaction was stated at fair value less costs to sell and comprised the following assets and liabilities:

	Group
	2022
	\$'000
Other receivables, non-current	3
Development properties (Note 23(g))	26,136
Trade and other receivables	692
Other non-financial assets, current	5,503
Assets classified as held for sale	<u>32,334</u>
Trade and other payables, current	(117)
Other non-financial liabilities, current	(28)
Liabilities classified as held for sale	<u>(145)</u>

22B. Cumulative income or expenses recognised in other comprehensive income

There are no cumulative income or expenses included in other comprehensive income relating to the transaction.

23. Development properties

	Group	
	2022	2021
	\$'000	\$'000
Completed development properties held for sale	128,835	131,614
Development properties in progress under:		
- revenue recognised over time	367,613	780,115
- revenue recognised at a point in time	100,656	222,413
	468,269	1,002,528
Mixed development properties *	636,498	622,741
Contract assets (Note (a))	477,188	197,015
	<u>1,710,790</u>	<u>1,953,898</u>

* Properties for mixed developments consist of residential units, office units, hotels, service residences and retail shops in the same development.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

23. Development properties (cont'd)

- (a) The movements in contract assets are as follows:

	Group	
	2022 \$'000	2021 \$'000
At beginning of the year	197,015	78,483
Consideration for work completed but not billed at the reporting date	678,182	386,823
Transfer to trade receivables	(397,603)	(268,224)
Foreign exchange adjustments	(406)	(67)
At end of the year	477,188	197,015

- (b) Development properties are stated after allowance for foreseeable losses as follows:

	Group	
	2022 \$'000	2021 \$'000
At beginning of the year	44,305	16,830
Impairment loss (reverse) / charge to profit or loss included in other gains and (other losses) (Note 7)	(29,867)	32,455
Utilised	(99)	(4,963)
Foreign exchange adjustments	146	(17)
At end of the year	14,485	44,305

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 with reference to valuation reports for the development project or comparable projects and prevailing property market conditions including the implication from the COVID-19 pandemic. 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 and the implication from the COVID-19 pandemic. The allowance (reverse) / charge for foreseeable losses is included in other gains and (other losses) (Note 7).

- (c) Borrowing costs arising from financing entered into for the development of properties for which revenue is recognised at a point in time were capitalised during the reporting year were \$11,410,000 (2021: \$12,304,000).
- (d) At the end of the reporting year, the aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations is \$418,163,000 (2021: \$772,152,000) which the Group expects to recognise over the next 1 to 3 years as construction of the development properties progresses.
- (e) At the end of the reporting year, certain development properties of the Group are mortgaged to financial institutions as securities for credit facilities (See Note 30A).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

23. Development properties (cont'd)

- (f) During the reporting year, following the change in use of certain commercial units in the completed property development previously held for sale, the Group transferred these units with carrying value of \$5,344,000 (2021: \$16,831,000) from development properties to investment properties (Note 15).
- (g) In April 2022, management committed to a plan to dispose the Group's entire 80% equity interest in Phu Thinh. This has resulted in the reclassification of Phu Thinh's development properties of \$26,136,000 to assets classified as held for sale (Note 22A) at the end of the reporting year.
- (h) Details of the development properties of the Group are disclosed in Note 44.

24. Trade and other receivables

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<u>Trade receivables:</u>				
Outside parties	178,649	212,158	13,662	6,659
Unbilled revenue ^(a)	781	3,065	-	-
Subtotal	179,430	215,223	13,662	6,659
<u>Other receivables:</u>				
Outside parties	-	26	-	26
Subsidiaries	-	-	448,956	637,180
Joint ventures	139,801	135,849	50,300	49,852
Associates	20,048	18,160	15,668	15,160
Related parties	4,501	4,661	4,501	4,644
Non-controlling interests in subsidiaries	2,900	2,876	-	-
Others	-	2,100	-	2,100
Subtotal	167,250	163,672	519,425	708,962
Total trade and other receivables	346,680	378,895	533,087	715,621

- ^(a) Upon the receipt of the Temporary Occupation Permit ("TOP"), the balance of sales consideration to be billed is presented as unbilled revenue.

Other receivables from the following parties bear interest at 3% – 8% (2021: 3% – 8%) per annum:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Subsidiaries	-	-	394,804	580,763
Joint ventures	75,345	27,143	27,048	27,143
Associates	15,668	15,053	15,668	15,053
Related parties	4,501	4,661	4,501	4,644

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

24. Trade and other receivables (cont'd)

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 the life time 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 (2021: 30 days). But some customers take a 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.

25. Cash and cash equivalents

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Restricted in use	21,557	42,443	2,689	20,422
Not restricted in use	77,117	85,559	48,521	23,967
Project Accounts ^(a)	45,200	87,837	-	-
	<u>143,874</u>	<u>215,839</u>	<u>51,210</u>	<u>44,389</u>

^(a) Payments from the buyers of the units in the Group's property development projects in Singapore and outside Singapore are deposited into the Project Accounts. The withdrawals of the amounts from the Project Accounts are restricted to payments for cost incurred on the development projects and are subject to the provisions of the Housing Developers (Project Account) Rules in Singapore and the rules in those countries in which the Group operates.

The interest earning balances are not significant.

25A. Cash and cash equivalents in the consolidated statement of cash flows

	Group	
	2022 \$'000	2021 \$'000
Amount as shown above	143,874	215,839
Cash restricted in use	(21,557)	(42,443)
	<u>122,317</u>	<u>173,396</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

25. Cash and cash equivalents (cont'd)

25B. Reconciliation of liabilities arising from financing activities

	Group			
	Beginning of the year \$'000	Cash flows \$'000	Non-cash movement ^(a) \$'000	End of the year \$'000
<u>2022:</u>				
Other financial liabilities (current and non-current)	2,509,561	(214,405)	31,953	2,327,109
<u>2021:</u>				
Other financial liabilities (current and non-current)	3,025,855	(595,796)	79,502	2,509,561

^(a) Non-cash movement pertains to acquisition of assets under right-of-use assets, fair value changes, amortisation of transaction cost, deconsolidation of a subsidiary and foreign exchange movements.

26. Share capital

	Group and Company			
	Number of shares issued			
	2022 '000	2021 '000	2022 \$'000	2021 \$'000
At beginning of the year	4,264,013	4,245,903	304,558	300,700
Shares issued under the Scrip Dividend Scheme	3,105	18,110	520	3,858
At end of the year	4,267,118	4,264,013	305,078	304,558

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

On 15 January 2021, the Company issued 18,109,707 ordinary shares of no par value at an issue price of \$0.2138 per ordinary share to eligible shareholders who elected to participate in the Company's Scrip Dividend Scheme.

On 21 December 2021, the Company issued 3,105,418 ordinary shares of no par value at an issue price of \$0.1891 per ordinary share to eligible shareholders who elected to participate in the Company's Scrip Dividend Scheme.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

26. Share capital (cont'd)

Capital management:

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

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 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 capital.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio (gearing ratio). Net debt is calculated as total loans and borrowings (excluded derivative financial liabilities and finance lease liabilities) less cash and cash equivalents. This ratio is calculated as net debt / adjusted capital as shown below:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Net debt:				
Loans and borrowings (excluded derivative financial liabilities and finance lease liabilities) (Note 30)	2,256,411	2,419,535	632,096	570,476
Less: Cash and cash equivalents	(143,874)	(215,839)	(51,210)	(44,389)
Net debt	2,112,537	2,203,696	580,886	526,087
Adjusted capital:				
Total equity	1,062,341	1,050,156	614,162	495,017
Debt-to-adjusted capital ratio	199%	210%	95%	106%

The change as shown by a decrease in the debt-to-adjusted capital ratio for the Group as at the end of the reporting year resulted primarily from the decrease in total current and non-current loans and borrowings. Net debt decreased by \$91,159,000 (2021: \$357,220,000). The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk from loans and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

27. Treasury shares

	Group and Company			
	Number of Shares		2022 \$'000	2021 \$'000
	2022 '000	2021 '000		
At beginning of the year	27,429	27,429	7,638	7,638
Purchased during the year	2,605	–	425	–
At end of the year	30,034	27,429	8,063	7,638

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

In the current reporting year, the purchase prices of the treasury shares ranged from \$0.159 to \$0.169 per share.

28. Other reserves

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Foreign currency translation reserve (Note 28A)	(13,622)	6,739	–	–
Asset revaluation reserve (Note 28B)	210,930	166,296	–	–
Fair value reserve (Note 28C)	(18,618)	(8,586)	(18,618)	(8,586)
Warrant reserve (Note 28D)	7,201	7,201	7,201	7,201
Others (Note 28E)	3,629	3,629	3,629	3,629
	189,520	175,279	(7,788)	2,244

Other reserves are not available for cash dividends unless realised.

28A. Foreign currency translation reserve

	Group	
	2022 \$'000	2021 \$'000
At beginning of the year	6,739	(8,236)
Exchange differences on translating foreign operations	(20,361)	14,975
At end of the year	(13,622)	6,739

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

28. Other reserves (cont'd)

28B. Asset revaluation reserve

	Group	
	2022 \$'000	2021 \$'000
At beginning of the year	166,296	198,300
Revaluation gain / (loss) of property, plant and equipment (Note 14)	53,776	(38,180)
Deferred tax (expense) / credit on revaluation of property, plant and equipment (Note 10C)	(9,142)	6,414
Foreign exchange adjustments	-	(238)
At end of the year	210,930	166,296

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.

28C. Fair value reserve

	Group and Company	
	2022 \$'000	2021 \$'000
At beginning of the year	(8,586)	(17,402)
Fair value (loss) / gain on financial assets measured at FVTOCI (Note 19A)	(10,032)	8,816
At end of the year	(18,618)	(8,586)

The fair value reserve arises from the annual revaluation of financial assets measured at FVTOCI. It is not distributable until it is reclassified to retained earnings upon disposal of the assets.

28D. Warrant reserve

In April 2021, the Company issued 199,810,898 non-listed warrants with rights to subscribe for new ordinary shares in the capital of the Company, to an unrelated lender, in lieu of payment of finance costs under a facility agreement entered by the Company and the lender in September 2020. The warrant reserve represents the fair value of the unexercised warrants on the date of issuance.

The warrants will expire at 5.00 p.m. (Singapore time) on the market day immediate preceding 21 October 2022. Any warrant subscription rights not exercised by the exercise period will lapse and cease to be valid for any purpose.

28E. Others

Others arise from the excess of proceeds over cost of placing the treasury shares.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

29. Trade and other payables

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	239,820	247,895	21,861	24,942
<u>Other payables:</u>				
Outside parties	72,693	100,376	13,587	4,147
Subsidiaries	-	-	437,781	912,857
Joint ventures	2,025	10,812	-	1,227
Associates	6,917	4,288	-	-
Related parties	7,800	76,057	7,800	76,057
Non-controlling interests in subsidiaries	50,671	49,699	-	-
Subtotal	140,106	241,232	459,168	994,288
Total trade and other payables	379,926	489,127	481,029	1,019,230

Other payables from the following parties bear interest at 1.9% – 8.4% (2021: 2.2% – 8.0%) per annum:

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Subsidiaries	-	-	322,922	817,636
Joint ventures	-	1,227	-	1,227
Related parties	7,800	72,983	7,800	72,983
Non-controlling interests	8,887	8,641	-	-
Outside parties	6,500	-	6,500	-

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

30. Other financial liabilities

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>				
Financial instruments with floating interest rates:				
Loans (secured) (Note 30A)	161,950	1,372,847	-	100,000
Less: Unamortised transaction costs	(438)	(1,749)	-	(541)
Subtotal	161,512	1,371,098	-	99,459
Financial instruments with fixed interest rates:				
Loans (secured) (Note 30A)	100,000	111,147	100,000	110,143
Term loans (unsecured) (Note 30B)	2,480	5,000	2,480	5,000
Convertible notes (Note 30C)	-	86,988	-	86,988
Fixed rate notes (Note 30D)	204,000	73,936	-	-
Less: Unamortised transaction costs	(2,010)	(1,429)	-	(891)
Derivative financial liabilities (Note 32)	-	13,956	-	13,956
Lease liabilities (Note 30E)	59,348	64,776	21	44
Subtotal	363,818	354,374	102,501	215,240
Total non-current portion	525,330	1,725,472	102,501	314,699
<u>Current</u>				
Financial instruments with floating interest rates:				
Loans (secured) (Note 30A)	1,270,196	431,724	199,559	195,400
Term loans (unsecured) (Note 30B)	-	80,000	-	80,000
Less: Unamortised transaction costs	(2,818)	(6,527)	(1,618)	(5,623)
Subtotal	1,267,378	505,197	197,941	269,777
Financial instruments with fixed interest rates:				
Loans (secured) (Note 30A)	356,179	121,077	237,282	-
Term loans (unsecured) (Note 30B)	1,260	-	1,260	-
Convertible notes (Note 30C)	93,936	-	93,936	-
Fixed rate notes (Note 30D)	73,936	150,000	-	-
Less: Unamortised transaction costs	(2,260)	(3,479)	(803)	-
Derivative financial liabilities (Note 32)	-	4,924	-	-
Lease liabilities (Note 30E)	11,350	6,370	23	23
Subtotal	534,401	278,892	331,698	23
Total current portion	1,801,779	784,089	529,639	269,800
Total non-current and current	2,327,109	2,509,561	632,140	584,499

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

30. Other financial liabilities (cont'd)

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Represented by:				
Loans and borrowings (Note 26)	2,256,411	2,419,535	632,096	570,476
Derivative financial liabilities (Note 32)	-	18,880	-	13,956
Lease liabilities (Note 30E)	70,698	71,146	44	67
Total non-current and current	2,327,109	2,509,561	632,140	584,499

The non-current portion is repayable as follows:

Due within 2 to 5 years	498,092	1,627,059	102,501	314,699
More than 5 years	27,238	98,413	-	-
	525,330	1,725,472	102,501	314,699

During the reporting year, the range of interest rates per annum are as follows:

	Group		Company	
	2022	2021	2022	2021
	%	%	%	%
Loans (secured)	1.63 – 7.75	1.69 – 7.75	3.41 – 7.47	2.76 – 5.01
Term loans (unsecured)	2.45	2.45 – 6.50	2.45	2.45 – 6.50
Fixed rate notes	6.50 – 6.90	6.07 – 6.94	-	-
Lease liabilities	3.25 – 6.50	3.25 – 6.50	3.25	3.25

30A. Loans (secured)

Loans (secured) consist of borrowings from banks and unrelated lenders.

Details of collaterals:

- Legal mortgages on certain properties classified as property, plant and equipment, investment properties and development properties as disclosed in Notes 14, 15 and 23 respectively;
- 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 with respect to the proposed developments, property, plant and equipment and investment properties;
- Fixed and floating charges on relevant present and future assets;
- Charge over shares held by the Company in certain subsidiaries;
- Assignment and/or subordination of all shareholder loans;
- Corporate guarantees by the Company;

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

30. Other financial liabilities (cont'd)

30A. Loans (secured) (cont'd)

- Corporate guarantees by non-controlling shareholders of non-wholly owned subsidiaries for loans and borrowings amounting to \$47,056,000 (2021: \$49,019,000);
- Deed of subordination of loans from shareholders and related companies of the subsidiaries; and
- Compliance with certain covenants.

Certain loans are repayable by monthly or quarterly instalments over 3 to 11 years (2021: 4 to 10 years) from the date of first drawdown.

Repayment terms of certain loans are in one lump sum ranging from 1 to 66 months (2021: 4 to 66 months) from the date of first drawdown of the loan or 6 months (2021: 6 months) from the date of issuance of the TOP, whichever is the earlier.

The fair values of the 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.

The repayment of a loan from a third party which bears fixed interest rate will trigger a fee payable to the lender if certain conditions in the loan agreement are satisfied. The quantum of the fee depends on the triggering event for the repayment and is to be calculated in accordance with terms in the loan agreement.

The Group is finalising the execution of loan agreements with a group of financial institutions for the refinancing of certain loans. The management has reasonable expectation that amounts due for repayment within the next 12 months will be refinanced upon maturity or to be repaid mainly with sale proceeds collected from the completion of development properties after TOP are obtained.

30B. Term loans (unsecured)

Certain loans are repayable by monthly or quarterly instalments over 2 years (2021: 3 years) from the date of first drawdown.

The fair values of the 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

30. Other financial liabilities (cont'd)

30C. Convertible notes

	Group and Company	
	2022 \$'000	2021 \$'000
Nominal value of convertible notes issued	85,541	95,681
Fair value of the conversion option embedded in convertible notes ("embedded derivative") at the issue date	–	(12,239)
Liability component at date of issue	85,541	83,442
Accretion of interest	8,395	3,546
Liability component at end of the year	93,936	86,988
Other financial liabilities, non-current (Note 30)	–	86,988
Other financial liabilities, current (Note 30)	93,936	–
	93,936	86,988

In January 2021, the Company issued 4.5% convertible notes of US\$72,000,000 in aggregate principal amount of Tranche A Convertible Notes to the subscriber. The convertible notes are redeemable within 24 months after the first closing date at the option of the holder. The convertible notes are convertible in whole or in part into fully-paid ordinary shares of the Company at an initial conversion price of \$0.25 per ordinary share, subject to the terms of the Subscription agreement dated 6 January 2021.

At the end of the reporting year, the convertible notes are secured by charge over shares held by the Company in a certain subsidiary, deed of assignment of loans by the Company, and compliance with certain covenants.

On the issue of the convertible notes, the fair value of the convertible note is estimated based on the Trinomial Option Pricing Model (Level 2). The fair value of the embedded derivative is remeasured at the end of the reporting year and the changes of the fair value is recognised in profit or loss. The host debt component is carried as a liability on an amortised cost basis until extinguished on conversion or redemption. The corresponding interest on convertible notes is expensed to profit or loss.

The fair value of the debt component of the convertible notes as at reporting date is calculated by amortising the value of the debt component as at inception date using the effective interest rate method and the effective interest rate used was 15.68% (2021: 11.54%).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

30. Other financial liabilities (cont'd)

30D. Fixed rate notes

Euro Medium Term Note Programme

In 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.
- Compliance with certain financial covenants.

Details of the fixed rate notes are as follows:

Date of issue	Maturity date	Interest rate %	Group	
			2022 \$'000	2021 \$'000
31 January 2018	31 January 2022	5.70	–	150,000
28 February 2020	28 February 2023	6.50	73,936	73,936
8 July 2021	8 July 2024	6.90	70,000	–
30 September 2021	8 July 2024	6.90	85,000	–
12 April 2022	8 July 2024	6.90	49,000	–
Total non-current and current carrying value			277,936	223,936
Fair value of fixed rate notes (Level 1)			274,389	218,378
Other financial liabilities, non-current (Note 30)			204,000	73,936
Other financial liabilities, current (Note 30)			73,936	150,000
			277,936	223,936

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

30. Other financial liabilities (cont'd)

30E. Lease liabilities

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Other financial liabilities, non-current (Note 30)	59,348	64,776	21	44
Other financial liabilities, current (Note 30)	11,350	6,370	23	23
	<u>70,698</u>	<u>71,146</u>	<u>44</u>	<u>67</u>

The Group and the Company have certain leases relating to the commercial units and some office equipment. Other information about the leasing activities relating to the right-of-use assets are summarised as follows: the leases prohibit the lessee from selling or pledging the underlying leased assets as security unless permitted by the owner; with remaining terms ranging from 1 to 8 years; there are no variable payments linked to an index; there are options to purchase the underlying leased assets outright at the end of the lease; there are options to extend the leases for further terms at the option of lessor.

31. Other non-financial liabilities

	Group	
	2022	2021
	\$'000	\$'000
<u>Non-current</u>		
Deposits received	107	–
<u>Current</u>		
Advanced rental	129	159
Contract liabilities	37,452	26,689
Deposits received	2,930	2,059
Subtotal	<u>40,511</u>	<u>28,907</u>
Total other non-financial liabilities	<u>40,618</u>	<u>28,907</u>

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

Revenue recognised in current reporting year that was included in the contract liabilities at the beginning of the year upon sale of development properties was \$26,031,000 (2021: \$340,546,000).

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

32. Derivative financial liabilities

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Liabilities – derivatives with negative fair values:				
Embedded convertible option in convertible note (Note 30C)	-	13,956	-	13,956
Interest rate swap contracts (Note 32A)	-	4,924	-	-
	<u>-</u>	<u>18,880</u>	<u>-</u>	<u>13,956</u>
Other financial liabilities, non-current (Note 30)	-	13,956	-	13,956
Other financial liabilities, current (Note 30)	-	4,924	-	-
	<u>-</u>	<u>18,880</u>	<u>-</u>	<u>13,956</u>

32A. Interest rate swap contracts

The purpose of the interest rate swap 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.

At the end of the reporting year, the total notional amount and net fair value gain of the Group's open interest rate swap contracts were \$366,100,000 (2021: \$400,966,000) and \$703,000 (Note 19D) (2021: net fair value loss of \$4,924,000) (Note 32) respectively. The maturity of interest rate swap contracts is within the next 12 months (2021: over the next 1 to 2 years).

The interest rate swaps are designed to convert floating rate borrowings to fixed rates at 0.69% – 1.47% (2021: 0.69% – 1.63%) per annum for the next 12 months.

At the end of the reporting year, the floating interest rates vary from 1.20% – 1.83% (2021: 0.09% – 0.66%) 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 2022

33. Commitments

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

	Group	
	2022 \$'000	2021 \$'000
Development expenditure contracted for development properties	862,414	763,391

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:

	Group	
	2022 \$'000	2021 \$'000
Not later than one year	7,747	12,352
Between 1 and 2 years	5,272	5,108
Between 2 and 3 years	3,301	2,674
Between 3 and 4 years	1,943	1,782
Between 4 and 5 years	1,239	1,306
Later than 5 years	9,457	8,845
Total	28,959	32,067
Rental income for the year	15,024	13,279

Operating lease income commitments are rental receivables from tenants of investment properties. The lease rental income terms are negotiated for a range of one to thirty years and rentals are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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 at the end of the reporting year:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<u>Financial assets:</u>				
At amortised cost	1,165,101	980,735	1,673,615	2,032,181
At FVTPL (derivative instruments)	703	–	–	–
At FVTOCI (equity instruments)	12,470	22,695	5,371	15,403
	<u>1,178,274</u>	<u>1,003,430</u>	<u>1,678,986</u>	<u>2,047,584</u>
<u>Financial liabilities:</u>				
At amortised cost	2,707,035	2,979,808	1,113,169	1,589,773
At FVTPL (derivative instruments)	–	18,880	–	13,956
	<u>2,707,035</u>	<u>2,998,688</u>	<u>1,113,169</u>	<u>1,603,729</u>

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, foreign currency risk and equity price risk. Management has set up guidelines on the short and long term objectives and actions 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 financial risks, the objectives, policies and processes for managing the risks and the methods used to measure the risks.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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 both the significant financial instruments stated at amortised cost and at fair value in the statements of financial position. The carrying values of current financial instruments are reasonable approximation of their fair values due to the short-term maturity of these instruments.

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, cash equivalents, receivables and other financial assets. 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 and any other financial institutions is limited because the counterparties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the impairment allowance. Under this general approach, the financial assets move through the three stages as their credit quality changes. On initial recognition, a day-1 loss is recorded equal to the 12 months ECL unless the assets are considered credit impaired. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) permitted by the financial reporting standard on financial instruments is applied for financial assets that do not have a significant financing component, such as trade receivables and contract assets. For credit risk on trade receivables, contract assets and other financial assets (excluding equity investments and derivative financial assets), an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss if required. 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 25 represent amounts less than 90 days maturity. Cash and cash equivalents are also subject to the impairment assessment under the financial reporting standard on financial instruments. There were no identified impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

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 other financial assets. It is expected that all the financial 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:

Non-derivative financial liabilities	Less than 1 year \$'000	2 - 5 years \$'000	More than 5 years \$'000	Total \$'000
<u>Group</u>				
<u>2022</u>				
Loans and borrowings	1,852,345	510,084	–	2,362,429
Lease liabilities	10,441	40,710	29,786	80,937
Trade and other payables	381,545	–	–	381,545
	<u>2,244,331</u>	<u>550,794</u>	<u>29,786</u>	<u>2,824,911</u>
<u>2021</u>				
Loans and borrowings	836,093	1,619,619	63,726	2,519,438
Lease liabilities	10,318	40,792	39,350	90,460
Trade and other payables	494,036	–	–	494,036
	<u>1,340,447</u>	<u>1,660,411</u>	<u>103,076</u>	<u>3,103,934</u>
<u>Company</u>				
<u>2022</u>				
Loans and borrowings	553,441	117,340	–	670,781
Lease liabilities	27	25	–	52
Trade and other payables	505,029	–	–	505,029
	<u>1,058,497</u>	<u>117,365</u>	<u>–</u>	<u>1,175,862</u>
<u>2021</u>				
Loans and borrowings	291,190	308,867	–	600,057
Lease liabilities	23	44	–	67
Trade and other payables	1,064,537	–	–	1,064,537
	<u>1,355,750</u>	<u>308,911</u>	<u>–</u>	<u>1,664,661</u>
<u>Derivative financial liabilities</u>				
<u>Group</u>				
<u>2021</u>				
Embedded convertible option in convertible note	–	15,386	–	15,386
Interest rate swap contracts	4,924	–	–	4,924
	<u>4,924</u>	<u>15,386</u>	<u>–</u>	<u>20,310</u>
<u>Company</u>				
<u>2021</u>				
Embedded convertible option in convertible note	–	15,386	–	15,386

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

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

The undiscounted amounts on the loans and 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 (2021: 30 days). The other payables are with short-term durations. The classification of the financial liabilities 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	Less than 1 year \$'000	2 – 5 years \$'000	More than 5 years \$'000	Total \$'000
<u>2022:</u>				
Bank guarantees in favour of subsidiaries	1,261,226	364,501	–	1,625,727
Bank guarantees in favour of joint ventures	268,854	–	–	268,854
Bank guarantees in favour of associates	7,255	–	–	7,255
	<u>1,537,335</u>	<u>364,501</u>	<u>–</u>	<u>1,901,836</u>
<u>2021:</u>				
Bank guarantees in favour of subsidiaries	509,002	1,284,861	61,181	1,855,044
Bank guarantees in favour of joint ventures	–	353,915	–	353,915
Bank guarantees in favour of associates	–	29,857	–	29,857
	<u>509,002</u>	<u>1,668,633</u>	<u>61,181</u>	<u>2,238,816</u>

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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 rate risk from cash balances is not significant.

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

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<u>Financial liabilities with interest</u>				
Fixed rates	921,406	716,361	771,421	1,107,109
Floating rates	1,428,890	1,876,051	197,941	369,236
	<u>2,350,296</u>	<u>2,592,412</u>	<u>969,362</u>	<u>1,476,345</u>
<u>Financial assets with interest</u>				
Fixed rates	<u>96,217</u>	<u>46,837</u>	<u>442,021</u>	<u>627,603</u>

The floating interest rate debt instruments are re-priced to market interest rates at regular intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<u>Financial liabilities</u>				
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	<u>14,289</u>	<u>18,761</u>	<u>1,979</u>	<u>3,692</u>

The above analysis has been performed for fixed interest rates and floating interest rates 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 2022

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

35G. Foreign currency risk

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

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

	United States Dollar \$'000	Euro \$'000	Malaysia Ringgit \$'000	Australian Dollar \$'000	Great Britain Pound \$'000	Total \$'000
<u>Group</u>						
<u>2022</u>						
<u>Financial assets:</u>						
Cash and cash equivalents	106	97	109	182	19	513
Trade and other receivables	10,646	31,177	–	–	–	41,823
Total financial assets	10,752	31,274	109	182	19	42,336
<u>Financial liabilities:</u>						
Loans and borrowings	(222,698)	–	–	–	–	(222,698)
Trade and other payables	(2,781)	–	–	–	–	(2,781)
Total financial liabilities	(225,479)	–	–	–	–	(225,479)
Net financial (liabilities) / assets at end of the year	(214,727)	31,274	109	182	19	(183,143)
<u>2021</u>						
<u>Financial assets:</u>						
Cash and cash equivalents	6,962	95	112	252	63	7,484
Trade and other receivables	6,481	–	–	–	–	6,481
Total financial assets	13,443	95	112	252	63	13,965
<u>Financial liabilities:</u>						
Loans and borrowings	(213,351)	–	–	–	–	(213,351)
Trade and other payables	(2,691)	–	–	–	–	(2,691)
Total financial liabilities	(216,042)	–	–	–	–	(216,042)
Net financial (liabilities) / assets at end of the year	(202,599)	95	112	252	63	(202,077)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

35G. Foreign currency risk (cont'd)

	United States Dollar \$'000	Euro \$'000	Malaysia Ringgit \$'000	Australian Dollar \$'000	Great Britain Pound \$'000	Total \$'000
<u>Company</u>						
<u>2022</u>						
<u>Financial assets:</u>						
Cash and cash equivalents	94	97	109	182	19	501
Trade and other receivables	43,483	97,059	–	–	52,177	192,719
Total financial assets	43,577	97,156	109	182	52,196	193,220
<u>Financial liabilities:</u>						
Loans and borrowings	(222,698)	–	–	–	–	(222,698)
Trade and other payables	(49,304)	(46,095)	–	(576)	–	(95,975)
Total financial liabilities	(272,002)	(46,095)	–	(576)	–	(318,673)
Net financial (liabilities) / assets at end of the year	(228,425)	51,061	109	(394)	52,196	(125,453)
<u>2021</u>						
<u>Financial assets:</u>						
Cash and cash equivalents	6,950	95	112	252	63	7,472
Trade and other receivables	51,456	71,867	–	65,897	423,092	612,312
Total financial assets	58,406	71,962	112	66,149	423,155	619,784
<u>Financial liabilities:</u>						
Loans and borrowings	(213,351)	–	–	–	–	(213,351)
Trade and other payables	(2,691)	–	–	–	(558,891)	(561,582)
Total financial liabilities	(216,042)	–	–	–	(558,891)	(774,933)
Net financial (liabilities) / assets at end of the year	(157,636)	71,962	112	66,149	(135,736)	(155,149)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
United States Dollar	21,473	20,260	22,843	15,764
Euro	(3,127)	(10)	(5,106)	(7,196)
Malaysia Ringgit	(11)	(11)	(11)	(11)
Australian Dollar	(18)	(25)	39	(6,615)
Great Britain Pound	(2)	(6)	(5,220)	13,574

The above tables show sensitivity to the hypothetical percentage variations in the functional currency against the relevant foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar exchange 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 foreign 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.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

35H. Equity price risk

Equity investments are exposed to both foreign currency risk and equity price risk arising from uncertainties about future values of the securities.

Sensitivity analysis:

	Group		Company	
	2022	2021	2022	2021
	\$'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 of	537	1,540	537	1,540
A hypothetical 10% increase in the market index that relates to unquoted equity shares at fair value would have an effect on other comprehensive income of	710	729	-	-

For similar price decreases in the fair value of the above financial assets, there would be comparable impacts in the opposite direction. The analysis above does not reflect the foreign currency risk, which has been considered in the foreign currency risk 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	
	2022	2021
	\$'000	\$'000
Audit fees paid or payable to:		
- auditor of the Company and its overseas affiliates	626	602
- other auditors	3	3
Non-audit fees paid or payable to:		
- auditor of the Company and its overseas affiliates	157	130
- other auditors	278	239

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

37. Litigation cases

- Legal proceedings against Oxley Sanctuary Pte. Ltd. ("Oxley Sanctuary")

In May 2019, the owners of 19 units (the "Plaintiffs") at KAP Mall commenced legal proceedings against Oxley Sanctuary, a 55%-owned subsidiary of the Company. The Plaintiffs alleged that the marketing agent which Oxley Sanctuary had appointed ("marketing agent") and/or other co-broke agents, acting on behalf of Oxley Sanctuary, had allegedly represented to each of the Plaintiffs that McDonald's and/or Cold Storage were returning as stores at the KAP Mall ("alleged misrepresentations") and further claim that Oxley Sanctuary is vicariously liable for the alleged misrepresentations. The Plaintiffs have not quantified their claims.

Oxley Sanctuary has refuted the Plaintiff's claims and has in turn commenced a third party claim against the marketing agent on the basis that if the alleged misrepresentations were made, they would have been made in breach of the contractual obligations, tortious duties and fiduciary duties owed by the marketing agent to Oxley Sanctuary.

As the proceeding is on-going, based on external legal advice, management held the view that it is possible, but not probable nor practicable to estimate the financial effect, if any. Accordingly, no provision for any liability has been made in these financial statements.

- Legal proceedings involving Oxley Gem (Cambodia) Co., Ltd. ("Oxley Gem")

In April 2022, Oxley Gem, a subsidiary of the Company, had entered into a full and final settlement agreement to settle disputes with Sino Great Wall International Engineering Co., Ltd. ("SGW"), the previous main contractor engaged for The Peak project in Cambodia. Pursuant to the settlement agreement, the legal proceedings were concluded as the disputes had been settled.

38. Events after the end of the reporting year

On 27 July 2022, MK Thao Dien Project Co., Ltd., the Group's 36%-owned associate, had entered into a Deposit Agreement for the sale of land use rights of Mozac Thao Dien, located at Ho Chi Minh City, for the sale price of VND 480 billion (approximately \$28.3 million).

On 28 September 2022, both parties had entered into a land use right transfer agreement. A total sum of VND 192 million (approximately \$11.6 million) had been received for the sale transaction. The completion of the sale transaction is subject to various conditions including the updating of the current land status and actual area on the land use right certificate.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

39. Changes and adoption of financial reporting standards

For the current reporting year, new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the Group are listed below.

SFRS(I) No.	Title
SFRS(I) 3	Definition of Material – Amendments to SFRS(I) 1-1 and SFRS(I) 1-8
SFRS(I) 1-1 and 1-8	SFRS(I) Practice Statement 2 Making Materiality Judgements
SFRS(I) PS 2	SFRS(I) Practice Statement 2 Making Materiality Judgements
SFRS(I) 1-39; 7 and 9	Interest Rate Benchmark Reform – Amendments to The Conceptual Framework for Financial Reporting
SFRS(I) 16	Covid-19 Related Rent Concessions – Amendment to (effective from 30 June 2021)

The applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

40. 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 Group for future reporting years are listed below.

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 1-1	Presentation of Financial Statements – Amendment relating to Classification of Liabilities as Current or Non-current	1 January 2023
SFRS(I) 1-8	Definition of Accounting Estimates – Amendments to	1 January 2023
SFRS(I) 1-12, SFRS(I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to	1 January 2023
SFRS(I) 1-16	Property, Plant and Equipment: Proceeds before Intended Use – Amendments to	1 January 2022
SFRS(I) 1-37	Onerous Contracts – Costs of Fulfilling a Contract – Amendments to	1 January 2022
SFRS(I) 3	Definition of a Business – Reference to the Conceptual Framework – Amendments to	1 January 2022
SFRS(I) 9	Financial Instruments – Fees in the “10 per cent” test for Derecognition of Financial Liabilities (Annual Improvement Project)	1 January 2022
Various	Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Various	Annual Improvements to SFRS(I)s 2018-2020	1 January 2022

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 year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the Group's financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

41. 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		Effective equity held by the Group	
		2022 \$'000	2021 \$'000	2022 %	2021 %
<i>Held by the Company</i>					
Action Property Pte. Ltd. ^(a) Property development	Singapore	510	510	51	51
Citrine Property Pte. Ltd. ^(a) Property development	Singapore	3,000	3,000	100	100
Hume Homes Pte. Ltd. ^(a) Property development	Singapore	1,173	1,173	100	100
Oxley Amber Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Amethyst Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Ascend Realty Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
Oxley Asset Management Pte. Ltd. ^(a) Investment holding	Singapore	#	#	100	100
Oxley Bliss Pte. Ltd. ^(a) Property investment	Singapore	700	700	70	70
Oxley Connections Pte. Ltd. ^(a) Investment holding	Singapore	2,600	2,600	52	52
Oxley Consortium Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Fund Management Pte. Ltd. ^(a) Dormant	Singapore	#	#	100	100
Oxley Garnet Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Gem Pte. Ltd. ^(a) Hotel owner and property investment	Singapore	1,000	1,000	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		Effective equity held by the Group	
		2022	2021	2022	2021
		\$'000	\$'000	%	%
<i>Held by the Company (cont'd)</i>					
Oxley Global Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley International Holdings Pte. Ltd. ^(a) Investment holding	Singapore	#	#	100	100
Oxley Jasper Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Mosaic Pte. Ltd. ^(a) Property development	Singapore	–	1,000	–	100
Oxley MTN Pte. Ltd. ^(a) Provision of financial and treasury services	Singapore	7,000	7,000	100	100
Oxley Onyx Pte. Ltd. ^(a) Property development	Singapore	#	#	100	100
Oxley Opal Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Pearl Pte. Ltd. ^(a) Property development	Singapore	2,000	2,000	100	100
Oxley Quartz Pte. Ltd. ^{(a) (e)} Dormant	Singapore	#	#	100	100
Oxley Rise Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Rising Pte. Ltd. ^(a) Property development	Singapore	#	#	100	100
Oxley Sanctuary Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
Oxley Sparkle Pte. Ltd. ^(a) Investment holding	Singapore	#	#	100	100
Oxley Spinel Pte. Ltd. ^(a) Property development	Singapore	4,000	4,000	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		Effective equity held by the Group	
		2022 \$'000	2021 \$'000	2022 %	2021 %
<i>Held by the Company (cont'd)</i>					
Oxley Topaz Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Vibes Pte. Ltd. ^(a) Property development	Singapore	900	900	90	90
Oxley Vibrant Pte. Ltd. ^(a) Property development	Singapore	1,000	1,000	100	100
Oxley Viva Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
Oxley YCK Pte. Ltd. ^(a) Property development	Singapore	550	550	55	55
		38,083	39,083		

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<i>Held through Oxley Asset Management Pte. Ltd.</i>			
Oxley-Worldbridgeland Asset Management (Cambodia) Co., Ltd. ^(c) Lease agency	Cambodia	79	79
<i>Held through Oxley Connections Pte. Ltd.</i>			
Orchard Suites Residence Pte. Ltd. ^{(a) (e)} Property development	Singapore	52	–
<i>Held through Oxley Fund Management Pte. Ltd.</i>			
Oxley Singapore Opportunistic Development Fund Ltd ^{(a) (e)} Dormant	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<u>Held through Oxley International Holdings Pte. Ltd.</u>			
Oxley Australia Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Cambodia Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley China Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Cyprus Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Dublin Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Florence Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Japan Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Ireland Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley London Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Malaysia Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Myanmar Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley UK Pte. Ltd. ^(a) Investment holding	Singapore	100	100
Oxley Vietnam Pte. Ltd. ^(a) Investment holding	Singapore	100	100
<u>Held through Oxley Australia Pte. Ltd.</u>			
Walker Street No.100 Pty. Ltd. ^(b) Property development	Australia	100	100
Oxley Australia Pty. Ltd. ^(b) Property development	Australia	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<u>Held through Oxley Cambodia Pte. Ltd.</u>			
Oxley Holdings (Cambodia) Co., Ltd. ^(c) Investment holding	Cambodia	100	100
<u>Held through Oxley Holdings (Cambodia) Co., Ltd.</u>			
Oxley-Worldbridge (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
Oxley Emerald (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
Oxley Gem (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
Oxley Sapphire (Cambodia) Co., Ltd. ^(c) Property development	Cambodia	79	79
<u>Held through Oxley Malaysia Pte. Ltd.</u>			
Oxley Holdings (Malaysia) Sdn. Bhd. ^(b) Investment holding	Malaysia	100	100
<u>Held through Oxley Holdings (Malaysia) Sdn. Bhd.</u>			
Oxley Diamond Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Emerald Sdn. Bhd. ^(b) Investment holding	Malaysia	100	100
Oxley Gem Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Rising Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Ruby Sdn. Bhd. ^(b) Investment holding	Malaysia	100	100
Oxley Sapphire Sdn. Bhd. ^(b) Property development	Malaysia	100	100
Oxley Star Sdn. Bhd. ^(b) Property development	Malaysia	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<i>Held through Oxley Ireland Pte. Ltd.</i>			
Connolly Quarter Development Company Limited ^(b) Property development	Ireland	100	100
<i>Held through Oxley London Pte. Ltd.</i>			
Oxley Wharf Limited ^(b) Investment holding	United Kingdom	100	100
Oxley Wharf Property 1 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 2 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 3 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 4 Limited ^(b) Property development	United Kingdom	100	100
Oxley Wharf Property 8 Limited ^(b) Property development	United Kingdom	100	100
<i>Held through Oxley Myanmar Pte. Ltd.</i>			
Oxley Yangon Company Limited ^(d) Investment holding	Myanmar	100	100
<i>Held through Oxley Yangon Company Limited</i>			
Oxley Consultancy & Management Company Limited ^(d) Property development	Myanmar	100	100
<i>Held through Oxley Dublin Pte. Ltd.</i>			
Oxley Docklands Quay 1 Limited ^(b) Property development	Ireland	100	100
Oxley Docklands Quay 2 Limited ^(b) Property development	Ireland	100	100
Oxley Docklands Quay 3 Limited ^(b) Property development	Ireland	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<i>Held through Oxley Vietnam Pte. Ltd.</i>			
Oxley MK Holdings Vietnam Co., Ltd. ^(b) Management service	Vietnam	90	90
Oxley Thu Thiem Pte. Ltd. ^(g) Investment holding	Singapore	–	100
Centra Cove Pte. Ltd. ^(a) Investment holding	Singapore	100	100
<i>Held through Centra Cove Pte. Ltd.</i>			
Phu Thinh Land Co., Ltd. ^{(f) (i)} Property development	Vietnam	80	80
<i>Held through Oxley Thu Thiem Pte. Ltd.</i>			
Oxley Shenton Holdings Pte. Ltd. ^(g) Investment holding	Singapore	–	60
<i>Held through Oxley Shenton Holdings Pte. Ltd.</i>			
Oxley MK Thu Thiem Development Company Limited ^(g) Property development	Vietnam	–	60
<i>Held through Oxley MK Holdings Vietnam Co., Ltd.</i>			
OMK HCMC Co., Ltd. ^(f) Property development	Vietnam	64	64
Oxley MK Development JSC ^(h) Property development	Vietnam	76	76
<i>Held through OMK HCMC Co., Ltd.</i>			
OMK Investment Co.,Ltd. ^(f) Investment holding	Vietnam	64	64
<i>Held through OMK Investment Co., Ltd.</i>			
OMK Thao Dien Co.,Ltd. ^(h) Property development	Vietnam	64	64
<i>Held through Oxley Florence Pte. Ltd.</i>			
Oxley Florence S.P.A. ^(d) Dormant	Italy	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group	
		2022	2021
		%	%
<i>Held through Oxley Cyprus Pte. Ltd.</i>			
Oxley Holdings (Cyprus) Limited ⁽ⁱ⁾ Investment holding	Cyprus	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 member firms of RSM International.

^(c) Audited by RSM Chio Lim LLP for consolidation purpose.

^(d) Not audited, as it is immaterial.

^(e) The entity was dormant during the reporting year.

^(f) Audited by other auditors.

^(g) The entity was deregistered during the reporting year.

^(h) Not required to be audited under the laws of the country of incorporation.

⁽ⁱ⁾ Refer to assets classified as held for sale (Note 22).

As is required by Rule 716 of the Listing Manual of the SGX-ST, the Audit Committee and the Board of Directors of the Company have satisfied themselves that the appointment of different auditors for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

42. Listing of and information on joint ventures

The listing of and information on the joint ventures are given below:

Name of joint ventures and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<u>Held by the Company</u>			
Oxley-LBD Pte. Ltd. ^(a) Property development	Singapore	50	50
Rio Casa Venture Pte. Ltd. ^(a) Property development	Singapore	35	35
Oxley Serangoon Pte. Ltd. ^(a) Property development	Singapore	40	40
<u>Held through Oxley Emerald Sdn. Bhd.</u>			
Posh Properties Sdn. Bhd. ^{(c) (f)} Property development	Malaysia	50	50
<u>Held through Oxley Ruby Sdn. Bhd.</u>			
Peninsular Teamwork Sdn. Bhd. ^{(b) (f)} Property development	Malaysia	50	50
<u>Held through Oxley China Pte. Ltd.</u>			
KAP Holdings (China) Pte. Ltd. ^(a) Investment holding	Singapore	55	55
<u>Held through Oxley Holdings (Cambodia) Co., Ltd.</u>			
Oxley Diamond (Cambodia) Co., Ltd. ^{(d) (f)} Property development	Cambodia	50	50
<u>Held through Oxley Asset Management Pte. Ltd.</u>			
Oxley-Worldbridge Asset Management (Cambodia) Co., Ltd. ^{(d) (f)} Asset management and consultancy services	Cambodia	50	50
<u>Held through Oxley UK Pte. Ltd.</u>			
Ballymore Oxley Deanston Holding Co., Ltd ^{(g) (f)} Investment holding	United Kingdom	50	50

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

42. Listing of and information on joint ventures (cont'd)

Name of joint ventures and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<i>Held through Ballymore Oxley Deanston Holding Co., Ltd.</i>			
Ballymore Deanston Ltd. ^(c) ^(f) Property development	United Kingdom	50	50
<i>Held through Ballymore Deanston Ltd.</i>			
Ballymore Deanston Acquisition Co., Ltd ^(g) ^(f) Property development	United Kingdom	50	50
<i>Held through Oxley Holdings (Cyprus) Limited</i>			
Oxley Planetvision Properties Ltd. ^(c) ^(f) Property development	Cyprus	50	50
<i>Held through Oxley Vietnam Pte. Ltd.</i>			
Oxley MK Development Management Pte. Ltd. ^(a) Investment holding	Singapore	50	50
<i>Held through Oxley MK Development Management Pte. Ltd.</i>			
Oxley MK Viet Nam Development Management Company Limited ^(c) ^(f) Property development	Vietnam	50	50
<i>Held through Oxley Australia Pty. Ltd.</i>			
Pindan Capital Berry Pty. Ltd. ^(h) Property development	Australia	–	25.5

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

^(b) Audited by member firms of RSM International.

^(c) Audited by other auditors.

^(d) Audited by RSM Chio Lim LLP for consolidation purpose.

^(e) Not required to be audited under the laws of the country of incorporation.

^(f) The management financial statements at 30 June 2022 of the joint ventures have been used for equity accounting purpose.

^(g) Not audited.

^(h) The entity was divested during the reporting year.

As is required by Rule 716 of the Listing Manual of the SGX-ST, the Audit Committee and the Board of Directors of the Company have satisfied themselves that the appointment of different auditors for the above joint ventures would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

43. Listing of and information on associates

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

Name of associates and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<i>Held by the Company</i>			
Goldprime Land Pte. Ltd. ^(a) ^(c) Property development	Singapore	49	49
SLB-Oxley (NIR) Pte. Ltd. ^(a) ^(c) Property development	Singapore	49	49
<i>Held through Oxley Holdings (Malaysia) Sdn. Bhd.</i>			
Aspen Vision Homes Sdn. Bhd. ^(a) ^(c) Property development	Malaysia	40	40
<i>Held through Aspen Vision Homes Sdn. Bhd.</i>			
Aspen Park Hills Sdn. Bhd. ^(a) ^(c) Property development	Malaysia	30	30
<i>Held through Oxley MK Holdings Vietnam Co., Ltd.</i>			
Oxley MK Hanoi Joint Stock Company ^(b) ^(c) Property development	Vietnam	26	26
MK Thao Dien Co., Ltd. ^(b) ^(c) Property development	Vietnam	36	36
<i>Held through MK Thao Dien Co., Ltd.</i>			
MK Thao Dien Investment Co., Ltd. ^(b) ^(c) Property development	Vietnam	36	36
<i>Held through MK Thao Dien Investment Co., Ltd.</i>			
MK Thao Dien Project Co., Ltd. ^(b) ^(c) Property development	Vietnam	36	36
<i>Held through Oxley China Pte. Ltd.</i>			
KAP Hotel Investments Pte. Ltd. ^(a) ^(c) Management consultancy services for hotels and holding of assets for investment	Singapore	20	20

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

43. Listing of and information on associates (cont'd)

Name of associates and principal activities	Country of incorporation	Effective equity held by the Group	
		2022 %	2021 %
<i>Held through KAP Hotel Investments Pte. Ltd.</i>			
Yuedong International Hotel Co., Ltd. ^(a) Property investment	China	10.7	10.7
<i>Held through KAP Holdings (China) Pte. Ltd.</i>			
Hebei Yue Zhi Real Estate Development Co., Ltd. ^{(a) (c)} Property development	China	24.75	24.75
Sino-Singapore KAP Construction Co., Ltd. ^{(a) (c)} Asset management and construction	China	27.5	27.5
<i>Held through Sino-Singapore KAP Construction Co., Ltd.</i>			
Gaobeidian City KAP Real Estate Development Co., Ltd. ^{(a) (c)} Property development	China	27.5	27.5
Hebei Xu Xing Investment Co., Ltd. ^{(a) (c)} Asset management and consultancy services	China	24.75	24.75

^(a) Audited by other auditors.

^(b) Not required to be audited under the laws of the country of incorporation.

^(c) The management financial statements of the associates for the 12 months ended 30 June 2022 have been used for equity accounting purposes.

As is required by Rule 716 of the Listing Manual of the SGX-ST, the Audit Committee and the Board of Directors of the Company have satisfied themselves that the appointment of different auditors for the above associates would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

44. Listing of and information on development properties

Development properties held through joint ventures or associates are not listed below as the accounting for investments in joint ventures and associates 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)	
			Land area	Gross floor area
<u>Singapore</u>				
Oxley Tower 138 Robinson Road, Singapore	32-storey mixed development with 3-level podium mall and 3-level basement carparks	Freehold	1,490	16,755
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
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
The Flow 66 East Coast Road, Singapore	7-storey commercial development with basement and mechanised carpark	Freehold	2,176	6,527
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 mechanised carpark, communal swimming pool and addition and alteration to 7 units of conserved shophouses	Freehold	1,667	5,399
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
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	29,827
Parkwood Residences 208 Yio Chu Kang Road, Singapore	5-storey development with attic and swimming pool	99 years leasehold	1,313	1,958

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

44. Listing of and information on development properties (cont'd)

Project name/ location	Description	Tenure	Approximate area (sqm)	
			Land area	Gross floor area
<u>Cambodia</u>				
The Garage Street #84, Phum #13, Sangkat Srah Chork, Khan Daun Penh, Phnom Penh, Cambodia	Mixed retail and residential development	Freehold	8,923	– ^(a)
The Peak Samdach Hun Sen Street Village 14, Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Cambodia	Mixed retail, hotel, office and residential development	Freehold	12,609	209,604 ^(a)
The Palms National Road No.1, Phum Kdey Takoy, Sangkat Veal Sbov, Khan Mean Chey, Phnom Penh, Cambodia	Residential development	Freehold	37,689	65,592 ^(a)
<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 ^(a)
Medini ^(b) Plot B3 & B5 Iskandar, Johor, Malaysia	Mixed development	99 + 30 years extension	17,300	– ^(a)
Section 16 ^(b) Lot 26315, Bt 6 Jalan Damansara, Daerah Petaling Jaya, Negeri Selangor, Malaysia	Mixed development	Freehold	19,098	– ^(a)

NOTES TO THE FINANCIAL STATEMENTS

30 June 2022

44. Listing of and information on development properties (cont'd)

Project name/ location	Description	Tenure	Approximate area (sqm)	
			Land area	Gross floor area
<u>Ireland</u>				
Dublin Landings North Wall Quay Dublin 1, Ireland	Commercial and residential mixed-use development	Leasehold	23,500	96,330
Dublin Arch (aka Project Connolly) Sheriff Street Lower, Dublin 1, Ireland	Commercial, residential, hotel and retail, mixed-use development	Leasehold	28,125	118,617 ^(a)
<u>United Kingdom</u>				
Royal Wharf North Woolwich Road, London, United Kingdom	Township development	Freehold	160,389	394,026

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

^(b) Project names are for illustrative purpose only.

OXLEY HOLDINGS LIMITED

(Registration No: 201005612G)

Condensed Interim Consolidated Financial Statements

For the Six Months Ended 31 December 2021 and 31 December 2022

OXLEY HOLDINGS LIMITED

**Condensed Interim Consolidated Financial Statements
for the Six Months Ended 31 December 2021 and 31 December 2022**

Contents	Page
Report on the Condensed Interim Consolidated Financial Statements	1
Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
Condensed Interim Consolidated Statement of Financial Position.....	4
Condensed Interim Consolidated Statement of Changes in Equity.....	5
Condensed Interim Consolidated Statement of Cash Flows	6
Notes to the Condensed Interim Consolidated Financial Statements	8

9345-0208-22

Report on the Condensed Interim Consolidated Financial Statements

The Board of Directors
Oxley Holdings Limited
138 Robinson Road
#30-01 Oxley Tower
Singapore 068906

RSM Chio Lim LLP

8 Wilkie Road, #03-08
Wilkie Edge, Singapore 228095

T +65 6533 7600

Audit@RSMSingapore.sg
www.RSMSingapore.sg

Dear Sirs,

Introduction

We have reviewed the accompanying condensed interim consolidated statements of financial position of Oxley Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) as at 31 December 2021 and 31 December 2022 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month periods then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with Singapore Financial Reporting Standards (International) 1–34, Interim Financial Reporting (“SFRS(I) 1–34”). Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with SFRS(I) 1–34.

Other matter

This report has been prepared solely for inclusion in the Offering Circular of Oxley MTN Pte. Ltd. dated 3 February 2023 relating to the update of US\$1,000,000,000 Euro Medium Term Note Programme and the proposed issue of notes under the programme.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

3 February 2023

Chong Cheng Yuan
Partner

OXLEY HOLDINGS LIMITED

**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Six Months Period Ended 31 December 2021 and 31 December 2022**

		<u>Unaudited</u> <u>6 months ended</u>	
	<u>Note</u>	<u>31 Dec 2022</u> \$'000	<u>31 Dec 2021</u> \$'000
Revenue	6	438,353	506,375
Cost of sales		(372,567)	(432,763)
Gross profit		65,786	73,612
Other income		691	2,180
Interest income		5,866	5,977
Other gains		16,513	29,653
Marketing and distribution costs		(1,706)	(2,422)
Administrative expenses		(16,561)	(14,965)
Other losses		(5,728)	(11,313)
Finance costs		(74,220)	(57,274)
Share of results from joint ventures and associates, net of tax		13,995	1,518
Profit before tax	7	4,636	26,966
Income tax expense	8	(2,430)	(3,547)
Profit for the period		2,206	23,419
<u>Other comprehensive (loss) / income</u>			
<i>Items that will not be reclassified to profit or loss</i>			
Net fair value loss on equity investments measured at FVTOCI		(1,013)	(4,459)
Gain / (loss) on revaluation of properties, net of tax		4,351	(5,669)
		3,338	(10,128)
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(23,649)	(5,347)
Total other comprehensive loss, net of tax		(20,311)	(15,475)
Total comprehensive (loss) / income for the period		(18,105)	7,944
Profit / (loss) for the period attributable to:			
Owners of the Company		277	23,513
Non-controlling interests		1,929	(94)
		2,206	23,419

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

OXLEY HOLDINGS LIMITED

**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Six Months Period Ended 31 December 2021 and 31 December 2022 (Cont'd)**

		<u>Unaudited</u> <u>6 months ended</u>	
	<u>Note</u>	<u>31 Dec 2022</u> \$'000	<u>31 Dec 2021</u> \$'000
Total comprehensive (loss) / income for the period attributable to:			
Owners of the Company		(18,552)	8,038
Non-controlling interests		447	(94)
		<u>(18,105)</u>	<u>7,944</u>
 Basic and diluted earnings per share (cents)	 9	 <u>0.01</u>	 <u>0.55</u>

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

OXLEY HOLDINGS LIMITED

Condensed Interim Consolidated Statement of Financial Position As at 31 December 2021, 30 June 2022 and 31 December 2022

	Note	Unaudited 31 Dec 2022 \$'000	Audited 30 Jun 2022 \$'000	Unaudited 31 Dec 2021 \$'000
ASSETS				
Non-current assets				
Property, plant and equipment	11	950,291	953,686	935,050
Investment properties	12	345,738	342,922	331,403
Investments in joint ventures		82,366	71,083	55,589
Investments in associates		27,653	26,677	23,897
Deferred tax assets		6,720	10,791	16,273
Other financial assets, non-current	13	7,028	12,470	18,229
Other receivables, non-current		200,057	197,359	192,848
Other non-financial assets, non-current		254	212	284
Total non-current assets		1,620,107	1,615,200	1,573,573
Current assets				
Assets classified as held for sale	14	31,804	32,334	–
Inventories		65	27	49
Development properties	15	1,500,954	1,710,790	1,754,003
Trade and other receivables	16	359,309	346,680	297,323
Other non-financial assets, current		21,726	38,607	61,019
Other financial assets, current	13	–	703	–
Cash and cash equivalents	17	152,870	143,874	199,654
Total current assets		2,066,728	2,273,015	2,312,048
Total assets		3,686,835	3,888,215	3,885,621
EQUITY AND LIABILITIES				
Equity				
Share capital	18	305,078	305,078	305,092
Treasury shares	19	(10,284)	(8,063)	(7,638)
Retained earnings		504,946	520,494	540,783
Other reserves	20	182,333	189,520	159,804
Equity attributable to owners of the Company		982,073	1,007,029	998,041
Non-controlling interests		50,655	55,312	50,002
Total equity		1,032,728	1,062,341	1,048,043
Non-current liabilities				
Deferred tax liabilities		46,834	48,291	41,509
Other financial liabilities, non-current	21	1,159,017	525,330	609,521
Other non-financial liabilities, non-current	22	700	107	95
Total non-current liabilities		1,206,551	573,728	651,125
Current liabilities				
Liabilities classified as held for sale	14	154	145	–
Income tax payable		24,096	29,785	33,704
Trade and other payables, current	23	396,483	379,926	418,448
Other financial liabilities, current	21	1,010,211	1,801,779	1,698,529
Other non-financial liabilities, current	22	16,612	40,511	35,772
Total current liabilities		1,447,556	2,252,146	2,186,453
Total liabilities		2,654,107	2,825,874	2,837,578
Total equity and liabilities		3,686,835	3,888,215	3,885,621

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

OXLEY HOLDINGS LIMITED

**Condensed Interim Consolidated Statement of Changes in Equity
For the Six Months Period Ended 31 December 2021 and 31 December 2022**

	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Other reserves \$'000	Equity attributable to owners sub-total \$'000	Non- controlling interests \$'000	Total equity \$'000
Unaudited Group Current period							
Balance at 1 July 2022	305,078	(8,063)	520,494	189,520	1,007,029	55,312	1,062,341
Dividends on ordinary shares (Note 10B)	–	–	–	–	–	(757)	(757)
Distribution of equity investments measured at FVTOCI to owners of the Company (Note 10A)	–	–	(4,183)	–	(4,183)	–	(4,183)
Purchase of treasury shares (Note 19)	–	(2,221)	–	–	(2,221)	–	(2,221)
Transfer from equity investments measured at fair value reserve (Note 20C)	–	–	(18,843)	18,843	–	–	–
Transfer from warrants reserve upon expiry (Note 20D)	–	–	7,201	(7,201)	–	–	–
Capital reduction of a subsidiary	–	–	–	–	–	(4,347)	(4,347)
Total comprehensive income / (loss) for the period	–	–	277	(18,829)	(18,552)	447	(18,105)
Balance at 31 December 2022	305,078	(10,284)	504,946	182,333	982,073	50,655	1,032,728
Previous period							
Balance at 1 July 2021	304,558	(7,638)	527,861	175,279	1,000,060	50,096	1,050,156
Dividends on ordinary shares (Note 10)	–	–	(10,591)	–	(10,591)	–	(10,591)
Issue of shares under the Scrip Dividend Scheme (Note 18)	534	–	–	–	534	–	534
Total comprehensive income / (loss) for the period	–	–	23,513	(15,475)	8,038	(94)	7,944
Balance at 31 December 2021	305,092	(7,638)	540,783	159,804	998,041	50,002	1,048,043

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

OXLEY HOLDINGS LIMITED

**Condensed Interim Consolidated Statement of Cash Flows
For the Six Months Period Ended 31 December 2021 and 31 December 2022**

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	<u>\$'000</u>	<u>\$'000</u>
<u>Cash flows from operating activities</u>		
Profit before tax	4,636	26,966
Adjustments for:		
Interest income	(5,866)	(5,977)
Finance costs	74,220	57,274
Depreciation of property, plant and equipment	8,363	10,351
Loss on liquidation of a subsidiary	152	–
Impairment loss on development properties	808	–
Impairment loss on receivables	620	307
Bad debts written-off	93	–
Fair value loss / (gain) on derivative financial instruments	3,421	(17,441)
Gain on disposal of investment properties	–	(1,058)
Gain on disposal of other assets	(3,903)	–
Fair value gain on investment properties	(3,819)	(2,386)
Share of results from joint ventures and associates, net of tax	(13,995)	(1,518)
Net effect of exchange rate changes	(30,592)	(2,482)
Operating cash flows before changes in working capital	34,138	64,036
Inventories	(38)	5
Development properties	182,243	190,502
Trade and other receivables	(30,830)	76,057
Other non-financial assets	2,430	733
Trade and other payables	37,135	(56,687)
Other non-financial liabilities	(22,857)	6,936
Cash flows from operations	202,221	281,582
Income taxes paid	(7,107)	(15,089)
Net cash flows from operating activities	195,114	266,493
<u>Cash flows from investing activities</u>		
Additions of property, plant and equipment	(298)	(362)
Other non-financial assets, current	(627)	(23,616)
Proceeds from disposal of investment properties	–	1,948
Proceeds from disposal of other assets	20,336	–
Advances from / (to) associates	23,170	(2,187)
Advances to joint ventures	(5,738)	(8,169)
Interest income received	5,866	5,977
Net cash flows from / (used in) investing activities	42,709	(26,409)

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

OXLEY HOLDINGS LIMITED

**Condensed Interim Consolidated Statement of Cash Flows
For the Six Months Period Ended 31 December 2021 and 31 December 2022 (Cont'd)**

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	<u>\$'000</u>	<u>\$'000</u>
<u>Cash flows from financing activities</u>		
Proceeds from loans and borrowings	679,950	259,576
Repayment of loans and borrowings	(845,957)	(464,644)
Proceeds from derivative financial instruments	1,335	–
Cash restricted in use	(16)	8,356
Dividends paid to equity owners	–	(10,057)
Dividends paid to non-controlling interests	(757)	–
Purchase of treasury shares	(2,221)	–
Advances from non-controlling shareholders	81	162
Capital reduction of a subsidiary	(4,347)	–
Interest expense paid	(56,918)	(41,151)
Net cash flows used in financing activities	<u>(228,850)</u>	<u>(247,758)</u>
Net increase / (decrease) in cash and cash equivalents	8,973	(7,674)
Cash and cash equivalents at beginning of the reporting period	122,317	173,396
Effects of exchange rate changes on cash and cash equivalents	8	(155)
Cash and cash equivalent at end of the reporting period (Note 17A)	<u>131,298</u>	<u>165,567</u>

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

Notes to the Condensed Interim Consolidated Financial Statements
31 December 2021 and 31 December 2022

1. General

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

The condensed interim consolidated financial statements cover the Company and its subsidiaries and 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 otherwise indicated.

The Board of Directors approved and authorised these condensed interim consolidated financial statements for issue on 3 February 2023. The directors have the power to amend and reissue the financial statements.

The principal activities of the Group are property development, property investment, the provision of hospitality and management services and investment holding.

The COVID-19 pandemic

Management has not identified any material uncertainties resulting from the COVID-19 pandemic and the aftermath of the pandemic surrounding the Group’s business, and accordingly no further disclosures are made in these financial statements.

2. Basis of preparation

The condensed interim consolidated financial statements for the first six months ended 31 December 2021 and 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) 1-34 Interim Financial Reporting issued by the Singapore Accounting Standards Council.

The condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the reporting year ended 30 June 2022.

The new or revised SFRS(I)s and the related Interpretations to SFRS(I) (“SFRS(I) INT”), which became mandatory for the Group as of 1 July 2022, did not result in substantial changes to the Group’s accounting policies.

The Group has not early adopted any other SFRS(I)s, interpretation or amendment to SFRS(I)s that have been issued but are not yet effective.

The Group’s operations are generally not significantly affected by seasonality. However, property markets in which the Group operates may fluctuate from period to period, resulting from fluctuations in property prices, lease rates and general global economic conditions, thereby affecting the Group’s financial condition and results of operations. Accordingly, the Group expects its results of operations to vary from period to period.

3. Significant accounting policies and other explanatory information

3A. Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the six months condensed interim consolidated financial statements are consistent with those disclosed in the Group's annual financial statements for the reporting year ended 30 June 2022.

3B. Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the latest audited annual financial statements as at and for the reporting year ended 30 June 2022.

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed interim consolidated financial statements is included in the following notes:

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 value of the Group's hotel properties at end of the reporting period is disclosed in Note 11.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities during the reporting year is included in the following notes:

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 valuation experts engaged by management have used valuation techniques which include 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 including implications from the COVID-19 pandemic and rising interest rates. The carrying amounts and the key assumptions used to determine the fair values are disclosed in Notes 11 and 12.

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

3B. Use of judgements and estimates (cont'd)

Allowance for impairment loss 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. In estimating the future selling prices of unsold development properties, the Group has taken into account the recent selling prices for the development projects or comparable projects, prevailing market conditions including implications from the COVID-19 pandemic, rising interest rates and selling prices estimated by independent professional valuation experts when necessary. 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 at the end of the reporting period is disclosed in Note 15.

4. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments; (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.

4A. Members of a group

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

Related parties in these financial statements refer to the entities which the controlling shareholders and directors of the Company; as well as their family members, have a controlling interest in.

OXLEY HOLDINGS LIMITED

4. Related party relationships and transactions (cont'd)

4B. 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.

Intragroup transactions that have been eliminated in these condensed interim 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:

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	<u>\$'000</u>	<u>\$'000</u>
<u>Non-controlling interests</u>		
Interest income	–	324
Interest expense	(84)	(486)
<u>Joint ventures</u>		
Interest income	4,942	5,030
Interest expense	–	(37)
<u>Associates</u>		
Interest income	195	310
<u>Related parties</u>		
Interest expense	<u>(414)</u>	<u>(2,129)</u>

4C. Key management compensation

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	<u>\$'000</u>	<u>\$'000</u>
Salaries and other short-term employee benefits	<u>989</u>	<u>1,014</u>

Directors and key management personnel (who are not directors) of the Company having authority and responsibility for planning, directing and controlling the activities of the Group.

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

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	<u>\$'000</u>	<u>\$'000</u>
Remuneration to directors of the Company	489	458
Fees to directors of the Company	<u>101</u>	<u>101</u>

5. Financial information by operating segments

5A. 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 management and investment services, and treasury functions

The structure 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 Group 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.

OXLEY HOLDINGS LIMITED

5. Financial information by operating segments (cont'd)

5B. Business segments

<u>Unaudited</u>	Property development \$'000	Property investment \$'000	Hotel ^(a) \$'000	Corporate \$'000	Total \$'000
Six months period from 1 July 2022 to 31 December 2022					
Segment revenue:					
Revenue from external parties	407,218	-	22,833	-	430,051
Rental income	-	8,302	-	-	8,302
Total revenue	407,218	8,302	22,833	-	438,353
Segment result	46,689	6,593	8,561	(6,284)	55,559
Loss on liquidation of a subsidiary	-	-	-	(152)	(152)
Impairment loss on receivables	(620)	-	-	-	(620)
Bad debts written off	-	-	-	(93)	(93)
Fair value gain / (loss) on derivative financial instruments	-	-	632	(4,053)	(3,421)
Gain on disposal of other assets	3,903	-	-	-	3,903
Fair value gain on investment properties	-	3,819	-	-	3,819
Interest income	516	1	20	5,329	5,866
Operating profit / (loss)	50,488	10,413	9,213	(5,253)	64,861
Finance costs	(9,516)	(2,621)	(16,932)	(45,151)	(74,220)
Share of results from joint ventures and associates, net of tax	13,995	-	-	-	13,995
Profit / (loss) before tax	54,967	7,792	(7,719)	(50,404)	4,636
Income tax expense	(1,145)	-	(93)	(1,192)	(2,430)
Profit / (loss) for the period	53,822	7,792	(7,812)	(51,596)	2,206
Other significant items:					
Depreciation expense	(603)	-	(5,194)	(2,566)	(8,363)
Impairment loss on development properties	(808)	-	-	-	(808)
Additions:					
Property, plant and equipment	699	-	119	156	974

^(a) Hotel segment for the first six months ended 31 December 2022 reported Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of \$14,387,000. EBITDA included foreign exchange gains of \$1,827,000

OXLEY HOLDINGS LIMITED

5. Financial information by operating segments (cont'd)

5B. Business segments (cont'd)

<u>Unaudited</u>	Property development \$'000	Property investment \$'000	Hotel ^(a) \$'000	Corporate \$'000	Total \$'000
<u>31 December 2022</u>					
Assets and reconciliations:					
Segment assets	1,848,974	353,576	881,356	492,910	3,576,816
Investments in joint ventures and associates	110,019	-	-	-	110,019
Total assets	1,958,993	353,576	881,356	492,910	3,686,835
Liabilities and reconciliations:					
Segment liabilities	750,782	168,350	656,992	1,077,983	2,654,107
<u>Six months period from 1 July 2021 to 31 December 2021</u>					
Segment revenue:					
Revenue from external parties	488,853	-	10,515	-	499,368
Rental income	-	7,007	-	-	7,007
Total revenue	488,853	7,007	10,515	-	506,375
Segment result	63,904	4,939	2,077	(14,753)	56,167
Fair value (loss) / gain on derivative financial instruments	-	(4)	278	17,167	17,441
Fair value gain on investment properties	-	2,386	-	-	2,386
Gain on disposal of investment properties	-	1,058	-	-	1,058
Impairment loss on receivables	(55)	(145)	-	(107)	(307)
Interest income	165	328	-	5,484	5,977
Operating profit	64,014	8,562	2,355	7,791	82,722
Finance costs	(8,198)	(1,922)	(11,285)	(35,869)	(57,274)
Share of results from joint ventures and associates, net of tax	-	-	-	1,518	1,518
Profit / (loss) before tax	55,816	6,640	(8,930)	(26,560)	26,966
Income tax (expense) / credit	(3,500)	(1,192)	(299)	1,444	(3,547)
Profit / (loss) for the period	52,316	5,448	(9,229)	(25,116)	23,419

OXLEY HOLDINGS LIMITED

5. Financial information by operating segments (cont'd)

5B. Business segments (cont'd)

<u>Unaudited</u>	Property development \$'000	Property investment \$'000	Hotel ^(a) \$'000	Corporate \$'000	Total \$'000
Six months period from 1 July 2021 to 31 December 2021 (cont'd)					
Other significant items:					
Depreciation expense	(246)	-	(4,798)	(5,307)	(10,351)
Additions:					
Property, plant and equipment	-	-	110	6,449	6,559
31 December 2021					
Assets and reconciliations:					
Segment assets	2,041,289	335,811	827,934	601,101	3,806,135
Investments in joint ventures and associates	79,486	-	-	-	79,486
Total assets	2,120,775	335,811	827,934	601,101	3,885,621
Liabilities and reconciliations:					
Segment liabilities	1,100,917	115,866	692,262	928,533	2,837,578

^(a) Hotel segment for the first six months ended 31 December 2021 reported Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of \$7,153,000. EBITDA included foreign exchange losses of \$299,000.

OXLEY HOLDINGS LIMITED

5. Financial information by operating segments (cont'd)

5C. 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
- Ireland – property development and property investment
- Cambodia – property development and property investment
- Malaysia – property development
- Australia – property development

Revenue and the non-current assets (other than financial instruments and deferred tax assets) are attributed to countries by the geographical area in which the assets are located.

	Revenue		Non-current assets		
	Unaudited 6 months ended 31 Dec 2022 \$'000	Unaudited 31 Dec 2021 \$'000	Unaudited 31 Dec 2022 \$'000	Audited As at 30 June 2022 \$'000	Unaudited 31 Dec 2021 \$'000
Singapore	393,653	364,731	1,282,826	1,264,323	1,182,247
United Kingdom	1,915	6,670	30,599	31,843	35,015
Ireland	–	19,614	–	–	–
Cambodia	28,470	17,137	54,381	58,918	90,971
Malaysia	14,315	1,145	23,249	23,640	22,097
Australia	–	97,078	–	–	226
Others	–	–	15,247	15,856	15,667
	<u>438,353</u>	<u>506,375</u>	<u>1,406,302</u>	<u>1,394,580</u>	<u>1,346,223</u>

6. Revenue

	Unaudited 6 months ended	
	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Revenue from sale of development properties:		
- recognised at point in time	29,101	140,042
- recognised over time	378,117	348,811
	<u>407,218</u>	<u>488,853</u>
Revenue from hotel ownership and operations:		
- recognised at point in time	4,321	1,329
- recognised over time	18,512	9,186
	<u>22,833</u>	<u>10,515</u>
Rental income from investment properties	8,302	7,007
	<u>438,353</u>	<u>506,375</u>

Also see Note 5.

OXLEY HOLDINGS LIMITED

7. Profit before tax is stated after crediting / (charging):

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	\$'000	\$'000
Rental income*	8,714	7,397
Government grant income	59	1,732
Depreciation of property, plant and equipment	(8,363)	(10,351)
Loss on liquidation of a subsidiary	(152)	-
Impairment loss on development properties	(808)	-
Impairment loss on receivables	(620)	(307)
Bad debts written off	(93)	-
Fair value (loss) / gain on derivative financial instruments	(3,421)	17,441
Gain on disposal of investments properties	-	1,058
Gain on disposal of other assets	3,903	-
Fair value gain on investment properties	3,819	2,386
Net foreign exchange gain / (loss)	7,158	(999)

* including rental income in other income

8. Income tax expense

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	\$'000	\$'000
Current tax expense		
- Current period	2,618	4,407
- Under / (over) provision in respect of prior years	763	(2,506)
	3,381	1,901
Deferred tax expense		
- Origination and reversal of temporary differences	69	-
- (Over) / under provision in respect of prior years	(1,020)	1,646
	(951)	1,646
	2,430	3,547

9. Earnings per share

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

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
Profit for the period attributable to owners of the Company (\$'000):	277	23,513
Weighted average number of ordinary shares (excluding treasury shares) ('000):		
Basic	4,230,949	4,239,689
Diluted	4,616,898	4,254,384

OXLEY HOLDINGS LIMITED

9. Earnings per share (cont'd)

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
Basic earnings per share	0.01	0.55
Diluted earnings per share	<u>0.01</u>	<u>0.55</u>

Basic earnings per share are calculated by dividing profit, net of tax for the reporting period attributable to owners of the Company by the weighted average number of ordinary shares.

The dilutive effect derives from transactions such as conversion of any unexercised warrants (Note 18) and convertible notes (Note 18) to ordinary shares. The diluted earnings per share is based on the weighted average number of ordinary shares and dilutive ordinary share equivalents outstanding during each reporting period. Where there are unexercised warrants and convertible notes, the average number of ordinary shares assumed to be outstanding during the reporting period are as if the unexercised warrants and convertible notes had been converted into ordinary shares and the profit or loss is after giving effect to the elimination of interest expense, net of tax benefit, applicable to any unexercised warrants and convertible notes.

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

10. Dividends

10A. Dividends to owners of the Company

	<u>Rate per share</u> <u>6 months ended</u>			
<u>Unaudited</u>	<u>31 Dec</u> <u>2022</u> Cents	<u>31 Dec</u> <u>2021</u> Cents	<u>31 Dec</u> <u>2022</u> \$'000	<u>31 Dec</u> <u>2021</u> \$'000
Final tax exempt (1-tier)	–	0.25	–	10,591
Dividend <i>in specie</i>	<u>0.10</u>	<u>–</u>	<u>4,183</u>	<u>–</u>
	<u>0.10</u>	<u>0.25</u>	<u>4,183</u>	<u>10,591</u>

The final tax exempt (1-tier) dividend of 0.25 Singapore cent per ordinary share for the reporting year ended 30 June 2022 was approved by the shareholders at the annual general meeting on 27 October 2022.

On 8 September 2022, the Company announced a proposed distribution by way of a dividend *in specie* of ordinary shares in the issued capital of Aspen (Group) Holdings Limited ("Aspen") held by the Company to the shareholders. The distribution exercise was completed on 11 November 2022. The Group has appropriated \$4,183,000 out of retained earnings to meet the dividend *in specie* declared (Note 13A).

10B. Dividends to non-controlling interests of subsidiaries

During the six months period ended 31 December 2022, tax exempt (1-tier) dividend amounting to \$757,000 (six months period ended 31 December 2021: Nil) were declared and paid by subsidiaries of the Group to their non-controlling shareholders.

OXLEY HOLDINGS LIMITED

11. Property, plant and equipment

<u>Unaudited</u>	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000	Renovations \$'000	Fixtures and equipment \$'000	Motor vehicles \$'000	Hotel operating supplies \$'000	Right-of-use assets \$'000	Total \$'000
<u>Cost or valuation:</u>									
At 30 June 2021 and 1 July 2021	580,500	229,500	63,246	3,955	8,488	210	1,381	72,749	960,029
Additions	-	52	-	120	190	-	-	6,197	6,559
Revaluation loss	-	-	(6,830)	-	-	-	-	-	(6,830)
Foreign exchange adjustments	-	-	(65)	2	3	1	-	153	94
At 31 December 2021	580,500	229,552	56,351	4,077	8,681	211	1,381	79,099	959,852
At 30 June 2022 and 1 July 2022	600,262	260,838	56,731	4,097	8,544	365	1,379	81,126	1,013,342
Additions	-	5	-	146	147	-	-	676	974
Transfer to investment properties (Note 12)	-	-	-	-	(46)	-	-	-	(46)
Revaluation gain	-	-	4,980	-	-	-	-	-	4,980
Elimination of depreciation on revaluation	-	-	131	-	-	-	-	-	131
Foreign exchange adjustments	-	-	(230)	(34)	(56)	(11)	-	(2,510)	(2,841)
At 31 December 2022	600,262	260,843	61,612	4,209	8,589	354	1,379	79,292	1,016,540
<u>Represented by:</u>									
Cost	-	-	-	4,209	8,589	354	1,379	79,292	93,823
Valuation	600,262	260,843	61,612	-	-	-	-	-	922,717
At 31 December 2022	600,262	260,843	61,612	4,209	8,589	354	1,379	79,292	1,016,540
<u>Accumulated depreciation and impairment:</u>									
At 30 June 2021 and 1 July 2021	-	-	-	3,877	6,165	172	-	4,244	14,458
Depreciation for the period	-	4,761	198	176	222	32	-	4,962	10,351
Foreign exchange adjustments	-	-	(3)	1	5	-	-	(10)	(7)
At 31 December 2021	-	4,761	195	4,054	6,392	204	-	9,196	24,802
At 30 June 2022 and 1 July 2022	-	-	-	3,722	7,449	306	-	48,179	59,656
Depreciation for the period	-	5,067	185	249	291	31	-	2,540	8,363
Elimination of depreciation on revaluation	-	-	(131)	-	-	-	-	-	(131)
Foreign exchange adjustments	-	-	(10)	(27)	(31)	(10)	-	(1,561)	(1,639)
At 31 December 2022	-	5,067	44	3,944	7,709	327	-	49,158	66,249
<u>Carrying value:</u>									
At 31 December 2021	580,500	224,791	56,156	23	2,289	7	1,381	69,903	935,050
At 30 June 2022	600,262	260,838	56,731	375	1,095	59	1,379	32,947	953,686
At 31 December 2022	600,262	255,776	61,568	265	880	27	1,379	30,134	950,291

11. Property, plant and equipment (cont'd)

Hotel property and freehold properties are carried at revalued amounts, being their fair values at the date of the revaluation less any subsequent accumulated depreciation and impairment losses. The valuation for these group of properties are revalued annually based on independent assessment by valuers having recent experience in the location and category of property being valued. The basis of valuation of hotel property and freehold properties is based on the properties' highest and best use. Hotel property and freehold properties were last revalued between June 2022 to December 2022. Management assessed the inputs and assumptions and valuation techniques used in the last valuation and determined these are still appropriate. Consequently, management do not believe that there has been a material movement in fair value since the revaluation dates.

Right-of-use assets are carried at cost less any accumulated depreciation and any accumulated impairment losses. The recoverable amounts are based on valuations performed by independent valuers as at 30 June 2022. Management assessed their recoverable amounts on a half yearly basis and was of the view that there was no indication of significant deterioration or material changes to the carrying value of the right-of-use assets as at 31 December 2022.

12. Investment properties

	<u>Unaudited</u> <u>6 months ended</u>	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	\$'000	\$'000
<u>At fair value:</u>		
At beginning of the period	342,922	324,833
Disposals	–	(890)
Fair value gain included in profit or loss under other gains (Note 7)	3,819	2,386
Transfer from property, plant and equipment (Note 11)	46	–
Transfer from development properties	–	5,344
Foreign exchange adjustments	(1,049)	(270)
At end of the period	<u>345,738</u>	<u>331,403</u>

Investment properties are carried at fair values. The valuation for these investment properties are revalued annually based on independent assessment by valuers having recent experience in the location and category of property being valued. The basis of valuation of investment properties is based on the properties' highest and best use. Investment properties were last revalued on various dates between February 2022 to December 2022. Management assessed the inputs and assumptions and valuation techniques used in the last valuation and determined these are still appropriate. Consequently, management do not believe that there has been a material movement in fair value since the revaluation dates.

OXLEY HOLDINGS LIMITED

13. Other financial assets

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Audited</u> <u>30 Jun 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
<u>Non-current</u>			
Quoted equity investments:			
– at FVTOCI (Note 13A)	175	5,371	10,944
Unquoted equity investments:			
– at FVTOCI (Note 13B)	6,853	7,099	7,285
Subtotal	<u>7,028</u>	<u>12,470</u>	<u>18,229</u>
<u>Current</u>			
Derivative financial assets:			
– at FVTPL (Note 13C)	–	703	–
Total other financial assets	<u>7,028</u>	<u>13,173</u>	<u>18,229</u>

13A. Quoted equity investments at FVTOCI

	<u>Unaudited</u> <u>6 months ended</u> <u>31 Dec 2022</u> \$'000	<u>31 Dec 2021</u> \$'000
At beginning of the period	5,371	15,403
Dividend in specie distributed to the owners of the Company (Note 10A)	(4,183)	–
Fair value loss recognised in other comprehensive income (Note 20C)	(1,013)	(4,459)
At end of the period	<u>175</u>	<u>10,944</u>

The quoted equity investments relate to ordinary shares in the issued capital of Aspen which is listed on the Main Board of SGX-ST. The fair value is derived based on quoted market prices in active market at the end of the reporting period (Level 1).

13B. Unquoted equity investments at FVTOCI

	<u>Unaudited</u> <u>6 months ended</u> <u>31 Dec 2022</u> \$'000	<u>31 Dec 2021</u> \$'000
At beginning of the period	7,099	7,292
Foreign exchange adjustments	(246)	(7)
At end of the period	<u>6,853</u>	<u>7,285</u>

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, using the comparable market price of similar real estate properties as at the end of the reporting period.

OXLEY HOLDINGS LIMITED

13. Other financial assets (cont'd)

13C. Derivative financial assets

	Unaudited 31 Dec 2022 \$'000	Audited 30 Jun 2022 \$'000	Unaudited 31 Dec 2021 \$'000
<u>Assets – derivatives with positive fair values:</u>			
Interest rate swap contracts ^(a)	–	703	–

^(a) The purpose of the interest rate swap 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 does not enter into derivative contracts for speculative purposes.

14. Assets and liabilities classified as held for sale

In April 2022, management committed to a plan to dispose of the Group's entire 80% equity interest in Phu Thinh Land Co., Ltd. ("Phu Thinh"). This has resulted in the reclassification of Phu Thinh's assets and liabilities to assets and liabilities classified as held for sale at 30 June 2022. The disposal of the subsidiary is expected to be completed in the current financial year.

14A. Assets and liabilities of disposal group held for sale

As at the end of the reporting period, the transaction was stated at fair value less costs to sell and comprised the following assets and liabilities:

	Unaudited 31 Dec 2022 \$'000	Audited 30 Jun 2022 \$'000	Unaudited 31 Dec 2021 \$'000
Other receivables, non-current	3	3	–
Development properties	25,851	26,136	–
Trade and other receivables	666	692	–
Other non-financial assets, current	5,284	5,503	–
Assets classified as held for sale	<u>31,804</u>	<u>32,334</u>	<u>–</u>
Trade and other payables	(126)	(117)	–
Other non-financial liabilities, current	(28)	(28)	–
Liabilities classified as held for sale	<u>(154)</u>	<u>(145)</u>	<u>–</u>

14B. Cumulative income or expenses recognised in other comprehensive income

There are no cumulative income or expenses included in other comprehensive income relating to the transaction.

OXLEY HOLDINGS LIMITED

15. Development properties

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Audited</u> <u>30 Jun 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
Completed development properties held for sale	124,306	128,835	100,535
Development properties in progress under:			
- revenue recognised over time	131,111	367,613	546,518
- revenue recognised at a point in time	74,765	100,656	91,732
	205,876	468,269	638,250
Mixed developments properties *	651,051	636,498	729,356
Contract assets (Note 15A)	519,721	477,188	285,862
	<u>1,500,954</u>	<u>1,710,790</u>	<u>1,754,003</u>

* Properties for mixed developments consist of residential units, office units, hotels, service residences and retail shops in the same development.

15A. The movements in contract assets are as follows:

	<u>Unaudited</u> <u>6 months ended</u> <u>31 Dec 2022</u> \$'000	<u>31 Dec 2021</u> \$'000
At beginning of the period	477,188	197,015
Consideration for work completed but not billed at the reporting date	357,999	340,197
Transfer to trade receivables	(314,924)	(251,342)
Foreign exchange adjustments	(542)	(8)
At end of the period	<u>519,721</u>	<u>285,862</u>

15B. Development properties are stated after allowance for foreseeable losses as follows:

	<u>Unaudited</u> <u>6 months ended</u> <u>31 Dec 2022</u> \$'000	<u>31 Dec 2021</u> \$'000
At beginning of the period	14,485	44,305
Impairment loss included in profit or loss under other losses (Note 7)	808	—
Reversal	—	(1,140)
Foreign exchange adjustments	(344)	22
At end of the period	<u>14,949</u>	<u>43,187</u>

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 with reference to valuation reports for the development project or comparable projects and prevailing property market conditions including the implication from the COVID-19 pandemic and rising interest rates. 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 and the implication from the COVID-19 pandemic and rising interest rates. The allowance charge for foreseeable losses is included in other losses.

OXLEY HOLDINGS LIMITED

16. Trade and other receivables

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Audited</u> <u>30 Jun 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
<u>Trade receivables:</u>			
Outside parties	202,400	178,649	129,953
Unbilled revenue ^(a)	627	781	1,171
Subtotal	<u>203,027</u>	<u>179,430</u>	<u>131,124</u>
<u>Other receivables:</u>			
Outside parties	–	–	28
Joint ventures	142,319	139,801	136,384
Associates	6,523	20,048	19,743
Related parties	4,560	4,501	5,066
Non-controlling interests in subsidiaries	2,880	2,900	2,878
Others	–	–	2,100
Subtotal	<u>156,282</u>	<u>167,250</u>	<u>166,199</u>
Total trade and other receivables	<u>359,309</u>	<u>346,680</u>	<u>297,323</u>

^(a) Upon the receipt of the Temporary Occupation Permit ("TOP"), the balance of sales consideration to be billed is presented as unbilled revenue.

During the six months ended 31 December 2022, an additional allowance for impairment on receivables amounting to \$620,000 (six months period ended 31 December 2021: \$307,000) was recognised in the profit or loss.

The following other receivables bear interest at 4.5% – 8% (30 June 2022: 3% – 8%; 31 December 2021: 3% – 8%) per annum:

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Audited</u> <u>30 Jun 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
Joint ventures	77,374	75,345	26,931
Associates	2,143	15,668	15,363
Related parties	<u>4,560</u>	<u>4,501</u>	<u>4,608</u>

17. Cash and cash equivalents

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Audited</u> <u>30 Jun 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
Restricted in use	21,572	21,557	34,087
Not restricted in use	40,015	77,117	72,349
Project Accounts ^(a)	<u>91,283</u>	<u>45,200</u>	<u>93,218</u>
	<u>152,870</u>	<u>143,874</u>	<u>199,654</u>

^(a) Payments from the buyers of the units in the Group's property development project are deposited into the Project Accounts. The withdrawals 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 and rules in those countries in which the Group operates.

The interest earning balances are not significant.

OXLEY HOLDINGS LIMITED

17. Cash and cash equivalents (cont'd)

17A. Cash and cash equivalents in the consolidated statement of cash flows

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
Amount as shown above	152,870	199,654
Cash restricted in use	<u>(21,572)</u>	<u>(34,087)</u>
	<u>131,298</u>	<u>165,567</u>

17B. Reconciliation of liabilities arising from financing activities

<u>Unaudited</u>	<u>Beginning of the period</u> \$'000	<u>Cash flows</u> \$'000	<u>Non-cash movement</u> ^(a) \$'000	<u>End of the period</u> \$'000
<u>31 Dec 2022</u>				
Other financial liabilities (current and non-current)	2,327,109	(166,007)	8,126	2,169,228
<u>31 Dec 2021</u>				
Other financial liabilities (current and non-current)	2,509,561	(205,068)	3,557	2,308,050

(a) Non-cash movement pertains to acquisition of assets under right-of-use assets, fair value changes of derivative financial liabilities, amortisation of transaction cost and foreign exchange movements.

18. Share capital

<u>Unaudited</u>	<u>Number of issued shares</u>		<u>Share capital</u>	
	<u>31 Dec 2022</u> '000	<u>31 Dec 2021</u> '000	<u>6 months ended 31 Dec 2022</u> \$'000	<u>31 Dec 2021</u> \$'000
At beginning of the period	4,267,118	4,264,013	305,078	304,558
Shares issued under the Scrip Dividend Scheme	–	3,105	–	534
At end of the period	<u>4,267,118</u>	<u>4,267,118</u>	<u>305,078</u>	<u>305,092</u>

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

Convertible Notes

As at 31 December 2022, total number of shares that may be issued on conversion under the terms of the Convertible Notes is 385,948,800 ordinary shares (30 June 2022: 400,492,800; 31 December 2021: 388,396,800), based on the initial conversion price of \$0.25, and assuming (a) an USD: SGD exchange rate of US\$1:S\$1.3401 (30 June 2022: US\$1:S\$1.3906; 31 December 2021: US\$1:S\$1.3486), (b) full conversion of the issued Convertible Notes, and (c) no adjustment events. There has been no conversion of the Convertible Notes since the date of issue.

18. Share capital (cont'd)

Convertible Notes (cont'd)

The Company has fully redeemed all the Convertible Notes, together with all accrued and unpaid interest and the applicable Redemption Premium, in cash on 19 January 2023, and the Convertible Notes have been cancelled. Accordingly, all Conversion Rights under the Convertible Notes have ceased to be exercisable.

Warrants

On 21 April 2021, the Company issued 199,810,898 non-listed warrants to an unrelated lender in lieu of payment of finance costs under a facility agreement entered into by the Company and the lender on 17 September 2020.

There has been no exercise of the Warrants since the date of issues. The Warrants have expired on 20 October 2022 and any subscription rights not exercised have lapsed and the Warrants have ceased to be valid for any purpose (Note 20D).

As at 31 December 2022, there were no ordinary shares that may be issued on exercise under the terms of the Warrants (30 June 2022: 199,810,898; 31 December 2021: 199,810,898).

The total number of shares that may be issued on conversion of all the outstanding Convertible Notes and unexercised warrants amounted to 385,948,800 shares as at 31 December 2022 (30 June 2022: 600,303,698; 31 December 2021: 588,207,698), constituting 9.14% (30 June 2022: 14.17%; 31 December 2021: 13.87%) of the total number of issued ordinary shares, excluding treasury shares.

19. Treasury shares

<u>Unaudited</u>	<u>Number of</u> <u>Treasury shares</u>		<u>Treasury shares</u>	
	<u>6 months ended</u>			
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
	'000	'000	\$'000	\$'000
At beginning of the period	30,034	27,429	8,063	7,638
Shares purchased and held as treasury shares during the period	14,529	–	2,221	–
At end of the period	<u>44,563</u>	<u>27,429</u>	<u>10,284</u>	<u>7,638</u>

Treasury shares relate to ordinary shares of the Company that are held by the Company. The purchase prices of the treasury shares during the six months period ended 31 December 2022 ranged from \$0.140 to \$0.176 per share.

OXLEY HOLDINGS LIMITED

20. Other reserves

	<u>Unaudited</u> 31 Dec 2022 \$'000	<u>Audited</u> 30 Jun 2022 \$'000	<u>Unaudited</u> 31 Dec 2021 \$'000
Foreign currency translation reserve (Note 20A)	(35,789)	(13,622)	1,392
Asset revaluation reserve (Notes 20B)	215,281	210,930	160,627
Fair value reserve (Note 20C)	(788)	(18,618)	(13,045)
Warrant reserve (Note 20D)	–	7,201	7,201
Others (Note 20E)	3,629	3,629	3,629
	<u>182,333</u>	<u>189,520</u>	<u>159,804</u>

Other reserves are not available for cash dividends unless realised.

20A. Foreign currency translation reserve

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

20B. Asset revaluation reserve

The asset revaluation reserve arises from the 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.

20C. Fair value reserve

The fair value reserve arises from the revaluation of financial assets measured at FVTOCI. It is not distributable until it is reclassified to retained earnings upon disposal of the assets.

The Company distributed certain equity investments measured at FVTOCI by way of dividend *in specie* during the six months ended 31 December 2022. The Group has transferred \$18,843,000 from fair value reserve to retained earnings.

20D. Warrant reserve

The warrant reserve represents the fair value of the unexercised warrants on the date of issuance.

The Warrants have expired on 20 October 2022 and any warrant subscription rights not exercised have lapsed and the Warrants have ceased to be valid for any purpose. The Group has transferred \$7,201,000 from warrant reserve to retained earnings.

20E. Others

Others arise from the excess of proceeds over cost of placing the treasury shares.

OXLEY HOLDINGS LIMITED

21. Other financial liabilities

	<u>Unaudited</u> 31 Dec 2022 \$'000	<u>Audited</u> 30 Jun 2022 \$'000	<u>Unaudited</u> 31 Dec 2021 \$'000
<u>Non-current</u>			
Financial instruments with floating interest rates:			
Loans (secured)	802,385	161,950	140,993
Less: Unamortised transaction costs	(2,306)	(438)	(581)
Subtotal	800,079	161,512	140,412
Financial instruments with fixed interest rates:			
Loans (secured)	100,000	100,000	–
Loans (unsecured)	1,850	2,480	83,110
Convertible notes	–	–	86,446
Fixed rate notes	204,000	204,000	230,000
Less: Unamortised transaction costs	(1,579)	(2,010)	(2,515)
Derivative financial liabilities (Note 24)	–	–	3,250
Lease liabilities	54,667	59,348	68,818
Subtotal	358,938	363,818	469,109
Total non-current portion	1,159,017	525,330	609,521
<u>Current</u>			
Financial instruments with floating interest rates:			
Loans (secured)	613,680	1,270,196	1,216,279
Loans (unsecured)	–	–	125,000
Less: Unamortised transaction costs	(3,230)	(2,818)	(2,256)
Subtotal	610,450	1,267,378	1,339,023
Financial instruments with fixed interest rates:			
Loans (secured)	214,647	356,179	236,245
Loans (unsecured)	1,260	1,260	21,260
Convertible notes	96,464	93,936	–
Fixed rate notes	73,936	73,936	99,188
Less: Unamortised transaction costs	(338)	(2,260)	(6,195)
Derivative financial liabilities (Note 24)	4,053	–	2,620
Lease liabilities	9,739	11,350	6,388
Subtotal	399,761	534,401	359,506
Total current portion	1,010,211	1,801,779	1,698,529
Total non-current and current	2,169,228	2,327,109	2,308,050

Convertible Notes

On 19 January 2021, the Company issued 4.5% convertible notes of US\$72,000,000 in aggregate principal amount under a subscription agreement entered into with a third party.

As at 31 December 2022, the derivative financial instrument included fair value of embedded convertible option in Convertible Notes amounting to Nil (30 June 2022: Nil; 31 December 2021: \$3,250,000). The fair value of the embedded convertible option is estimated based on the Trinomial Option Pricing Model (Level 2).

The Company has fully redeemed all the Convertible Notes, together with all accrued and unpaid interest and the applicable Redemption Premium, in cash on 19 January 2023, and the Convertible Notes have been cancelled. Accordingly, all Conversion Rights under the Convertible Notes have ceased to be exercisable.

21. Other financial liabilities (cont'd)

Details of collaterals

- (a) Legal mortgages on certain properties classified as property, plant and equipment, investment properties and development properties.
- (b) 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 with respect to the proposed developments, property, plant and equipment and investment properties.
- (c) Fixed and floating charges on relevant present and future assets.
- (d) Charge over shares held by the Company in certain subsidiaries.
- (e) Assignment and/or subordination of all shareholder loans.
- (f) Corporate guarantees by the Company.
- (g) Corporate guarantees by non-controlling shareholders of non-wholly owned subsidiaries for loans and borrowings amounting to \$46,200,000 (30 June 2022: \$47,100,000).
- (h) Deed of subordination of loans from shareholders and related companies of the subsidiaries.
- (i) Compliance with certain covenants.

As at 31 December 2022, the Group has other financial liabilities (exclude derivative financial liabilities) amounting to \$1,006,158,000 due in the next twelve months after the end of the reporting period. As at the date of these financial statements authorised for issue, management is satisfied that the Group and the Company will be able to generate sufficient funds from their operations, obtain further credit facilities and/or refinance current financial liabilities as and when necessary.

22. Other non-financial liabilities

	<u>Unaudited</u> 31 Dec 2022 \$'000	<u>Audited</u> 30 Jun 2022 \$'000	<u>Unaudited</u> 31 Dec 2021 \$'000
<u>Non-current</u>			
Deposits received	700	107	95
<u>Current</u>			
Advanced rental	50	129	39
Contract liabilities	13,689	37,452	32,964
Deposits received	2,873	2,930	2,769
Subtotal	16,612	40,511	35,772
Total other non-financial liabilities	17,312	40,618	35,867

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

OXLEY HOLDINGS LIMITED

23. Trade and other payables

	<u>Unaudited</u> 31 Dec 2022 \$'000	<u>Audited</u> 30 Jun 2022 \$'000	<u>Unaudited</u> 31 Dec 2021 \$'000
<u>Trade payables:</u>			
Outside parties and accrued liabilities	268,359	239,820	232,926
<u>Other payables:</u>			
Outside parties	43,984	72,693	94,879
Joint ventures	1,936	2,025	2,717
Associates	16,187	6,917	3,717
Related parties	15,949	7,800	34,294
Non-controlling interests in subsidiaries	50,068	50,671	49,915
Subtotal	128,124	140,106	185,522
Total trade and other payables	396,483	379,926	418,448

Other payables to non-controlling interests in subsidiaries are advances received to finance the property development activities.

Other payables from the following parties bear interest at 5.35% – 8.00% (30 June 2022: 5.35% – 8.00%; 31 December 2021: 5.35% – 8.00%) per annum:

	<u>Unaudited</u> 31 Dec 2022 \$'000	<u>Audited</u> 30 Jun 2022 \$'000	<u>Unaudited</u> 31 Dec 2021 \$'000
Joint ventures	–	–	1,266
Related parties	15,949	7,800	34,300
Non-controlling interests	8,971	8,887	6,021
Outside parties	6,500	6,500	–

24. Derivative financial liabilities

	<u>Unaudited</u> 31 Dec 2022 \$'000	<u>Audited</u> 30 Jun 2022 \$'000	<u>Unaudited</u> 31 Dec 2021 \$'000
<u>Liabilities – derivatives with negative fair values:</u>			
Embedded convertible option in Convertible Notes (Note 21)	–	–	3,250
Interest rate swap contracts ^(a)	–	–	2,620
Exchange rate forward contracts ^(b)	4,053	–	–
Total derivative financial liabilities	4,053	–	5,870
Non-current portion	–	–	3,250
Current portion	4,053	–	2,620
	4,053	–	5,870

^(a) The purpose of these interest rate swap contracts is to mitigate the fluctuations of transactions denominated in the non-functional currencies and floating interest rates of loans and borrowings. As a matter of principle, the Group does not enter into derivative contracts for speculative purposes.

^(b) The purpose of these exchange rate forward contracts is to mitigate the fluctuations of transactions denominated in the non-functional currencies of loans and borrowings. As a matter of principle, the Group does not enter into derivative contracts for speculative purposes.

OXLEY HOLDINGS LIMITED

25. Commitments

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

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Audited</u> <u>30 Jun 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
Development expenditure contracted for development properties	<u>969,594</u>	<u>862,414</u>	<u>991,951</u>

26. Categories of financial assets and liabilities

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

	<u>Unaudited</u> <u>31 Dec 2022</u> \$'000	<u>Audited</u> <u>30 Jun 2022</u> \$'000	<u>Unaudited</u> <u>31 Dec 2021</u> \$'000
<u>Financial assets:</u>			
At amortised cost	1,231,957	1,165,101	975,687
At FVTPL (derivative instruments)	–	703	–
At FVTOCI (equity instruments)	<u>7,028</u>	<u>12,470</u>	<u>18,229</u>
	<u>1,238,985</u>	<u>1,178,274</u>	<u>993,916</u>
<u>Financial liabilities:</u>			
At amortised cost	2,561,658	2,707,035	2,720,628
At FVTPL (derivative instruments)	<u>4,053</u>	<u>–</u>	<u>5,870</u>
	<u>2,565,711</u>	<u>2,707,035</u>	<u>2,726,498</u>

27. Litigation cases

Legal proceedings against Oxley Sanctuary Pte Ltd ("Oxley Sanctuary")

In May 2019, the owners of 19 units (the "Plaintiffs") at KAP Mall commenced legal proceedings against Oxley Sanctuary, a 55%-owned subsidiary of the Company. The Plaintiffs alleged that the marketing agent which Oxley Sanctuary had appointed ("marketing agent") and / or other co-broke agents, acting on behalf of Oxley Sanctuary, had represented to each of the Plaintiffs that McDonald's and / or Cold Storage were returning as stores at the KAP Mall ("alleged misrepresentations") and further claim that Oxley Sanctuary is vicariously liable for the alleged misrepresentations. The Plaintiffs have not quantified their claims.

Oxley Sanctuary has refuted the Plaintiff's claims and has in turn commenced a third party claim against the marketing agent on the basis that if the alleged misrepresentations were made, they would have been made in breach of the contractual obligations, tortious duties and fiduciary duties owed by the marketing agent to Oxley Sanctuary.

As the proceeding is on-going, based on external legal advice, management held the view that it is possible, but not probable nor practicable to estimate the financial effect, if any. Accordingly, no provision for any liability has been made in these financial statements.

REGISTERED OFFICE OF THE ISSUER

Oxley MTN Pte. Ltd.
138 Robinson Road #30-01
Oxley Tower
Singapore 068906

REGISTERED OFFICE OF THE GUARANTOR

Oxley Holdings Limited
138 Robinson Road #30-01
Oxley Tower
Singapore 068906

ARRANGERS

Credit Suisse (Singapore) Limited
1 Raffles Link
#03/#04-01 South Lobby
Singapore 039393

DBS Bank Ltd.
12 Marina Boulevard, Level 42
Marina Bay Financial Centre Tower 3
Singapore 018982

DEALERS

Credit Suisse (Singapore) Limited
1 Raffles Link
#03/#04-01 South Lobby
Singapore 039393

DBS Bank Ltd.
12 Marina Boulevard, Level 42
Marina Bay Financial Centre Tower 3
Singapore 018982

**PRINCIPAL PAYING AGENT, REGISTRAR
AND TRANSFER AGENT**

**Deutsche Bank Aktiengesellschaft, acting
through its branch in Hong Kong**
Level 52, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

**CDP LODGING AND PAYING AGENT, CDP
REGISTRAR AND CDP TRANSFER AGENT**

Deutsche Bank AG, Singapore Branch
One Raffles Quay
#16-00 South Tower
Singapore 048583

TRUSTEE

DB International (Trust) Singapore Limited
One Raffles Quay
#16-00 South Tower
Singapore 048583

LEGAL ADVISERS

to the Issuer and the Guarantor as to Singapore law

Allen & Gledhill LLP
One Marina Boulevard
#28-00
Singapore 018989

*to the Arrangers and the Dealers as to Singapore
and English laws*

Clifford Chance Pte. Ltd.
Marina Bay Financial Centre
25th Floor, Tower 3
12 Marina Boulevard
Singapore 018982

to the Trustee as to English laws

Clifford Chance
27th Floor, Jardine House
One Connaught Place
Hong Kong

INDEPENDENT AUDITORS

RSM Chio Lim LLP
8 Wilkie Road
#04-08, Wilkie Edge
Singapore 228095