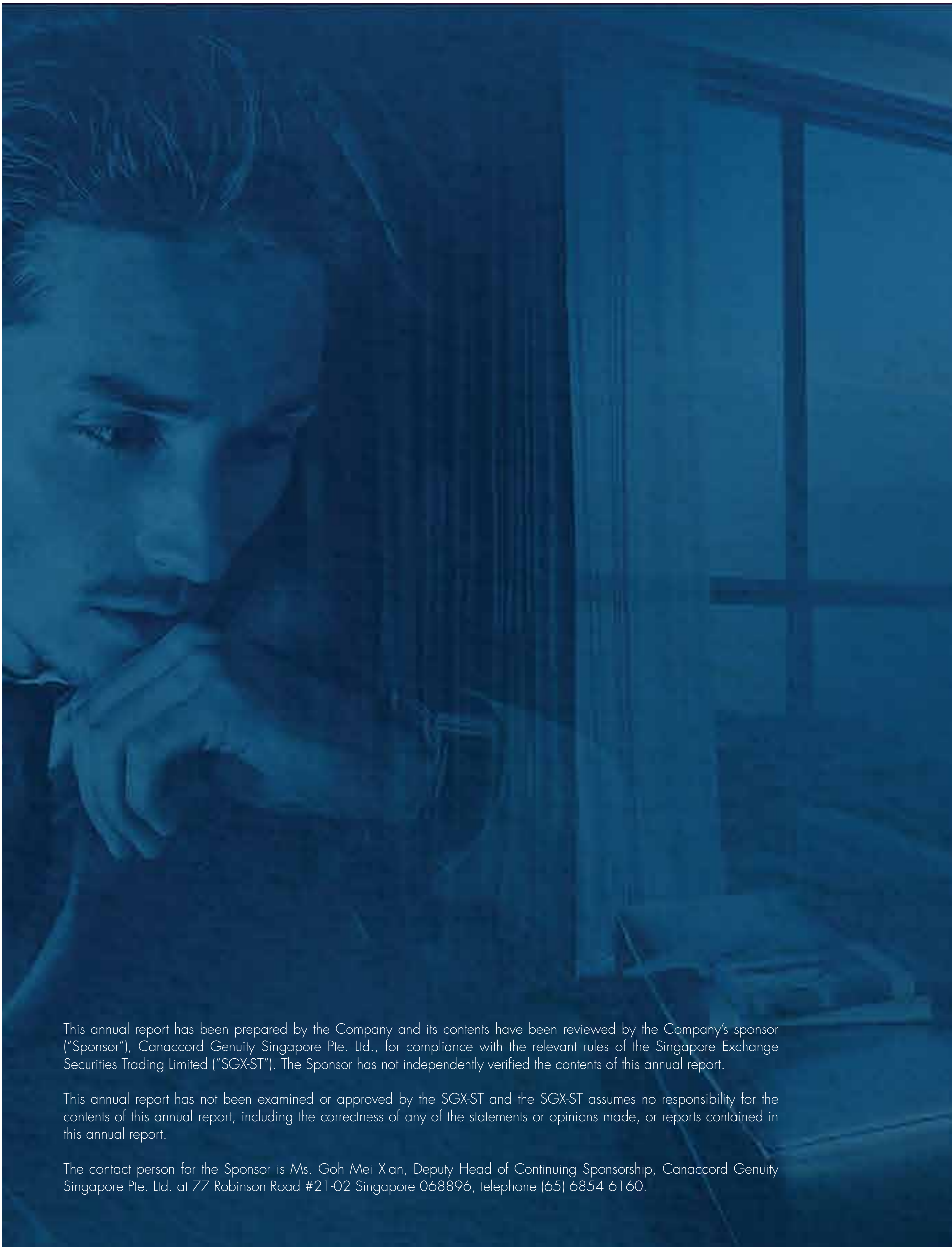
POLLUX PROPERTIES

HARVESTING VALUE
SUSTAINING RETURNS

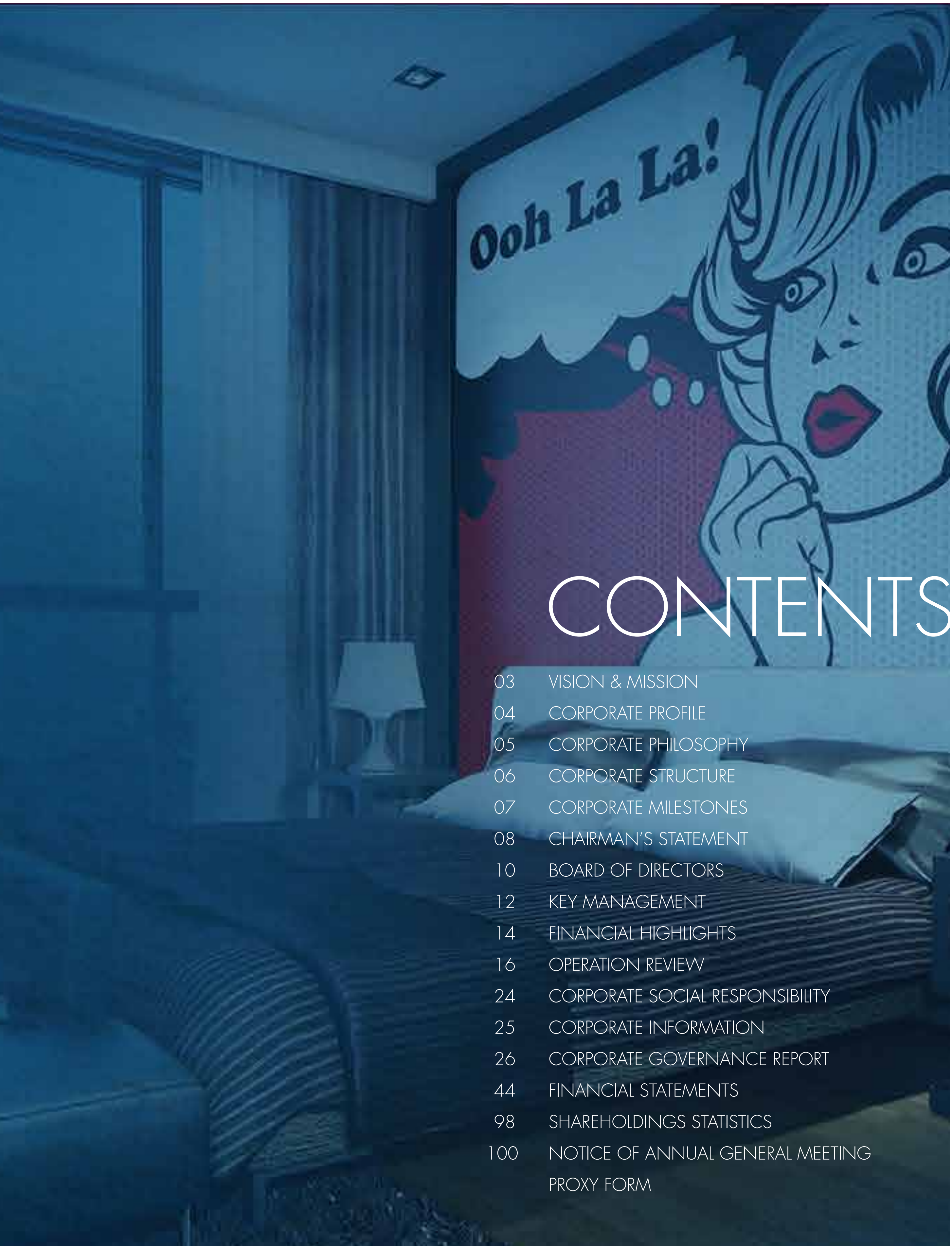
ANNUAL REPORT 2015



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

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

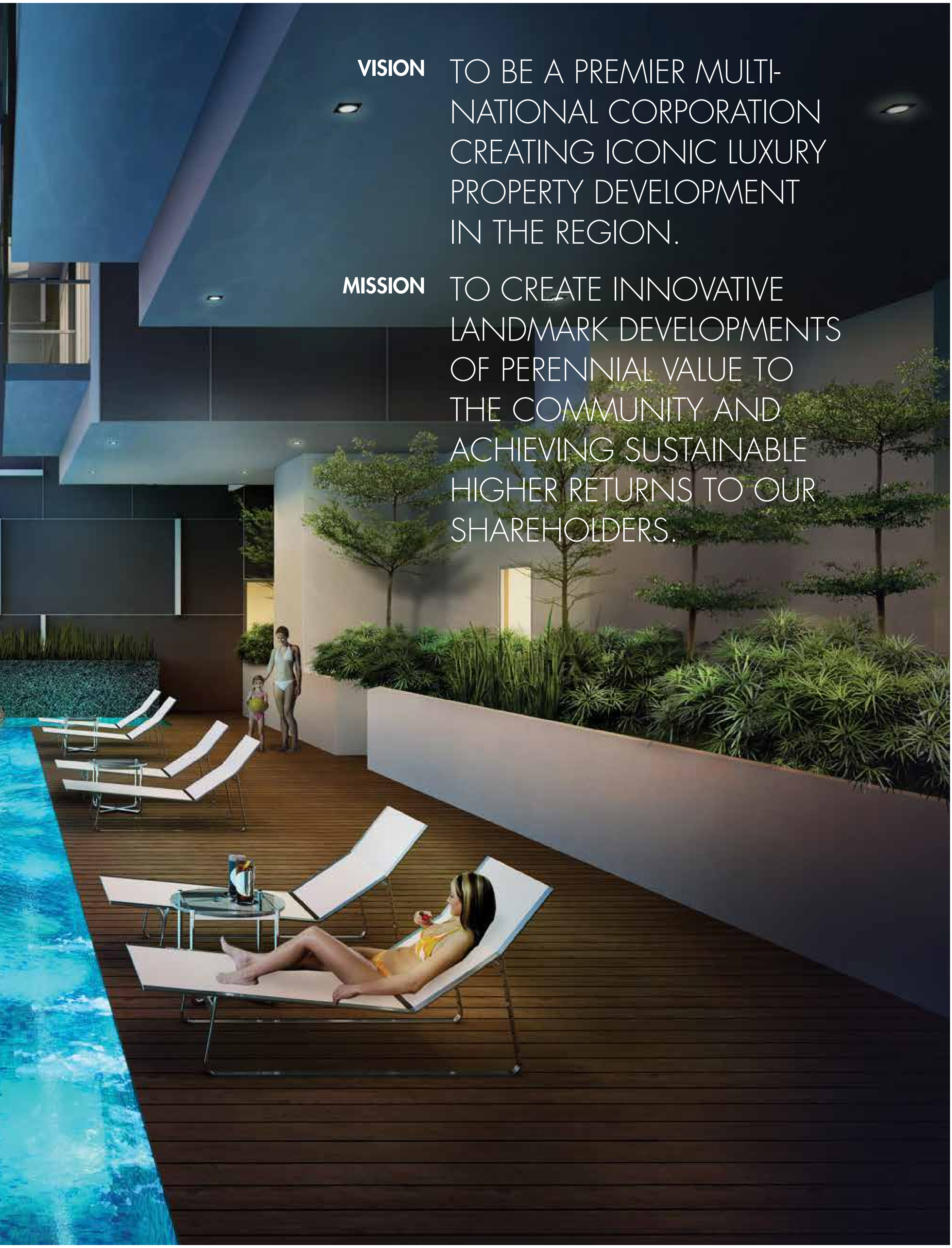
The contact person for the Sponsor is Ms. Goh Mei Xian, Deputy Head of Continuing Sponsorship, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.



CONTENTS

The pursuit of excellence and perfection
are embedded into everything we do.
We build the future through confidence and trust.
We build lasting impressions, long-term value
and peace of mind.
We build excellence and perfection through our people.
Our commitment –

TOGETHER WE BUILD EXCELLENCE.


VISION
TO BE A PREMIER MULTI-NATIONAL CORPORATION CREATING ICONIC LUXURY PROPERTY DEVELOPMENT IN THE REGION.
MISSION
TO CREATE INNOVATIVE LANDMARK DEVELOPMENTS OF PERENNIAL VALUE TO THE COMMUNITY AND ACHIEVING SUSTAINABLE HIGHER RETURNS TO OUR SHAREHOLDERS.

CORPORATE PROFILE

Pollux Properties Ltd. ("Pollux", and together with its subsidiaries, the "Group") is a listed property developer (since 19 July 2000) in Singapore with an exclusive focus on the development of residential and commercial properties. The Group actively engages in the business of developing upmarket real estate projects, with the key aim of creating homes reflecting the philosophy of lavish and modern living.

Pollux develops upmarket real estate projects with discernible style and luxurious quality. We are committed to developing the best residential as well as commercial properties. Pollux looks forward to embarking on multiple projects that will give the Group a greater presence in the property market both as an investor and developer.

CORPORATE PHILOSOPHY

Excellence in crafting great homes and plush communities starts by working with leading interior designers and suppliers of the best home fittings.

Relationships built on integrity and trust are important to us because we believe in building homes, not just apartments.

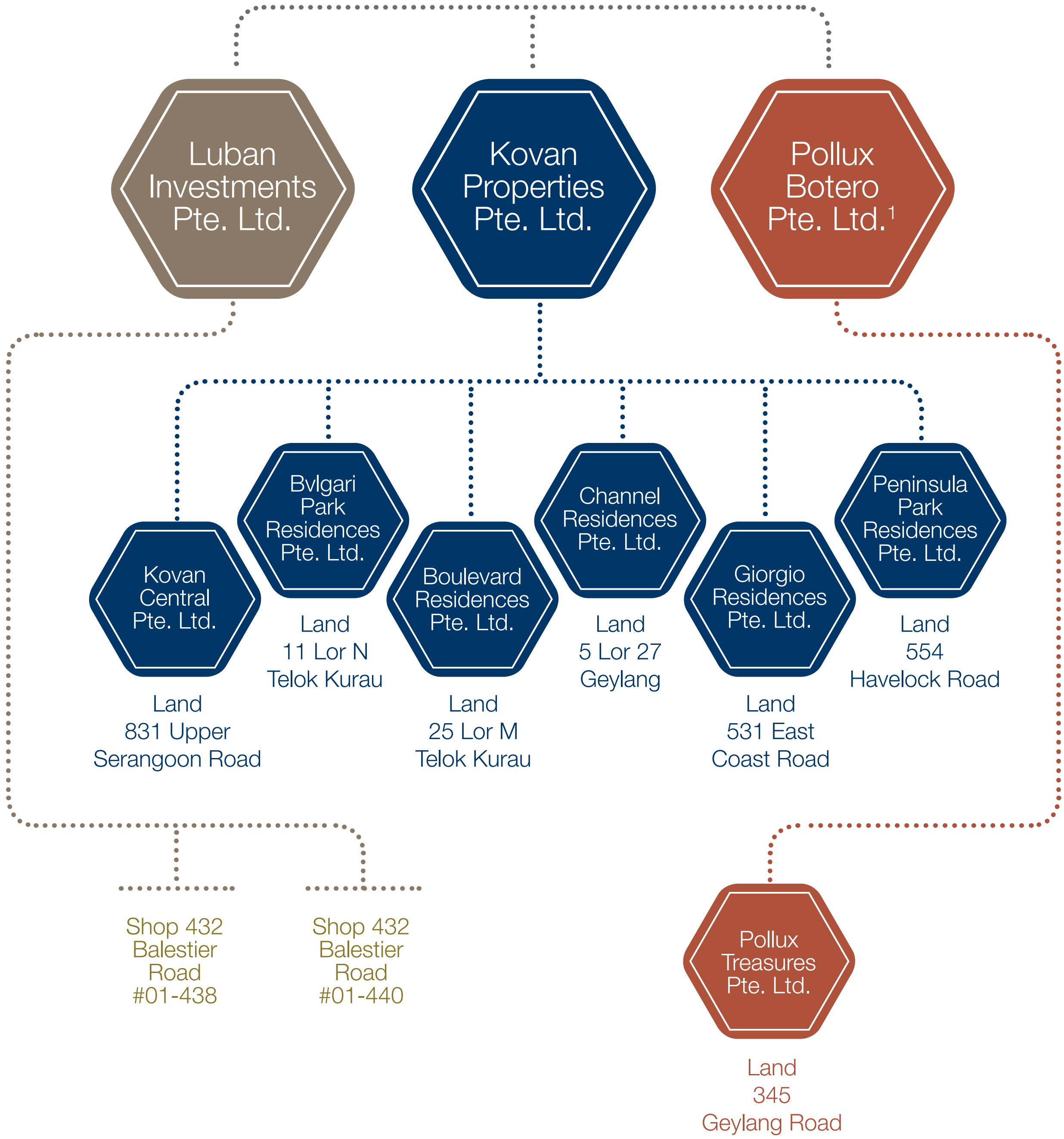
Refined luxury to us means tasteful finishings and intricate pairings. Simply put, we are making it a point to fuss over every detail even when you are not.

Passion for details sets Pollux apart. We are constantly in the search of the best materials befitting your dream home. We want to make moving in a pleasure and living as leisurely as possible. That's why we call it home, it's the way living is meant to be.

Sustainability should be at the start of every venture and not its end. Pollux prefers to work backwards with a clear end in mind. That means sharing our vision of great dwelling places and plush communities with our customers, a robust business for our investors and a responsibility to share our success with the community.

CORPORATE STRUCTURE

POLLUX
PROPERTIES



[1] Pollux Botero Pte. Ltd. is a 50:50 joint venture with Goldman Morgan Holdings Pte. Ltd.

CORPORATE MILESTONES

2010

OCT
CEO of Pollux awarded 2010 Successful Entrepreneur Award

2011

MAR
Acquired land at 831 Upper Serangoon Road

JUL
CEO of Pollux awarded Excellence Leadership Award of the 10th Asia Pacific International Entrepreneur Award 2011

Acquired land at 11 Lorong N Telok Kurau

AUG
Acquired land at 25 Lorong M Telok Kurau

Acquired land at 554 Havelock Road

Launched and sold 100% of Park Residences Kovan located at 831 Upper Serangoon Road

SEPT
Divested non-core business Cream Studio Pte. Ltd. and Cream Furniture Pte. Ltd.

OCT
CEO of Pollux awarded 2011 Successful Entrepreneur Award

Acquired land at 5 Lorong 27 Geylang Road

NOV
CEO of Pollux awarded Asia Pacific TOP CEO for year 2011/2012

Pollux awarded Diamond Eye Award for Quality Commitment and Excellence

DEC
Divested non-core business Builders Shop Pte. Ltd.

2012

JAN
Acquired land at 531 East Coast Road

MAR
Acquired land at 345 Geylang Road

MAY
Joint Venture between Pollux Botero Pte. Ltd. and Goldman Morgan Holdings Pte. Ltd.

Divested non-core business Pacific Royal Group Pte. Ltd.

JUL
Received Singapore 1000 company – Public Listed Companies 2012 Award

AUG
Launched Metro Loft located at 5 Lorong 27 Geylang Road

2013

MAR
Launched Pavilion Square located at 345 Geylang Road

APR
Launched Garden Park Residences located at 25 Lorong M Telok Kurau

MAY
Launched Mayfair Residences located at 531 East Coast Road

NOV
Launched Berkeley Residences located at 11 Lorong N Telok Kurau

2014

NOV
Obtained TOP for Louis Kienne Serviced Residences

2015

JAN
Soft launch of Louis Kienne Serviced Residences

FEB
Obtained Certification of Statutory Completion for Park Residences Kovan

MAR
Received Singapore 1000 company – Public Listed Companies 2015 Award

CHAIRMAN'S STATEMENT

"The Group has achieved a significant increase of 57% in revenue of $13.8 million."

Dear Shareholders,

It has been a stellar year for Pollux Properties Ltd. ("Pollux Properties"), and the Board is pleased to present a solid set of financial results for the financial year ended 31 March 2015 ("FY2015").

This bears testament to the strength of our sound operations, our dedicated team, and our premier developments despite the challenges in the relatively soft property industry today.

BUILDING EXCELLENCE TOGETHER

Our hard work and foresight in the last few years have definitely been paid off. With the Group's transformation following the strategic divestment of non-core business units, as well as our renewed focus on our core property development business, we have successfully delivered value to our shareholders through improved earnings. The Group intends to continue to build on this excellent foundation despite the challenges presented by the property industry and macro-economy moving forward.

FINANCIAL HIGHLIGHTS

The Group recorded a strong revenue growth of 57.1% in FY2015 as project revenue was recognised from residential projects at various stages of completion: Metro Loft Residences, Garden Park Residences, Berkeley Residences and Mayfair Residences. Our newly launched serviced apartments, Louis Kienne Serviced Residences contributed S$0.68 million in revenue during the financial year. As a result, the Group's revenue rose from S$24.12 million in the financial year ended 31 March 2014 ("FY2014") to S$37.88 million in FY2015.

Net profit attributable to shareholders soared 821.70% from S$0.23 million in the FY2014 to S$2.12 million in FY2015.

Our balance sheet position as at 31 March 2015 is extremely healthy as cash and cash equivalents stands at S$16.85 million, representing a 73.5% improvement over S$9.71 million as at 31 March 2014. We closed the fiscal year with marked improvement on all fronts – total shareholders' equity at S$48.83 million, earnings per share at 0.34 cents, as well as net asset value per share of 7.84 cents.

PROJECT UPDATES

To date, five of our freehold projects have been substantially sold and we are seeing good progress on actual construction. Barring unforeseen circumstances, these projects are expecting to receive TOP in the financial years ending 31 March 2016 and 31 March 2017.

In addition, Louis Kienne Serviced Residences which comprises 96 units of one, two and three-bedroom serviced apartments, have commenced operations in December 2014 and is seeing positive growth in occupancy rates.

OUTLOOK

The Group expects the challenging operating environment for property developers to prevail in the coming year, as we could see the cumulative impact of the various cooling measures introduced by the Singapore Government. The implementation of the Total Debt Servicing Ratio (TDSR) framework in June 2013 has led to a significant decrease in new home sales across the island.

In the first quarter of 2015, prices of private properties decreased a further 1%, representing the sixth continuous quarter of price decrease. Despite lower prices, purchase of residential apartments has remained slow, indicating that home buyers are remaining prudent and adopting a wait-and-see approach.

Even as Singapore's property market seems set to remain in a down-cycle, the longer-term outlook for the residential market remains positive in land-scarce Singapore and the Group is expected to benefit from the continued initiatives by the Singapore Government to promote population and economic growth. Meanwhile, we intend to explore suitable investment opportunities in Singapore and the South East Asia region moving forward.

With the commencement and growth of the operation of Louis Kienne Serviced Residences at 554 Havelock Road, we are also on track to widening our revenue streams. Eventually, this business is expected to provide stable and long-term recurring income.

Although the leasing market was buoyant in 2014, leasing demand this year is expected to be affected by corporate belt-tightening and organisational revamps, which may result in fewer foreign expatriate arrivals. This means that leasers will likely to favour smaller homes, HDB flats and even individual rooms in both private and public developments in 2015.

As such, we believe that style, attention to detail and quality are distinctive factors that set apart our Louis Kienne Serviced Residences. Since our soft launch in January 2015, occupancy rates have surpassed the average range in some months, and we see this as an encouraging indication of healthy demand. We expect occupancy rates to continue to be on an uptrend as we continue to market the serviced residences business, and eventually have a positive impact on our revenue growth.

APPRECIATION

During FY2015, Mr Bambang Widaryatmo and myself have joined the Audit Committee and the Remuneration and Nominating Committee as members, while Mr Tan Kay Kiang has resigned as a member of both abovementioned committees but remains as an active member of the Board.

We have also appointed Mr Chan Tee Yong as our Deputy Financial Controller, as well as Mr Choy Kong Yan as our General Manager. Both gentlemen bring a wealth of experience from listed companies in Singapore and the region. We look forward to working closely with them in the coming years.

Our achievements in this past year would not have been possible without our tremendous team effort of all our staff, their passion and drive. In particular, I would like to extend my appreciation to Dr Nico Purnomo Po, our Chief Executive Officer, who has led the Group to great successes in recent years. His leadership, vision and indomitable spirit have been key to our accomplishments.

I would also like to thank the members of the Board for their commitment, support and continued dedication to the business.

Moving ahead, I look forward to another exciting year ahead with the Board and management team as we strive together to build on this solid foundation for Pollux Properties.

Last but not least, my heartfelt thanks to you, our valued shareholders, for your continued trust and support. We look forward to seeing you at the upcoming Annual General Meeting.

Timur Pradopo
Non-Executive Chairman

BOARD OF DIRECTORS

front row left to right:
DR. NICO PURNOMO PO, MR. TIMUR PRADOPO

back row left to right:
MR. LOW CHAI CHONG, MR. TAN KAY KIANG, MR. BAMBANG WIDARYATMO and MR. JAMES KHO CHUNG WAH

MR. TIMUR PRADOPO

Mr. Pradopo, 59, was appointed as an Independent Director of the Company on 18 March 2014. He was the former Head of Indonesian Police from 2010 – 2013. He has 35 years of experience in the Indonesian Police Department and held several high-ranking positions in the Indonesian Police Department such as the Head of Central Jakarta Police Department (in 2010) as well as the Head of West Java Police Department (from 2008 to 2010).

Mr. Pradopo graduated from the Indonesian Police Academy in 1978 and the Indonesian Police Higher Administration Staff School in 2001. He was last re-elected as a Director of the Company on 25 July 2014. He does not hold any directorship in other listed companies whether in or outside Singapore.

DR. NICO PURNOMO PO

Mr. Po, 33, is the Chief Executive Officer of the Company. He is responsible for the management and operation of the Group and the implementation of the Group's strategies and policies.

Mr. Po holds a Bachelor's degree in Computing from National University of Singapore in 2003. The honorary doctorate in business administration was bestowed on him by InterAmerican University in 2011. He does not hold any directorship in other listed companies whether in or outside Singapore.

MR. TAN KAY KIANG

Mr. Tan, 69, was appointed as a Director and Executive Chairman of the Company on 12 August 1999. On 31 March 2008, he resigned as the executive Chairman but remains as an executive Director of the Company. He was responsible for the Group's financial and corporate management. On 31 July 2009, Mr. Tan was re-designated as a non-Executive Director of the Company.

Mr. Tan holds a Bachelor of Science degree from Nanyang University of Singapore. He was last re-elected as a Director of the Company on 25 July 2012. He does not hold any directorship in other listed companies whether in or outside Singapore.

MR. LOW CHAI CHONG

Mr. Low, 52, was appointed as an Independent Director of the Company on 1 September 2010. Mr Low is also the Lead Independent Director of the Company. He is an advocate & solicitor of the Supreme Court of Singapore. He joined Rodyk & Davidson LLP in 1986, and has been with the same firm his entire career. He has many years of legal experience, representing MNCs, financial institutions and listed companies in a wide array of commercial and corporate matters regionally, including dispute resolution.

Mr. Low graduated from National University of Singapore with a Bachelor of Laws (Honours) degree. He is also the Non-Executive Chairman and Lead Independent Director of Moya Holdings Asia Limited and Non-Executive Chairman of China Gaoxian Fibre Fabric Holdings Ltd. (a company listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). He was last re-elected as a Director of the Company on 25 July 2014.

MR. BAMBANG WIDARYATMO

Mr. Widaryatmo, 61, was appointed as an Independent Director of the Company on 18 March 2014. He is the former Chief of the Police Forces of East Kalimantan from 2011 to 2012. He was the Investigation Director of Indonesia Anti-Corruption Committee from 2008 to 2009.

Mr. Widaryatmo graduated from the Indonesian Police Academy in 1978. He was last re-elected as a Director of the Company on 25 July 2014. He does not hold any directorship in other listed companies whether in or outside Singapore

MR. JAMES KHO CHUNG WAH, CFA

Mr. Kho, 39, was appointed as an Independent Director of the Company on 29 May 2014. He has over 13 years of investment banking and regulatory experience and has held various senior positions in the investment banking and corporate finance departments of international banks and major local securities houses. He started his career in the equity markets with the Issuer Regulation Department of Singapore Exchange, where he was involved in the review of listing applications and ensuring continuing compliance of listed companies. Currently, he is the co-founder and Managing Director of Willan Capital Pte. Ltd. as well as the Executive Director of Pacific Star (Greater China) Pte. Ltd.

Mr. Kho has been awarded the CFA Charter and is a member of the CFA Institute. He has obtained his Bachelor of Business (Second Upper Honours) degree from Nanyang Technological University of Singapore, majoring in financial analysis and minor in applied economics. He is also Independent Director of Serramo Limited (a company listed on the Catalyst of the SGX-ST). He was last re-elected as a Director of the Company on 25 July 2014.

KEY MANAGEMENT

left to right:
MR. HENDRY SUGIANTO, MS. BECKY NG BEE KIAN, MR. CHOY KONG YAN, MR. JASON LEE CHONG LEONG, MR. CHAN TEE YONG and MS. SUSIE THNG SOCK CHING

MR. CHOY KONG YAN

Mr. Choy Kong Yan, 49, is the General Manager of the Company. He joined the Company in May 2014. He holds a Bachelor of Engineering from Monash University and a Master of Business Administration from University of South Australia. He is a senior member of the Institution of Engineers, Singapore, Chartered Professional Engineer of Institution of Engineers, Australia and Chartered member of Institute of Logistic and Transport. He is also a Registered Professional Engineer in Singapore. He has 24 years of experience in construction and property development industries.

MR. CHAN TEE YONG

Mr. Chan Tee Yong, 30, is the Deputy Financial Controller of the Company. He joined the Company in August 2014. He is responsible for overseeing the finance and accounting functions of the Company and the Group. Prior to joining the Company, he was an assistant Financial Controller of a company listed on SGX-ST. Prior to that, he has served as an auditor in Ernst & Young LLP and Deloitte & Touche (Malaysia).

Mr. Chan holds a Bachelor of Business majoring in Accounting and Finance from the University of Technology, Sydney. He is a Certified Public Accountant in Australia and also a Chartered Accountant with the Institute of Singapore Chartered Accountants.

MR. HENDRY SUGIANTO

Mr. Sugianto, 36, is the Project Manager of the Company. He joined the Company in March 2009. He is responsible in project development from inception through completion, managing design and contracts. He provides support to marketing efforts in construction of showflats and in content supply for project brochures and websites. He has over 10 years of experience in the building related industry including serving as a designer in architectural practices and a listed hospitality group. He holds a Masters degree in Architecture.

MS. BECKY NG BEE KIAN

Ms. Becky Ng, 35, is the Corporate Affairs Manager of the Company. She joined the Company in November 2009. Her responsibilities include corporate secretariat support; communicating of important organisational issues to the Board and administer corporate and constitutional issues. She is also in-charge of the sales of properties. Prior to joining the Company, she had 8 years of experience in leasing and property management of serviced apartments, serviced offices and commercial properties in Singapore, Hong Kong and Shanghai.

Ms. Ng holds a Diploma in Hotel and Travel Management and a Bachelor of Arts (Honours) majoring in International Business Management from Northumbria University, Newcastle UK.

MS. SUSIE THNG SOCK CHING

Ms. Susie Thng, 62, is the Accounting and Finance Manager of the Company. She joined the Company in April 2010. Prior to joining the Company, Ms. Thng has been involved in the business of property development, construction and building materials for more than 15 years.

Ms. Thng's responsibilities include overseeing the Group's accounts and financial administrative matters. She holds a Diploma in Management from the Singapore Institute of Management.

MR. JASON LEE CHONG LEONG

Mr. Jason Lee, 36, is the Project Manager of the Company. He joined the Company in June 2014. He is responsible for the project management of the Company's various development projects from inception stage of design to construction and completion, including controlling of cost, ensuring contractor's quality of works and timely completion. Prior to joining the Company, he has 10 years of experience in managing building conversion projects, including conservation buildings, which underwent major A&A works, and was also involved in facilities management.

Mr. Lee graduated from the National University of Singapore in 2004 with a Bachelor of Science (Honours) degree majoring in Building.

FINANCIAL HIGHLIGHTS

	FY2015	FY2014	% CHANGE
Revenue (S$m)	37.88	24.12	**57.1** ▲
EBIDTA (S$m)	3.57	0.88	**305.6** ▲
PATMI (S$m)	2.12	0.23	**821.70** ▲
Earnings per Share (cents)	0.34	0.04	**750.00** ▲
NAV per Share (cents)	7.84	7.50	**4.5** ▲
Return on Equity (%)	4.34	0.49	**785.70** ▲

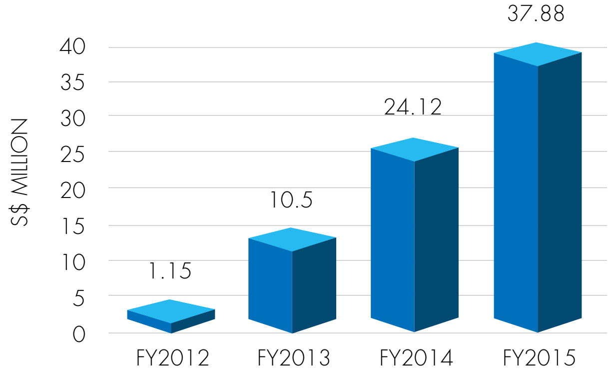
	FY2015	FY2014	% CHANGE
Total Equity (S$m)	48.83	46.71	**4.5** ▲
Cash and Cash Equivalents (S$m)	16.85	9.71	**73.5** ▲
Net Debt (%)	73.77	73.95	**(0.2)** ▼
Gearing Ratio (%)	60.2	61.3	**(1.8)** ▼
Loans and Borrowings (S$m)	71.01	67.90	**4.6** ▲
Interest Coverage Ratio (times)[1]	8.59	6.25	**37.4** ▲

Note 1: The Interest Coverage Ratio did not include the interest expenses capitalised under development properties

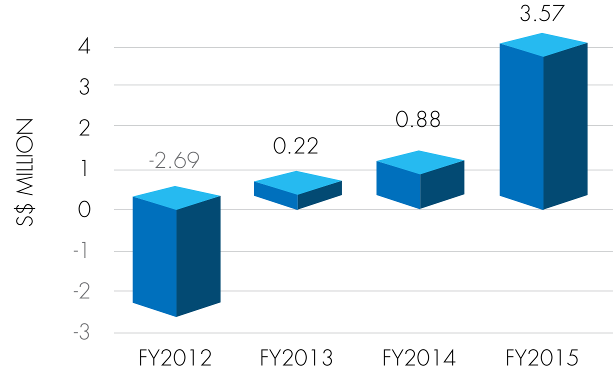
FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS FOR THE LAST FOUR FINANCIAL YEARS

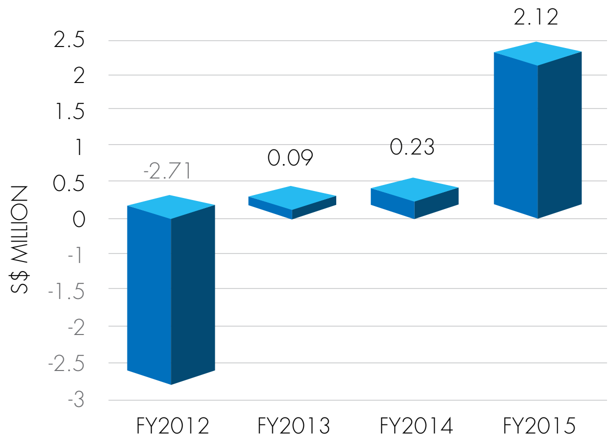
REVENUE



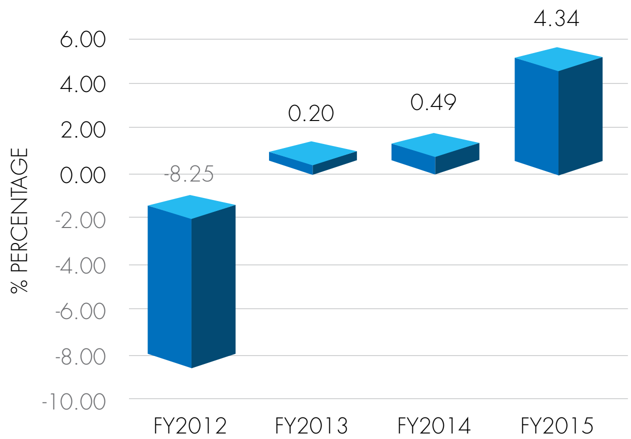
EBITDA



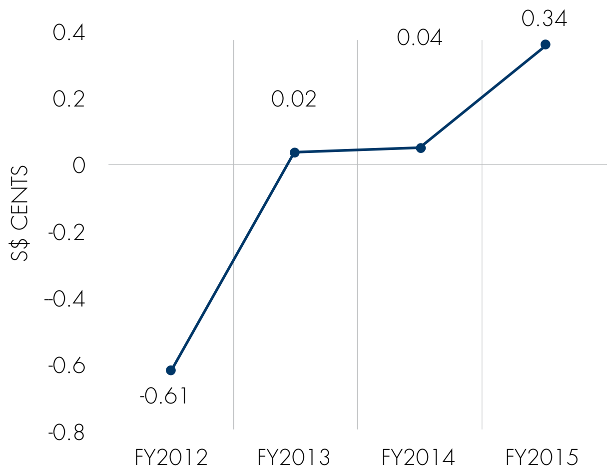
PATMI



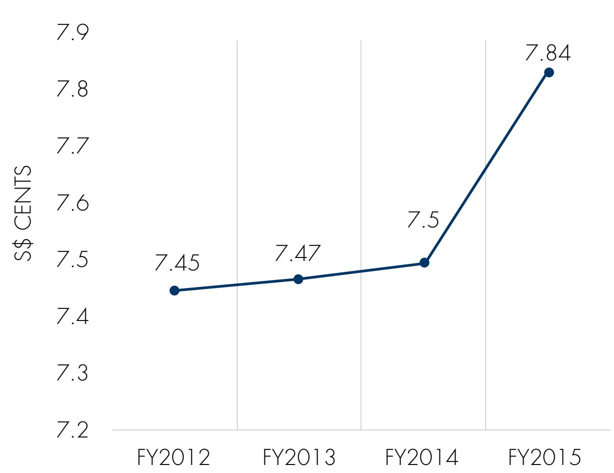
RETURN ON EQUITY



EARNINGS PER SHARE



NET ASSETS VALUE PER SHARE



OPERATION REVIEW

HIGHLIGHTS FOR FY2014 AND FY2015

January 2015

Soft launch of Louis Kienne Serviced Residences

February 2015

Park Residences Kovan obtained Certification of Statutory Completion

The Group's revenue increased by S$13.76 million or 57.1% from S$24.12 million in FY2014 to S$37.88 million in FY2015. Property Development segment contributed 98% of the Group's revenue in FY2015 and 2% from the Property Investment segment.

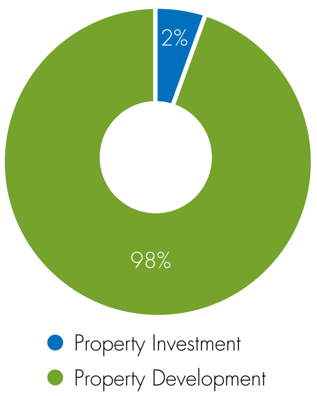
The increase was mainly due to project revenue recognised from the residential projects, namely Metro Loft Residences, Garden Park Residences, Berkeley Residences and Mayfair Residences. In addition, the Group's newly operated serviced apartments, Louis Kienne Serviced Residences, contributed S$0.68 million in revenue in FY2015.

In FY2015, the property development segment contributed 91% to the Group's operating profit while the property investment segment contributed 9%.

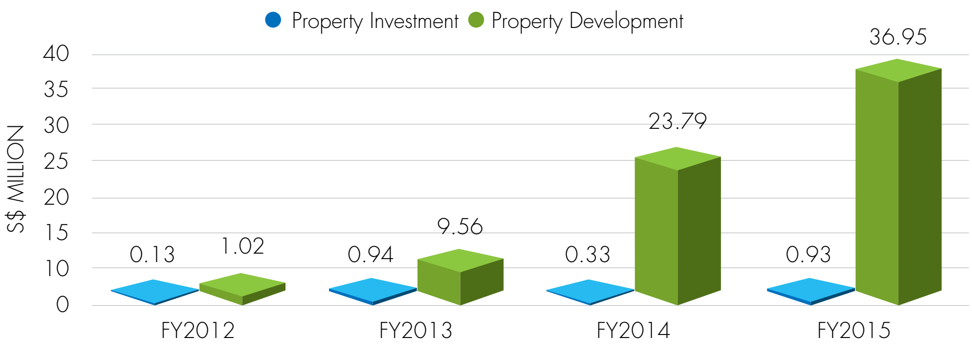
OPERATION REVIEW

REVENUE BY BUSINESS SEGMENTS

REVENUE IN FY2014/2015

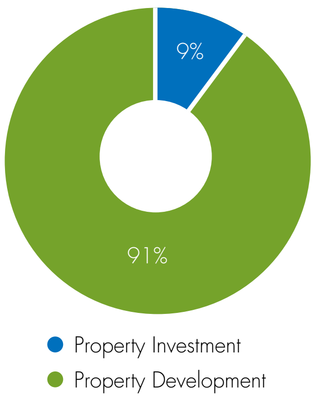


4 YEARS REVENUE BY BUSINESS SEGMENTS

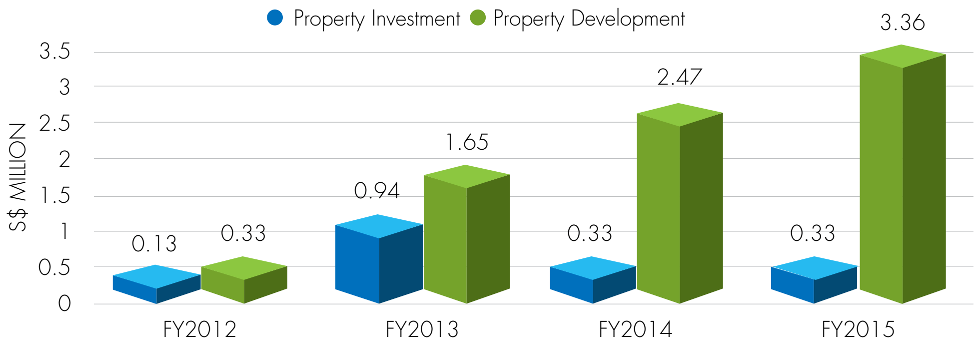


OPERATING PROFIT BY BUSINESS SEGMENTS

OPERATING PROFIT IN FY2014/2015



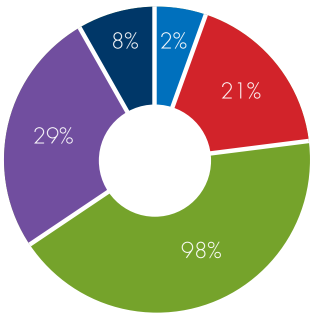
4 YEARS OPERATING PROFIT BY BUSINESS SEGMENTS



OPERATION REVIEW

REVENUE IN FY2014/2015
FOR PROPERTY DEVELOPMENT AND PROPERTY INVESTMENT

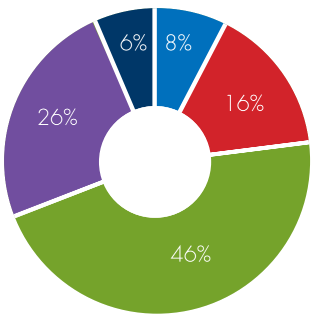
REVENUE



REVENUE	S$'000	PERCENTAGE %
Rental	936	2%
Metro Loft	7,950	21%
Garden Park Residences	15,265	40%
Berkeley Residences	10,959	29%
Mayfair Residences	2,771	8%
TOTAL	**37,881**	**100%**

OPERATING PROFIT IN FY2014/2015
FOR PROPERTY DEVELOPMENT AND PROPERTY INVESTMENT

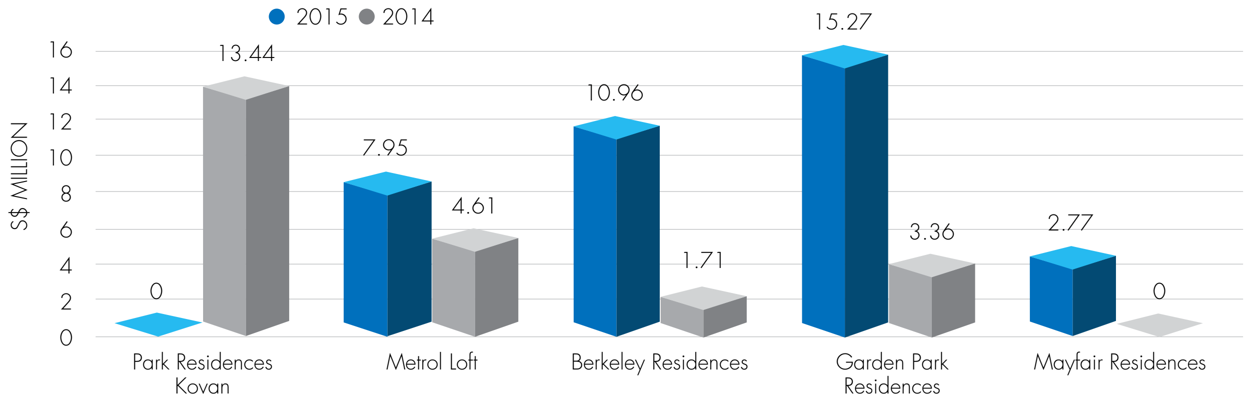
OPERATING PROFIT



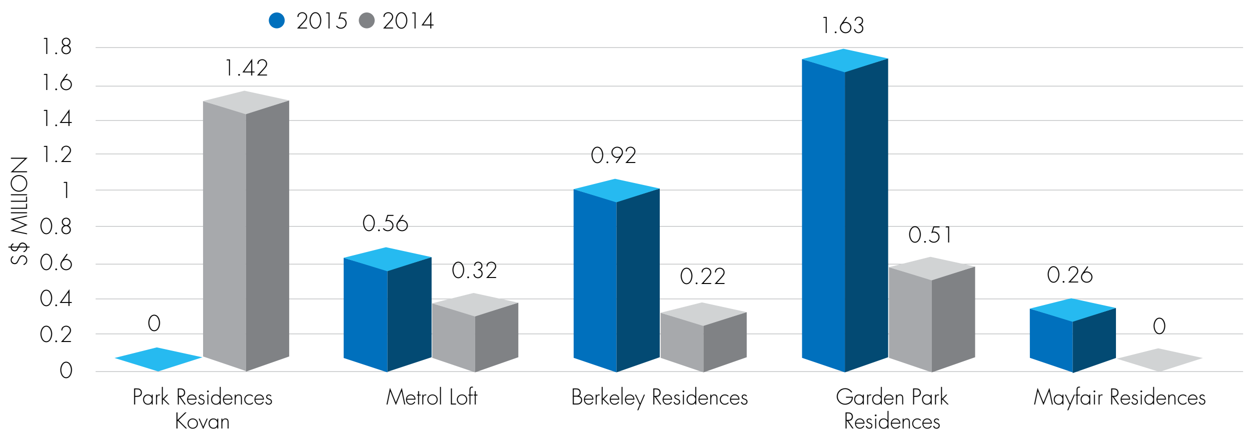
REVENUE	S$'000	PERCENTAGE %
Rental	333	9%
Metro Loft	558	15%
Garden Park Residences	1,634	44%
Berkeley Residences	917	25%
Mayfair Residences	255	7%
TOTAL	**3,697**	**100%**

OPERATION REVIEW

REVENUE IN FY2015 VS FY2014 BY PROJECTS



OPERATING PROFITS IN FY2015 VS FY2014 BY PROJECTS



OPERATION REVIEW

Park Residences Kovan

Park Residences Kovan is our first development project launched in August 2011 and was fully sold within a month. This project is located at Upper Serangoon Road which comprises 41 units featuring four penthouses, two of which comes with its own plunge pool. The project has obtained Certificate of Statutory Completion ("CSC") in February 2015.

Metro Loft

Metro Loft, launched in August 2012, is an exclusive freehold development situated in one of the most bustling district in the Central – Eastern part of Singapore, and was fully sold within two months of its launch. Metro Loft offers 31 units with nine penthouses adorned with spacious and private balconies.

Pavilion Square

Our first mixed development project, Pavilion Square which was launched in March 2013, comprises 42 residential units and 93 commercial units. The new freehold urban landmark, is probably the Group's best investment when it comes to location. The cleverly mixed residential and commercial development is built around its occupants in mind. Situated in the heart of Geylang's most vibrant location and access to the city major highways and public transportation, Pavilion Square will be the ultimate benchmark for the next residential and commercial developments. The project is fully sold. TOP is expected to be obtained in March 2016.

PROJECTS	LAUNCH	TOTAL AREA (SQM)	TENURE	TOTAL UNIT	UNIT SOLD (AS OF 12 JUN 2015)	UNIT SOLD %	EST. TOP	CONSTRUCTION PROGRESS % (As of 12 JUN 2015)
Park Residences Kovan	August 2011	1118.90	Freehold	41	41	100	February 2014	100 (obtained CSC in Feb 2015)
Metro Loft	August 2012	469.70	Freehold	31	31	100	June 2015	75
Pavilion Square* (Residential)	March 2013	660.00	Freehold	42	42	100	March 2016	32
Pavilion Square* (Commercial)	March 2013	690.00	Freehold	93	93	100	March 2016	32

Above information are as of 12 June 2015

*50:50 joint venture with Goldman Morgan Holdings Pte. Ltd.

OPERATION REVIEW

Garden Park Residences

Garden Park Residences is 100% sold and is currently 70% completed. A 5 storey freehold private sanctuary comprises 36 units ranging from 1+1 to 5 bedrooms units. The purpose of the build development theme and idea was to create a habitat that inspires its occupants to relax, retreat and be happy. This is ideal living and a unique location to raise a family. This project is expecting TOP by December 2015.

Mayfair Residences

Launched in May 2013, Mayfair Residences is the epitome of luxury lifestyle and living. Each of the 20 exclusive 3-bedroom unit is an oasis of peace, comfort and tranquility. The development is strategically located between the nostalgic Katong and charming East Coast district. Mayfair Residences unites urban convenience which only the finest developer can deliver. It redefines upscale luxury living with exquisite design and build quality, high floor to ceiling glass, amenities such as the ultramodern kitchen with premium fittings and fixtures and the contemporary modern-inspired bathrooms. This project is 80% sold. Its target completion is by June 2016.

Berkeley Residences

Berkeley Residences is 100% sold and 88% completed. The 22 units luxurious freehold development theme is about pairing individualism, taste and experience. And what is quality living without quality fittings and fixtures. Its peaceful and laid back location in Telok Kurau offers diversified living experience for every urban dweller. This project is expecting TOP by December 2015.

PROJECTS	LAUNCH	TOTAL AREA (SQM)	TENURE	TOTAL UNIT	UNIT SOLD (AS OF 12 JUN 2015)	UNIT SOLD %	EST. TOP	CONSTRUCTION PROGRESS % (As of 12 JUN 2015)
Garden Park Residences	April 2013	1805.10	Freehold	36	36	100	December 2015	70
Mayfair Residences	May 2013	2109.10	Freehold	20	16	80	June 2016	14
Berkeley Residences	November 2013	1125.80	Freehold	22	22	100	December 2015	88

Above information are as of 12 June 2015

OPERATION REVIEW

REVENUE FOR FY2014 VS FY2015

PROPERTY INVESTMENT

FY2014 S$'MIL | **FY2015 S$'MIL**

The Group's revenue from Property Investment segment increased from S$0.33 million in FY2014 to S$0.93 million in FY2015.

Overall, Property Investment segment contributed 2% in revenue and 9% in operating profit. Louis Kienne Serviced Residences at Havelock Road soft launched in January 2015 and both retail shops along Balestier Road are currently tenanted.

PROPERTY	TENURE	UNIT	OCCUPANCY AS OF 31 MAY 2015
Louis Kienne Serviced Residences at 554 Havelock Road	Leasehold	96	55%
432 Balestier Road #01-438	Freehold	1	100%
432 Balestier Road #01-440	Freehold	1	100%

OPERATION REVIEW

A 4 star serviced residences featuring 96 fully-furnished contemporary 1,2, and 3 bedroom apartments.

CORPORATE SOCIAL RESPONSIBILITY

We are committed to protecting and conserving the environment that our business operates in.

ENVIRONMENT

Initiatives have been taken to develop buildings which comply with the guidelines set by the local building authorities as well as adopt strategies which are more socially responsible by incorporating more greens, landscaping, better facilities and innovative house design into our projects to improve the quality of the environment The Group has also adopted the International Organisation for Standardisation (ISO) in Quality Management and Environmental Management.

COMMUNITIES INVOLVEMENT

We strongly encourage our staff to recycle items and to reduce wastage; employees are encouraged to donate unwanted but usable items to charitable organisations and participate in volunteer works and activities. The Group also donated remaining stocks from divested business such as old furnitures, tiles and stones to Fo Guang Shan Temple and St. Peter and Paul Church.

The Group had donate to UOB Heartbeat Run/Walk and our employees had joined the Run/Walk this year to raise fund for Singapore's underprivileged children.

EMPLOYEE

The Group provides opportunities for staff to improve their levels of skills and knowledge to increase workplace productivity and staff statisfaction. Staff attended seminars and training programmes covering areas on Audit, Accounting, Taxation, Project Management and Corporate Governance Compliance. The Group also embark on Occupation Safety and Health Programmes to raise awareness amongst our employees on the importance of adopting an active and healthy lifestyle. Employees actively engage themselves through social and recreational interaction and employee bonding activities.

CORPORATE INFORMATION

DIRECTORS

Timur Pradopo
Nico Purnomo Po
Tay Kay Kiang
Low Chai Chong
Bambang Widaryatmo
James Kho Chung Wah
Tan Nan Choon
(alternate director to Tan Kay Kiang)

COMPANY SECRETARY

Chew Bee Leng

REGISTERED OFFICE

391A Orchard Road
#08-07 Ngee Ann City Tower A
Singapore 238873
Tel: +65 6922 0333
Fax: +65 6922 0338

BANKERS

United Overseas Bank Limited
Hong Leong Finance Limited
Oversea-Chinese Banking Corporation Limited
Bank of China Limited
Malayan Banking Berhad

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

M & C Services Private Limited
112 Robinson Road
#05-01
Singapore 068902

AUDITORS

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge: Eleanor Lee
Date of appointment: Since financial year ended 31 March 2011

SPONSOR

Canaccord Genuity Singapore Pte. Ltd.
77 Robinson Road
#21-02
Singapore 068896

CORPORATE GOVERNANCE REPORT

Pollux Properties Ltd. (the "Company") and its subsidiaries (collectively, the "Group") are committed to maintaining a high standard of corporate governance within the Group so as to ensure greater transparency and protection of shareholders' interests. The Group supports the spirit of the Code of Corporate Governance 2012 (the "Code"), whilst also recognising that it needs to develop and maintain its own corporate governance processes to meet its specific business needs.

This report outlines the Group's corporate governance processes and structures that were in place throughout the financial year ended 31 March 2015 ("FY2015"), with specific reference made to each of the principles of the Code.

The Board of Directors (the "Board" or "Directors") of the Company confirms that, for FY2015, the Group has generally adhered to the principles and guidelines as set out in the Code. Any deviations from the Code are disclosed and explained in this report.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with the Management to achieve this objective and the Management remains accountable to the Board.

Role of the Board

The primary role of the Board is to protect and enhance long-term value and returns for the shareholders. The Board approves the Group's strategic plans, key business initiatives, major investments and funding decisions, and ensures the business affairs of the Group are effectively managed and conducted by an executive management of the Company (the "Management").

The Board has adopted internal guidelines for cheque signatories and operating expenditures to optimise operational efficiency. Additionally, the Board has direct responsibility for decision-making in respect of the following:

(a) setting the strategic directions and goals of the Company and ensuring that adequate resources are available to meet these objectives;

(b) establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding shareholders' interests and the Company's assets;

(c) overseeing and monitoring the management and affairs of the Company;

(d) monitoring the Management's performance towards achieving organisational goals;

(e) ensuring accurate and timely reporting to, and communication with shareholders;

(f) ensuring the Company's compliance with laws, regulations, policies, directives, guidelines and internal code of conduct;

(g) determining the Company's values and standards including ethical standards; and

(h) considering sustainability issues of policies and procedures including environmental and social factors in the formulation of the Company's strategies.

Each individual Director has objectively discharge his duties and responsibilities at all times as fiduciaries in the interests of the Company. Directors who are in any way, directly or indirectly, interested in a transaction or proposed transaction will declare the nature of their interests in accordance with the provisions of the Companies Act, Chapter 50 of Singapore (the "Companies Act").

The Company has adopted internal guidelines governing matters that require the Board's approval and clear directions have also been given to the Management that the following matters must be approved by the Board:

(a) material acquisition and disposal of assets/investments;

(b) corporate/financial restructuring and corporate exercise;

(c) material financial/funding arrangements and capital expenditures; and

(d) policies and procedures, delegation of authority matrix, code of conduct and business ethic.

All relevant information on material events and transactions are circulated to the Directors as and when they arise.

To facilitate effective management and without abdicating the Board's responsibility, certain functions of the Board have been delegated to various Board committees ("Board Committees"). The Board is assisted by an Audit Committee ("AC") as well as a Remuneration and Nominating Committee ("RNC"), each of which functions are clearly defined in their respective terms of reference and operating procedures which are reviewed by the Board on a regular basis. The RNC and AC comprise Non-Executive Directors, all of whom including the Chairman, are independent.

Board Meetings and Meetings of Board Committees

The Board meets on a half-yearly basis to review the financial performance of the Group and approve the release of the Group's half year and full year financial results. Additional meetings of the Board may be held as and when circumstances require. The Articles of Association of the Company (the "Articles") allow Board meetings to be conducted by way of teleconference or videoconference. The Directors normally set dates of the meetings of the Board well in advance.

Each Director's attendance at meetings of the Board and Board Committees held in FY2015 are set out below:

Name of Director/ Meeting	**Board**		**Audit Committee**		**Remuneration and Nominating Committee**	
	No. of Meetings*	**Attendance***	**No. of Meetings***	**Attendance***	**No. of Meetings***	**Attendance***
Nico Purnomo Po	2	2	N.A.	N.A.	N.A.	N.A.
Tan Kay Kiang(1)	2	2	1	1	1	1
Low Chai Chong	2	2	2	2	1	1
Koh Teng Kiat(2)	0	0	0	0	0	0
Timur Pradopo(3)	2	2	1	1	0	0
Bambang Widaryatmo(4)	2	2	1	1	0	0
James Kho Chung Wah(5)	2	2	2	2	1	1

* Refers to meetings held and attended while each Director was in office

(1) Mr Tan Kay Kiang resigned as a member of the AC and RNC on 13 August 2014.
(2) Mr Koh Teng Kiat resigned as a Director on 4 April 2014.
(3) Mr Timur Pradopo was appointed as a member of the AC and RNC on 13 August 2014.
(4) Mr Bambang Widaryatmo was appointed as a member of the AC and RNC on 13 August 2014.
(5) Mr James Kho Chung Wah was appointed as a Director on 29 May 2014.

CORPORATE GOVERNANCE REPORT

Training and Development of Directors

The Management will organise orientation programmes for new Directors to familiarise them with the Group's operations and business issues as well as the relevant regulations and governance requirements.

The Company provides ongoing education to the Directors on Board processes, corporate governance practices and updates on changes to laws and regulations. The Directors are also encouraged to keep themselves abreast of latest developments relevant to the Company or themselves. Where necessary, the Directors will be updated on new legislations and/or regulations and changing commercial risks, from time to time, which are relevant to the Group. New releases issued by the Singapore Exchange Securities Trading Limited ("SGX-ST") and Accounting and Corporate Regulatory Authority which are relevant to the Directors are circulated to the Board. The Directors are kept informed of upcoming conferences and seminars relevant to their roles as Directors of the Company. Such conferences and seminars as well as other training courses will be arranged and funded by the Company for all Directors. Annually, the external auditors will update the AC and the Board on any new and revised financial reporting standards which are relevant to the Group.

Newly appointed Directors will be issued with a formal letter by the Company Secretary explaining their duties and obligations as a Director upon their appointment.

Board Composition and Guidance

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board presently comprises six (6) Directors, four (4) of whom are Independent Directors. Details of the Directors are as set out below:

Name of Director	Position held on the Board and Board Committees served on (if any)	Board appointment whether executive, non-executive or independent	Date of first appointment	Date of last re-election
Nico Purnomo Po	Director and Chief Executive Officer	Executive	31 March 2008	Not applicable[1]
Tan Kay Kiang	Director	Non-Executive	12 August 1999	25 July 2012
Low Chai Chong	Director, Chairman of RNC and member of AC	Non-Executive/ Independent	1 September 2010	25 July 2014
Timur Pradopo	Chairman of the Board and member of AC and RNC	Non-Executive/ Independent	18 March 2014	25 July 2014
Bambang Widaryatmo	Director and member of AC and RNC	Non-Executive/ Independent	18 March 2014	25 July 2014
James Kho Chung Wah	Director, Chairman of AC and member of RNC	Non-Executive/ Independent	29 May 2014	25 July 2014

(1) Under Article 99 of the Company's Articles, the Managing Director of the Company (or any Director holding an equivalent appointment) is not subject to retirement by rotation.

CORPORATE GOVERNANCE REPORT

The profiles and key information of the individual Directors as well as their respective shareholdings in the Company are set out in the "Board of Directors" and "Directors' Report" sections of this annual report respectively.

There is presently a strong and independent element on the Board, with Independent Directors constituting more than half of the Board, which is in line with the Code. The independence of the Directors is reviewed annually by the RNC. The RNC adopts the Code's definition as to what constitutes an Independent Director in its review. In addition, each Independent Director is required to complete a Director's Independence Checklist annually to confirm his independence based on the guidelines as set out in the Code. Taking into consideration the RNC's review, the Board is of the view that Mr Low Chai Chong, Mr Timur Pradopo, Mr Bambang Widaryatmo and Mr James Kho Chung Wah are independent. None of the Independent Directors has served on the Board beyond nine (9) years from the date of his appointment.

The size and composition of the Board is reviewed on an annual basis by the RNC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. When a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the RNC, in consultation with the Board, determines the selection criteria and selects candidates with the appropriate expertise and experience for the position. The RNC then nominates the most suitable candidate for appointment by the Board to the Company.

The Board and the RNC have considered and are satisfied that the current size of the Board of six (6) Directors is appropriate taking into consideration the existing nature and scope of the operations of the Group.

The Board and the RNC are also satisfied that the current Board as a group has core competencies in accounting and finance, business and management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge.

The Non-Executive Directors provide, amongst other things, strategic guidelines to the Company based on their professional knowledge and experience. They constructively challenge and help develop directions on strategy and review the performance of the Management in achieving agreed targets and objectives. To facilitate a more effective check on the Management, the Non-Executive Directors are encouraged to arrange for meetings without the Management being present at times deemed necessary.

In general, the Board is able to exercise objective judgment independently from the Management and no individual or small group of individuals dominates the decision-making of the Board.

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

There is a clear division of roles and responsibilities between the Chairman, Mr Timur Pradopo, and the Chief Executive Officer ("CEO"), Dr Nico Purnomo Po. The Chairman leads and manages the business of the Board whilst the CEO and his team of management staff translate the Board's decisions into executive action.

Mr Timur Pradopo, Chairman of the Board, is responsible for:

(a) leading the Board to ensure its effectiveness on all aspects of its role;

(b) determining the agenda for the meeting and instructing the Company Secretary to disseminate it to all Directors at least seven (7) days before the meeting;

(c) promoting a culture of openness and debate within the Board;

(d) ensuring the Board members engage the Management in constructive debate on various matters including strategic issues;

(e) ensuring that the Directors receive complete, adequate and timely information;

(f) ensuring effective communication with shareholders;

(g) facilitating the effective contribution of Non-Executive Directors in particular; and

(h) continuous pursuance of high standards of corporate governance.

The CEO is responsible for implementing the Group's strategies and policies, making strategic and business investment decisions as well as the overall management and performance of the Group. The Board is of the opinion that there is a balance of power and authority within the Board.

As recommended by the Code, the Board has appointed an Independent Director, Mr Low Chai Chong, as the Lead Independent Director. Mr Low Chai Chong chairs the RNC and is also a member of the AC. In accordance with the Code, Mr Low Chai Chong is available to shareholders when they have concerns which contact through the normal channels has failed to resolve, or for which such contact is inappropriate.

Led by the Lead Independent Director, the Company's Independent Directors will meet, where necessary, without the presence of the other Directors and the Lead Independent Director will provide feedback to the Chairman and CEO after such meetings as appropriate.

Board Membership

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

The RNC was formed in June 2003 by the merger of the Nominating Committee and the Remuneration Committee of the Company. Currently, the RNC comprises four (4) Non-Executive Directors, all of whom including the Chairman of the RNC are independent. The Chairman of the RNC is not a substantial shareholder of the Company or directly associated with any substantial shareholder of the Company.

The members of the RNC are as follows:

Mr Low Chai Chong – Chairman
Mr Tan Kay Kiang *(Resigned on 13 August 2014)*
Mr James Kho Chung Wah
Mr Timur Pradopo *(Appointed on 13 August 2014)*
Mr Bambang Widaryatmo *(Appointed on 13 August 2014)*

The key terms of reference of the RNC are as follows:

(a) the RNC shall comprise not fewer than three (3) Directors, a majority of whom shall be independent;

(b) the Chairman of the RNC shall be an Independent Non-Executive Director; and

(c) the Board shall within three (3) months of cessation of a member appoint a new member from the date of cessation so that the number of members does not fall below three (3) if a member, for any reason, ceases to be a member.

The RNC handles both nominating and remuneration matters of the Company. With regard to nominating matters, the RNC pursuant to its written terms of reference shall:

(a) establish procedures for and make recommendations to the Board on all Board appointments and re-appointments;

(b) review re-nominations, having regard to the Director's contribution and performance (e.g. attendance, preparedness and participation) including, if applicable, as an Independent Director;

(c) decide whether the Director is able to and has been adequately carrying out his duties as a Director where a Director has multiple board representations;

(d) review the independence of the Directors on an annual basis;

(e) establish procedures for the evaluation of the Board's performance and propose objective performance criteria, which shall be approved by the Board;

(f) assess the effectiveness of the Board as a whole and assess the contribution by each individual Director to the effectiveness of the Board;

(g) identify gaps in the mix of skills, experience and other qualities required in an effective Board and nominate or recommend suitable candidate(s) to fill these gaps;

(h) ensure that all Board appointees undergo an appropriate induction programme;

(i) review annually the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary; and

(j) recommend the appropriate training and professional development programmes for the Board.

The RNC's role in respect of remuneration matters are separately disclosed under Principle 7 (Procedures for Developing Remuneration Policies).

The RNC regulates its own procedures and in particular, the calling and frequency of meetings, the notice to be given of such meetings, the voting and proceedings thereat. The Company also maintains records of the deliberations and proceedings of the meeting of the RNC.

For FY2015, the RNC held two (2) meetings.

The RNC is charged with determining the independence of the Directors as set out under Guildeline 2.3 of the Code. The RNC conducts an annual review of the Directors' independence and is of the view that Mr Low Chai Chong, Mr Timur Pradopo, Mr Bambang Widaryatmo and Mr James Kho Chung Wah are independent.

Currently, none of the Directors hold excessive number of board representations. Nonetheless, the Board has set the maximum number of listed company board representations each Director may hold to be eight (8). When a Director has multiple board representations, the RNC also considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company. The RNC is satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations.

The Company has only one alternate Director. Mr Tan Nan Choon, who is the alternate Director to Mr Tan Kay Kiang, is also the nephew of Mr Tan Kay Kiang and he attends all meetings of the Board.

In the selection process for the appointment of new Directors, the RNC will review the composition of the Board and identify the skill sets which enhance the Board's overall effectiveness. Potential candidates are identified from various sources. In assessing the suitability of a candidate to be appointed to the Board, the RNC will consider if he or she is able to make the appropriate contributions to the Board and the Group. The key factors which the RNC will take into consideration are:

(a) qualifications, industry knowledge and functional expertise which are relevant and beneficial to the Group; and

(b) extensive experience and business contacts in the industry in which the Group operates.

The proposed candidates' independence (if necessary) will also be considered before the RNC makes its recommendations to the Board. The new Directors will then be appointed by the Board.

The RNC is in charge of nominating the Directors for re-appointment, having regard to their contribution and performance. Under the Company's Articles, at least one-third of the Directors for the time being shall retire from office by rotation at each annual general meeting ("AGM") of the Company, provided all Directors except the Managing Director (or any Director holding an equivalent appointment) shall retire by rotation at least once every three (3) years. The CEO shall not be subject to retirement by rotation nor be taken into account in determining the number of Directors to retire.

The RNC has reviewed and is satisfied that the Directors who are retiring in accordance with the Company's Articles at the forthcoming AGM of the Company are properly qualified for re-appointment by virtue of their skills, experience and contributions. The RNC has recommended to the Board that Mr Tan Kay Kiang and Mr James Kho Chung Wah who are retiring pursuant to Article 104 of the Company's Articles, be nominated for re-election as Directors at the forthcoming AGM of the Company. Please refer to the "Board of Directors" section of this annual report for more information on the Directors.

Each member of the RNC shall abstain from voting on any resolution in respect of the assessment of his performance or re-nomination as a Director.

Board Performance

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

The RNC has implemented a formal review process to assess the effectiveness of the Board and the individual Director's performance on an annual basis. All members of the Board are required to complete and send the evaluation forms to an independent coordinator (the "Independent Coordinator") directly and in confidence within four (4) weeks after the end of each financial year. The Independent Coordinator will then collate the results and forward them to all members of the RNC for discussion. The RNC will thereafter report its findings to the Board.

For the purpose of its evaluation of the Directors' performance, the RNC focuses on whether the Directors, individually or collectively, possess the background, experience, competencies in finance and management skills critical to the Group's business as well as whether each Director, with his special contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well considered decisions to be made.

Factors taken into account in the assessment of a Director's performance include his abilities and competencies, his objectivity and the level of participation at Board and Board Committee meetings including his contribution to Board processes as well as the business strategies and performance of the Group.

Access to Information

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

The Board, the Board Committees and every Director have separate and independent access to the Management and are entitled to request for additional information as needed to make informed decisions.

To ensure that the Board is able to fulfill its responsibilities, the Management provides the Board with a management report containing complete, adequate and timely information prior to Board meetings as well as a report of the Group's ongoing activities. In addition to the business plans submitted to the Board for approval, the Board is provided with management reports, board papers and related materials in respect of the Group's performance, position and prospects as and when requested.

The Management will also keep the Board apprised of material variances between the actual results, corresponding period of the last financial year and the budget with appropriate explanation on such variances.

In addition, all Directors have separate and independent access to the Company Secretary. The Company Secretary attends all meetings of the Board and Board Committees and prepares minutes of meetings of the Board and of the Board Committees which are circulated for review. The Company Secretary is also responsible for ensuring that Board procedures and all other rules and regulations applicable to the Company are followed and advises the Board of the requirements of the Company's Articles, the Companies Act and the SGX-ST's Listing Manual Section B: Rules of Catalist (the "Catalist Rules").

The appointment and removal of the Company Secretary is a matter for the Board to decide as a whole.

The Directors may seek independent professional advice as and when necessary in furtherance of their duties. The appointment of such professional advisors is subject to approval by the Board. Any cost of obtaining such professional advice will be borne by the Company.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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

The members of the RNC are disclosed under Principle 4 (Board Membership).

With regards to remuneration matters, the RNC pursuant to its written terms of reference shall:

(a) review and recommend to the Board a framework of remuneration for the Directors and key management personnel which covers Directors' fees, where applicable, basic salaries, allowances, bonuses and benefits-in-kind;

(b) review the remuneration packages of all managerial staff who are related to any of the Directors;

(c) review the performance of key management personnel to enable the RNC to determine their annual remuneration, bonus rewards and etc; and

(d) recommend to the Board, in consultation with the key management personnel and the CEO, any long-term incentive scheme.

The RNC is tasked to provide a formal, transparent and objective procedure for fixing the remuneration packages of individual Directors and to ensure that the level of remuneration paid by the Company serves to attract, retain and motivate the employees needed to manage the Company successfully. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses and other benefits-in-kind shall be covered by the RNC. The recommendations made by the RNC will be submitted for endorsement by the Board. Each member of the RNC shall abstain from voting on any resolutions in respect of his remuneration package.

The RNC has access to professional advice from experts outside the Company on remuneration matters as and when necessary. The RNC will ensure that existing relationships between the Company and its appointed remuneration consultants, if any, will not affect the independence and objectivity of the remuneration consultants. The Company will also disclose the names and firms of the remuneration consultants in the annual remuneration report, and include a statement on whether the remuneration consultants have any such relationships with the Company.

In the case of service contracts, the RNC will consider what compensation commitments the Directors' or key management personnel's contracts of service, if any, would entail in the event of termination with a view to ensure that such contracts of service, if any, contain fair and reasonable termination clauses which are not overly generous.

Level and Mix of Remuneration

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the Company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the Company. However, companies should avoid paying more than is necessary for this purpose.

The Group sets remuneration packages which are competitive and sufficient to attract, retain and motivate Directors and key management personnel with adequate experience and expertise to manage the business and operations of the Group. In setting remuneration packages, the Group takes into account salary and employment conditions within the same industry and in comparable companies. The Group adopts a remuneration policy for the Executive Director, comprising a basic salary component as well as a bonus component, which is performance-based and seeks to align the interests of the Executive Director with those of the shareholders of the Company.

Currently, the Company does not have any long-term incentive scheme. The RNC will recommend the implementation of incentive schemes as and when it considers appropriate.

All Directors are paid Directors' fees, determined by the Board based on the effort, time spent and responsibilities of the Directors. The payment of such fees to the Directors is subject to approval of shareholders at each AGM of the Company. The Independent Directors have not been over-compensated to the extent that their independence is compromised.

Non-Executive Directors have no service contracts with the Company. The Executive Director has a service contract with the Company, which can be terminated by either the Company or the Executive Director giving not less than three (3) months' notice in writing.

The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Director and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

CORPORATE GOVERNANCE REPORT

Disclosure on Remuneration

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

A breakdown of the remuneration of the Directors and key management personnel (who are not Directors or CEO) for FY2015 is set out below:

Remuneration Band and Name of Director	Based/Fixed Salary	Bonus	Directors' Fees[1]	Other Benefits[2]	Total
Above S$250,000					
Nico Purnomo Po	78%	-	5%	17%	100%
Below S$250,000					
James Kho Chung Wah	-	-	100%	-	100%
Tan Kay Kiang	-	-	100%	-	100%
Low Chai Chong	-	-	100%	-	100%
Timur Pradopo	-	-	100%	-	100%
Bambang Widaryatmo	-	-	100%	-	100%

(1) Directors' fees are subject to the approval of the Company's shareholders at the forthcoming AGM of the Company.
(2) Other benefits include transport allowance paid during FY2015.

Mr Tan Nan Choon, alternate Director to Mr Tan Kay Kiang, was not paid any remuneration for FY2015.

Remuneration Band and Name of key management personnel[1]	Base/Fixed Salary	Bonus	Other Benefits	Total
Below S$250,000				
Choy Kong Yan	92%	8%	-	100%
Hendry Gunawan Sugianto	92%	8%	-	100%
Becky Ng Bee Kian	92%	8%	-	100%
Susie Thng Sock Ching	92%	8%	-	100%
Chan Tee Yong	92%	8%	-	100%
Jason Lee Chong Leong	92%	8%	-	100%

(1) The Company has six (6) key management personnel (who are not Directors or CEO) in FY2015.

There were no terminations, retirement or post-employment benefits granted to the Directors and key management personnel.

Save as disclosed above, the Company does not have any employee who is an immediate family member of any Director and whose remuneration exceeds S$50,000 during FY2015. Currently, the Company does not have any share-based compensation scheme or any long-term incentive scheme involving the offer of shares or options in place. The RNC will recommend the implementation of such scheme as and when it considers appropriate.

After due consideration, the Board has decided not to disclose the remuneration of the individual Directors in full and the aggregate total remuneration paid to the key management personnel (who are not Directors or CEO) due to the competitive pressures and disadvantages that may result from such disclosure as well as for confidentiality reasons.

The Group sets remuneration packages which are competitive and sufficient to attract, retain and motivate Directors and key management personnel with adequate experience and expertise to manage the business and operations of the Group. In setting remuneration packages, the Group takes into account salary and employment conditions within the same industry and in comparable companies. The Group adopts a remuneration policy for the Executive Director, comprising a basic salary component as well as a bonus component, which is performance-based and seeks to align the interests of the Executive Director with those of the shareholders of the Company.

ACCOUNTABILITY AND AUDIT

Accountability

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

The Board endeavors to ensure that the annual audited financial statements as well as half yearly and full year announcements of the Group's financial results present a balanced and understandable assessment of the Group's performance, position and prospects. The Board embraces openness and transparency in the conduct of the Company's affairs, whilst preserving the commercial interests of the Company. Financial and other price sensitive information are disseminated to shareholders through announcements and press releases via SGXNET on a timely basis.

The Board takes adequate steps to ensure compliance with the relevant legislative and regulatory requirements and observes obligations of continuing disclosure under the Catalist Rules. During FY2015, the Board has reviewed reports submitted by the Management to ensure compliance with all the Group's policies, operational practices and procedures and relevant legislative and regulatory requirements. In line with the Catalist Rules, the Board has also provided a negative assurance statement to shareholders in respect of the half yearly results announcement.

The Management also regularly provides the Board with appropriate detailed management accounts of the Group's performance, position and prospects to enable the Board to make a balanced and informed assessment of the Group's financial position, performance and prospects.

Risk Management and Internal Controls

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

Risk Management

The Group currently does not have a separate Risk Management Committee but the Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management, together with the internal auditors, reviews significant control policies and procedures of the Group and will highlight all significant matters, if any, to the Directors and the AC. The following have been identified as significant risk factors relevant to the Group's operations:

1. Regulatory risks

   The Group is subject to various laws and regulations in all of the jurisdictions in which it operates, including those relating to property development.

   Changes or concessions required by regulatory authorities could also involve significant costs and delay or prevent completion of the construction or opening of a project or could result in the loss of an existing license.

2. Interest rate risks

   The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings.

3. Liquidity of real estate investments

   Investment in high value properties such as those in which the Group has invested or intend to invest, are relatively illiquid. Such illiquidity may affect the Group's ability to vary its investment portfolio or liquidate part of its assets in response to changes in the economy, changes to the real estate market or other conditions.

In 2013, the Company, together with the internal auditors, has formalised the Group's Risk Management Policies and Procedures to facilitate the Board in identifying key operational, strategic, financial, compliance and information technology risks with reference to the Company's business goals, strategies and corporate philosophy. With the formalisation of the Group's Risk Management Policies and Procedures, the internal auditors had assisted the Company in the execution of the risk management processes and discussed with the key management personnel on the same. In the process, the Company's risk tolerance levels have been established and adopted, and the Board has overseen the Management in the design, implementation and monitoring of the risk management and internal control systems. The internal auditors had also evaluated the effectiveness of the internal controls implemented to manage the identified risks based on the results of the risk assessment process executed.

Internal Controls

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

Apart from the above, the AC also commissions and reviews the findings of internal controls or infringement of any Singapore laws, rules or regulations which has or is likely to have a material impact on the Group's operating results and/or financial position. During FY2015, the AC, on behalf of the Board, has reviewed the effectiveness of the Group's internal controls, including financial, operational and compliance controls, and risk management on an annual basis. The processes used by the AC to review the effectiveness of the system of internal control and risk management include:

(a) discussions with the Management on risks management;

(b) the internal audit processes;

(c) the review of external and internal audit plans; and

(d) the review of significant issues raised by the external and internal auditors.

Based on the framework of risk management and internal controls established and maintained by the Group, the review performed by the Management and the AC, the work performed by the internal auditors and the review undertaken by the external auditors as part of their statutory audit, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, including financial, operational and compliance and information technology controls, and risk management systems, are adequate to meet the needs of the Group in its current business environment as at 31 March 2015.

The Board has also received written assurance from the CEO and the Deputy Financial Controller that:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the Group's risk management and internal control systems are effective.

The Group is currently undergoing the process of establishing ISO9001, ISO14001 and OHSAS18001, in order to achieve higher adequacy and effectiveness of the Group's risk management and internal control systems.

Audit Committee

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

Currently, the AC comprises three (3) Non-Executive Directors, all of whom including the Chairman of the AC are independent. The Chairman of the AC is not a substantial shareholder of the Company or directly associated with any substantial shareholder of the Company.

The members of the AC are as follows:

Mr James Kho Chung Wah - Chairman
Mr Low Chai Chong
Mr Timur Pradopo
Mr Bambang Widaryatmo

The members of the AC have many years of experience in senior management positions in both financial and industrial sectors. The Board is of the opinion that the members of the AC are appropriately qualified to discharge their responsibilities.

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

For FY2015, the AC held two (2) meetings.

The main objective of the AC is to assist the Board in fulfilling the fiduciary responsibilities of the Company and each of its subsidiaries. The AC, pursuant to its written terms of reference, shall:

(a) recommend to the Board the appointment or re-appointment and approving the remuneration and terms of engagement of the external auditors and internal auditors;

(b) review the audit plans of the internal and external auditors of the Company, and review the internal auditors' evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Management to the internal and external auditors;

(c) evaluate the effectiveness of both the internal and external audit efforts through regular meetings;

(d) determine that no unwarranted management restrictions are being placed upon the external and internal auditors;

(e) review the financial statements with the Management and external auditors (where applicable) for submission to the Board;

(f) review the half yearly and full year announcements of the results of the Group before submission to the Board for approval;

(g) report to the Board summarising the work performed by the AC in carrying out its functions;

(h) review interested person transactions;

(i) have explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management and full discretion to invite any Director or executive officer of the Group to attend its meetings, and reasonable resources to enable it to discharge its functions properly;

(j) review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external and internal auditors;

(k) meet with the external and internal auditors, without the presence of the Management, at least annually;

(l) review the independence of the external auditors annually; and

(m) 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 (such review can be carried out internally or with the assistance of any competent third parties).

In addition to the abovementioned activities undertaken to fulfil its responsibilities, the AC is kept abreast by the Management, external and internal auditors on changes to accounting standards, Catalist Rules and other rules and regulations which could have an impact on the Group's business and financial statements.

The AC has met the external auditors and the internal auditors, without the presence of the Management, for FY2015.

The Company's external auditors are Ernst & Young LLP. During FY2015, the aggregate amount of fees paid and/or payable to the external auditors for audit services amounted to approximately S$127,400. During FY2015, there were no non-audit services rendered by the external auditors to the Group. The AC has confirmed the independence and objectivity of the external auditors. As such, the AC has recommended to the Board that Ernst & Young LLP be nominated for re-appointment as external auditors of the Company at the forthcoming AGM of the Company.

The Company has complied with Rules 712 and 715 of the Catalist Rules in relation to the appointment of auditing firms for the Group. No former partner or director of the Company's existing auditing firm or audit corporation is a member of the AC.

Whistle-Blowing Policy

The Board undertakes to investigate complaints of suspected fraud in an objective manner and has put in place a whistle-blowing policy and procedures which provide employees with well-defined and accessible channels within the Group including a direct channel to the AC, for reporting suspected fraud, corruption, dishonest practices or other similar matters.

The policy aims to encourage the reporting of such matters in good faith, with the confidence that employees making such reports will be treated fairly and, to the extent possible, be protected from reprisal. On an ongoing basis, the whistle-blowing policy is covered during staff training as part of the Group's efforts to promote fraud control awareness.

The policy and its effectiveness will be reviewed by the AC periodically, with recommendations regarding updates or amendments, if any, to be made to the Board as required.

Internal Audit

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

The AC's responsibilities over the Group's internal controls and risk management systems are complemented by the work of the internal auditors. The size of the operations of the Group does not warrant the Group having an in-house internal audit function. The Company has outsourced its internal audit function to an external professional firm to perform the review and test of controls of the Group's processes in FY2015. The AC approves any hiring, removal, evaluation and remuneration of the external professional firm to which the internal audit function is outsourced. The AC has reviewed and assessed the qualifications and experience of the appointed internal audit firm's team which undertakes the function of its internal audit within the Group.

The internal auditors report primarily to the Chairman of the AC. The internal auditors plan their internal audit schedules in consultation with, but independent of, the Management. The internal auditors have unrestricted access to all the Company's documents, records, properties and personnel, including access to the AC.

The AC has reviewed the scope and findings of the internal audit performed by the internal auditors during FY2015 and the Management's responses thereto.

The AC is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the relevant experience.

The internal auditors are guided by the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The AC will assess and ensure the adequacy of the internal audit function annually.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights

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

The Board is mindful of its obligations to provide timely and fair disclosure of material information to the SGX-ST in accordance with Appendix 7A on "Corporate Disclosure Policy" of the Catalist Rules. The Board embraces openness and transparency in the conduct of the Company's affairs, whilst safeguarding its commercial interests. The Board's policy is that all shareholders should be equally informed on a timely basis of all major developments that impact the Group. Price sensitive information, results and annual reports of the Company are released via SGXNET. A copy of the annual report, together with the notice of AGM, is sent to every shareholder. Such notice is also advertised in a daily newspaper.

All shareholders are entitled to attend the Company's general meetings and are provided the opportunity to participate in the general meetings. Shareholders are also briefed by the Company on the rules, including voting procedures that govern general meetings. These general meetings also provide excellent opportunities for the Company to obtain shareholders' views on value creation. Shareholders can vote in person or by appointing up to two (2) proxies to attend and vote on their behalf at the meetings through proxy forms sent to the Company's registered office in advance. The Company's Articles does not include regulation permitting the nominee or custodial services to appoint more than two (2) proxies.

Communication with Shareholders

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

The Company is committed to corporate governance and transparency by disclosing to its stakeholders, including its shareholders, as much relevant information as is possible, in a timely, fair and transparent manner as well as to hearing its shareholders' views and addressing their concerns.

All material information on the performance and development of the Group and of the Company is disclosed in an accurate and comprehensive manner through SGXNET, press release and the Company's website.

General meetings have been and are still the principal forum for dialogue with shareholders. They offer opportunities for Board to interact with shareholders, understand their views, gather feedback as well as address concerns. Enquiries by shareholders are dealt with as promptly as practicably possible.

Currently, the Company does not have a fixed divided policy. The Board would consider establishing a dividend policy at the appropriate time. In considering the payment of dividend, the Board shall consider factors such as the Company's profits, cash flow, working capitals and capital expenditure requirements, investment plans and other factors that the Board may deem appropriate. Taking into consideration these factors, the Company has not declared any dividends for FY2015.

Conduct of Shareholder Meetings

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The shareholders are encouraged to attend the general meetings to ensure high level of accountability and to stay informed of the Group's strategies and visions. The Company's Articles does not allow shareholders to vote in absentia. The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved. Substantially separate issues are tabled in separate resolutions at general meetings. Voting is carried out systemically, and the votes casted and resolutions passed are properly recorded. Currently, the Company has yet to implement poll voting in all its general meetings in view of higher costs involved in polling. Nonetheless, the Company shall adhere to the requirements of the Catalist Rules where all resolutions are to be voted by poll for all general meetings held on or after 1 August 2015.

All Board members, including the Chairman of the AC and the RNC, and the external auditors are normally available at general meetings of the Company to answer questions from the shareholders. Registered shareholders are invited to attend and participate actively in such meetings.

The Company Secretary prepares minutes of general meetings, which incorporates substantial comments or queries from shareholders and responses from the Board and the Management (if any). These minutes will be made available to shareholders upon request.

DEALINGS IN THE COMPANY'S SECURITIES

The Company has issued a guideline on share dealings to all Directors and employees of the Group which sets out the code of conduct on transactions in the Company's shares by these persons, the implications of insider trading and general guidance on the prohibition against such dealings.

In line with Rule 1204(19) of the Catalist Rules, the Company issues a notification to all Directors and officers of the Group informing them that they are not allowed to deal in the securities of the Company during the periods commencing one month before the announcement of the Company's half-year or full-year financial results until after the announcement of the relevant results. In addition, the Company prohibits all Directors and officers of the Group from dealing in the Company's shares on short-term consideration or when they are in possession of unpublished price-sensitive information.

INTERESTED PERSON TRANSACTIONS

The Company has established procedures governing all interested person transactions to ensure that they are properly reviewed and approved. The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules. The aggregate value of interested person transaction entered during the financial year was as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	S$	S$
Buildersmart Pte. Ltd. [(1)]	106,920	-

(1) Luban Investments Pte. Ltd. ("Luban"), a wholly-owned subsidiary of the Company, has entered into a three (3)-years tenancy agreement with Buildersmart Pte. Ltd. ("Buildersmart") on 1 April 2014. Buildersmart is an associate of Mr Tan Kay Kiang, a Director. Pursuant to the tenancy agreement, rental income of an aggregate amount of S$306,000 over a period of three (3) years shall be payable by Buildersmart to Luban.

MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company or its subsidiaries involving the interests of the CEO, any Director or controlling shareholder, either still subsisting at the end of FY2015 or if not then subsisting, entered into since the end of the previous financial year:

(a) During FY2015, Pollux Treasures Pte. Ltd., a company wholly-owned by Pollux Botero Pte. Ltd. (a 50:50 joint venture with Goldman Morgan Holdings Pte. Ltd., a company wholly-owned by Nico Purnomo Po (Director and CEO of the Company)), had extended a loan amounting to S$14,000,000.00 to the Company and Goldman Morgan Holdings Pte. Ltd.. This loan is unsecured and interest-free, and is repayable on demand.

NON-SPONSOR FEES

With reference to Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid to the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd., for FY2015.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Pollux Properties Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2015.

Directors

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

Nico Purnomo Po
Tan Kay Kiang
Low Chai Chong
Bambang Widaryatmo
Timur Pradopo
James Kho Chung Wah
Tan Nan Choon (Alternate director to Tan Kay Kiang)

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest			Deemed interest		
Names of directors	At the beginning of financial year	At the end of financial year	At 21 April 2015	At the beginning of financial year	At the end of financial year	At 21 April 2015
The Company						
Pollux Properties Ltd.						
(Ordinary shares)						
Nico Purnomo Po	1,268,000	–	–	372,014,384	376,188,884	378,789,384
Tan Kay Kiang	1,549,920	1,549,920	1,549,920	74,111,960	74,111,960	74,111,960
Low Chai Chong	–	–	–	200,000	200,000	200,000
Tan Nan Choon	3,310,000	3,310,000	3,310,000	–	–	–

By virtue of Section 7 of the Companies Act, Chapter 50, Mr Nico Purnomo Po is deemed to have interests in shares of the subsidiaries of the Company.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, shares options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

DIRECTORS' REPORT

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year to which this report relates by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company under option at the end of financial year.

Audit Committee

The audit committee ("AC") carried out its functions in accordance with section 201B(5) of the Singapore Companies Act, Chapter 50, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditors' evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the internal and external auditors;
- Reviewed the half yearly and annual financial statements and the auditors' report on the annual financial statements of the Group and the Company before their submission to the board of directors;
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- Reviewed the nature and extent of non-audit services provided by the external auditor;
- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the board of directors with such recommendations as the AC considers appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited (SGX-ST)'s Listing Manual Section B: Rules of catalist.

During the financial year, no non-audit services were provided by the external auditor to the Group. The AC has also conducted a review of interested person transactions.

The AC convened two meetings during the financial year and has also met with the internal and external auditors without the presence of the Company's management during the financial year.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

DIRECTORS' REPORT

On behalf of the Board of Directors,

Nico Purnomo Po
Director

Tan Kay Kiang
Director

Singapore
26 June 2015

STATEMENT BY DIRECTORS

We, Nico Purnomo Po and Tan Kay Kiang, being two of the directors of Pollux Properties Ltd., do hereby state that, in the opinion of the directors,

(i) the accompanying balance sheets, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity and consolidated cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date, and

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

On behalf of the Board of Directors,

Nico Purnomo Po
Director

Tan Kay Kiang
Director

Singapore
26 June 2015

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POLLUX PROPERTIES LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of Pollux Properties Ltd. (the "Company") and its subsidiaries (collectively, the "Group"), set out on pages 50 to 97, which comprise the balance sheets of the Group and the Company as at 31 March 2015, the statement of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
26 June 2015

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015	2014
		$	$
Continuing operations			
Revenue	4	37,880,582	24,117,112
Cost of sales	5	(34,183,619)	(21,432,117)
Gross profit		3,696,963	2,684,995
Other item of income			
Other operating income		432,284	209,597
Other items of expenses			
Selling and distribution		(658,920)	(360,670)
General and administrative expenses		(4,584,978)	(1,961,418)
Finance costs	6	(329,860)	(134,276)
Share of results of joint venture, net of tax		3,646,157	263,771
Profit before tax from continuing operations	7	2,201,646	701,999
Income tax expense	8	(83,678)	(543,711)
Profit from continuing operations, net of tax		2,117,968	158,288
Discontinued operations			
Profit from discontinued operations, net of tax	9	–	69,483
Profit for the financial year		2,117,968	227,771
Attributable to: Owners of the Company			
Profit from continuing operations, net of tax		2,117,968	158,288
Profit from discontinued operations, net of tax		–	69,483
Profit attributable to owners of the Company		2,117,968	227,771
Earnings per share from continuing operations attributable to owners of the parent (cents per share)			
- Basic	10	0.340	0.025
- Diluted	10	0.340	0.025
Earnings per share (cents per share)			
- Basic	10	0.340	0.037
- Diluted	10	0.340	0.037

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	2015 $	2014 $
Profit for the financial year, net of tax	2,117,968	227,771
Other comprehensive income for the financial year, net of tax	–	–
Total comprehensive income for the financial year	2,117,968	227,771
Attributable to:		
Owners of the Company	2,117,968	227,771
Total comprehensive income for the financial year	2,117,968	227,771
Total comprehensive income attributable to:		
Owners of the Company		
Total comprehensive income from continuing operations, net of tax	2,117,968	158,288
Total comprehensive income from discontinued operations, net of tax	–	69,483
Total comprehensive income for the financial year attributable to owners of the Company	2,117,968	227,771

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

AS AT 31 MARCH 2015

	Note	Group 2015 $	Group 2014 $	Company 2015 $	Company 2014 $
Non-current assets					
Plant and equipment	11	2,489,197	489,202	34,650	44,851
Investment properties	12	54,850,562	50,538,855	–	–
Investment in subsidiaries	13	–	–	2	6
Investment in a joint venture	14	3,469,464	195,307	1	1
		60,809,223	51,223,364	34,653	44,858
Current assets					
Land held for development	15	–	17,956,549	–	–
Properties under development	16	53,480,397	43,996,756	–	–
Trade receivables	17	5,789,968	3,591,372	–	–
Other receivables and deposits	18	2,112,937	3,197,516	2,039,076	3,004,633
Prepaid operating expenses		289,809	514,256	28,467	348,761
Due from subsidiaries	19	–	–	55,321,321	50,080,446
Due from joint venture	20	–	557,487	–	557,487
Due from a related company	21	796,382	–	796,382	–
Cash and cash equivalents	22	16,850,944	9,711,110	2,174,158	1,604,492
		79,320,437	79,525,046	60,359,404	55,595,819
Total assets		140,129,660	130,748,410	60,394,057	55,640,677
Equity and liabilities					
Current liabilities					
Trade payables	23	3,517,521	5,835,860	–	–
Deferred revenue		85,466	–	–	–
Other payables and accruals	24	1,521,408	1,924,591	627,230	929,035
Provision for taxation		229,497	624	–	–
Loans and borrowings	25	37,760,811	20,420,616	–	–
Loan from joint venture	26	14,490,601	8,000,000	14,490,601	8,000,000
Due to subsidiaries	27	–	–	–	1,020,000
		57,605,304	36,181,691	15,117,831	9,949,035
Net current assets		21,715,133	43,343,355	45,241,573	45,646,784
Non-current liabilities					
Deferred tax liabilities	8	444,052	374,532	–	–
Loans and borrowings	25	33,249,955	47,479,806	–	–
		33,694,007	47,854,338	–	–
Total liabilities		91,299,311	84,036,029	15,117,831	9,949,035
Net assets		48,830,349	46,712,381	45,276,226	45,691,642
Equity attributable to owners of the parent					
Share capital	28	54,508,876	54,508,876	54,508,876	54,508,876
Revenue reserve		(5,678,527)	(7,796,495)	(9,232,650)	(8,817,234)
Total equity		48,830,349	46,712,381	45,276,226	45,691,642
Total equity and liabilities		140,129,660	130,748,410	60,394,057	55,640,677

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Attributable to equity holders of the Company		
	Share capital	**Revenue reserve**	**Total equity**
	$	**$**	**$**
Group			
At 1 April 2013	54,508,876	(8,024,266)	46,484,610
Profit net of tax, representing total comprehensive income for the financial year	–	227,771	227,771
At 31 March 2014 and 1 April 2014	54,508,876	(7,796,495)	46,712,381
Profit net of tax, representing total comprehensive income for the financial year	–	2,117,968	2,117,968
At 31 March 2015	54,508,876	(5,678,527)	48,830,349
Company			
At 1 April 2013	54,508,876	(7,918,548)	46,590,328
Profit net of tax, representing total comprehensive income for the financial year	–	(898,686)	(898,686)
At 31 March 2014 and 1 April 2014	54,508,876	(8,817,234)	45,691,642
Profit net of tax, representing total comprehensive income for the financial year	–	(415,416)	(415,416)
At 31 March 2015	54,508,876	(9,232,650)	45,276,226

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Profit before tax from continuing operations		2,201,646	701,999
Profit before tax from discontinued operations		–	69,483
Profit before tax, total		2,201,646	771,482
Adjustments for:			
Depreciation of plant and equipment	11	210,861	37,097
Depreciation of investment properties	12	867,072	8,610
Share of results of joint venture		(3,646,157)	(263,771)
Interest expense	6	290,263	131,815
Loss on disposal of plant and equipment		15,954	–
Plant and equipment written off		377,340	–
Gain on sale of quoted investments		–	(90,080)
Additional gain on disposal of investment		–	(444,351)
Operating cash flows before changes in working capital		316,979	150,802
Decrease/(increase) in:			
Trade receivables		(2,198,596)	(3,585,158)
Other receivables, deposits and prepayments		1,309,026	155,348
(Decrease)/increase in:			
Properties under development		9,386,939	29,013,219
Investment properties		(4,742,287)	(18,454,922)
Land held for development properties		–	(17,275,334)
Trade payables		(2,318,339)	4,741,080
Deferred revenue		85,466	–
Other payables and accruals		(403,183)	474,688
Cash flows from /(used in) operations		1,436,005	(4,780,277)
Income taxes refund/ (paid)		214,715	(214,715)
Interest paid		(1,640,786)	(2,523,581)
Net cash flows from/(used in) operating activities		9,934	(7,518,573)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 $	2014 $
Cash flows from investing activities			
Purchase of plant and equipment		(2,611,842)	(7,743)
Proceeds from disposal of plant and equipment		7,692	–
Proceeds from disposal of quoted investment		–	2,589,431
Increase in amount due from a related company		(424,382)	–
Net cash flows (used in)/from investing activities		(3,028,532)	2,581,688
Cash flows from financing activities			
Loan from joint venture		7,000,000	8,000,000
Receipts from joint venture		48,088	3,901,143
Repayment of bank term loans		(23,483,996)	(11,636,984)
Proceeds from bank term loans		26,594,340	9,332,633
Repayment of loan to a director		–	(1,950,000)
Net cash from financing activities		10,158,432	7,646,792
Net increase in cash and cash equivalents		7,139,834	2,709,907
Cash and cash equivalents at beginning of financial year		9,711,110	7,001,203
Cash and cash equivalents at end of financial year	22	16,850,944	9,711,110

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

Pollux Properties Ltd. (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 391A Orchard Road, #08-07, Ngee Ann City Tower A, Singapore 238873.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $).

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 19 *Defined Benefit Plans: Employee Contributions*	1 July 2014
Improvements to FRSs (January 2014)	
(a) Amendments to FRS 103 *Business Combinations*	1 July 2014
(b) Amendments to FRS 108 *Operating Segments*	1 July 2014
(c) Amendments to FRS 16 *Property, Plant and Equipment* and FRS 38 *Intangible Assets*	1 July 2014
(d) Amendments to FRS 24 *Related Party Disclosures*	1 July 2014
Improvements to FRSs (February 2014)	
(a) Amendments to FRS 103 *Business Combinations*	1 July 2014
(b) Amendments to FRS 113 *Fair Value Measurement*	1 July 2014
(c) Amendments to FRS 40 *Investment Property*	1 July 2014
Amendments to FRS 27: *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRS 16 and FRS 38: *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective (cont'd)

Description	Effective for annual periods beginning on or after
Improvements to FRSs (November 2014)	1 January 2016
(a) Amendments to FRS 107 *Financial Instruments: Disclosures*	1 January 2016
(b) Amendments to FRS 19 *Employee Benefits*	1 January 2016
Amendments to FRS 110 & FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: *Investment Entities: Applying the Consolidation Exception*	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2018
FRS 109 *Financial Instruments*	1 January 2018

Except for FRS 115, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

<u>FRS 115 Revenue from Contracts with Customers</u>
FRS 115 was issued in November 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The principles in FRS 115 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Company is currently assessing the impact of FRS 115.

2.4 Basis of consolidation and business combinations

(A) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

2.4 Basis of consolidation and business combinations (cont'd)

(A) Basis of consolidation (cont'd)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(B) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.5 Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

2. Summary of significant accounting policies (cont'd)

2.6 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvement	–	3 years
Motor vehicles	–	5 years
Office equipment	–	5 years
Computers and software	–	3 years
Furniture and fittings	–	5 years
Linen, glass/silverware and uniforms	–	4 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.7 Investment properties

Investment properties are properties that are owned by the Group 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 in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to recognition, investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to investment properties only when there is a change in use. The transfer from development property to investment property will be made at carrying value.

Depreciation for the building is computed on a straight-line basis over the estimated useful life of 20 and 30 years.

2. Summary of significant accounting policies (cont'd)

2.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.9 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it 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.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.10 Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out in Note 2.11.

2. Summary of significant accounting policies (cont'd)

2.11 Joint ventures

The Group account for its investments in joint ventures using the equity method from the date on which it becomes a joint venture.

Under the equity method, the investment in joint ventures is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The profit or loss reflects the share of results of the operations of the joint ventures. Distributions received from joint ventures or associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and joint venture are eliminated to the extent of the interest in the associates or joint ventures.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.12 Financial instruments

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

<u>Loans and receivables</u>

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.12 Financial instruments (cont'd)

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.13 Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired.

(a) *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

2. Summary of significant accounting policies (cont'd)

2.13 Impairment of financial assets (cont'd)

(a) *Financial assets carried at amortised cost (cont'd)*

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the profit or loss.

(b) *Financial assets carried at cost*

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand which are subject to an insignificant risk of changes in value.

Cash at banks includes amounts collected from the sale of the property under development for which withdrawals are restricted to payments for expenditure incurred on development projects.

2.15 Construction contracts

The Group principally operates fixed price contracts. Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period (the percentage of completion method), when the outcome of a construction contract can be estimated reliably.

When the outcome of a construction contract cannot be estimated reliably (principally during early stages of a contract), contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable and contract costs are recognised as expense in the period in which they are incurred.

An expected loss on the construction contract is recognised as an expense immediately when it is probable that total contract costs will exceed total contract revenue.

In applying the percentage of completion method, revenue recognised corresponds to the total contract revenue (as defined below) multiplied by the actual completion rate based on the proportion of total contract costs (as defined below) incurred to date and the estimated costs to complete.

2. Summary of significant accounting policies (cont'd)

2.16 Development properties

Development properties are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties are stated at the lower of cost plus, where appropriate, a portion of attributable profit, and estimated net realizable value; net of progress billings.

The costs of development properties include:

- Freehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, cost of site preparation, professional fees for legal services, construction overheads and other related costs.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when incurred.

The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Allowance for foreseeable losses on development properties is made when it is anticipated that the net realizable value has fallen below cost.

Net realisable value of development properties is the estimated selling price in the ordinary course of the business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

For residential development projects under progressive payment scheme in Singapore, whereby the legal terms in the sale contracts result in continuous transfer of work-in-progress to the purchasers, revenue is recognised based on the percentage of completion method in accordance with the Accompany Note to INT FRS 115. Under the percentage of completion method, profit is brought into profit or loss only in respect of sales procured and to the extent that such profit relates to the progress of construction work. The progress of construction work is measured by the proportion of the construction costs incurred to date to the estimated total construction costs for each project.

Progress payments received from purchasers of units for sales are shown as a deduction from the cost of the development properties.

2.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies (cont'd)

2.18 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.19 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.20 Employee benefits

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

2.21 Leases

(a) As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.22(b).

2. Summary of significant accounting policies (cont'd)

2.22 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

(a) *Sale of development property units*

The accounting policy for revenue recognition for sale of partially completed and fully completed development properties is set out in Note 2.16.

(b) *Rental income*

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

2.23 Taxes

(a) *Current income tax*

Current tax assets and liabilities for the current period and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the country where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subjected to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2. Summary of significant accounting policies (cont'd)

2.23 Taxes (cont'd)

(b) *Deferred tax (cont'd)*

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(c) *Goods and services tax ("GST")*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

2.24 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.25 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(ii) The amount of the obligation cannot be measured with sufficient reliability.

2. Summary of significant accounting policies (cont'd)

2.25 Contingencies (cont'd)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

No judgements were made by management in the process of applying the Group's accounting policies.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Income taxes

Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. The carrying amount of the Group's provision for taxation and deferred tax liabilities at 31 March 2015 was $229,497 (2014: $624) and $444,052 (2014: $374,532) respectively.

(b) Revenue recognition on development properties under construction

The Group recognises revenue from sale of partially completed development properties based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2.16. Significant estimation is required in determining the percentage of completion, the expected total contract costs and the profitability of the contract. In making these assessments, the Group relies on best estimates of project costs, taking into account total committed development costs, signed sales contracts and certified development costs incurred to date.

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(c) Provision for foreseeable losses on projects

In estimating the foreseeable losses, management makes reference to the information such as (i) current quotes from sub-contractors and suppliers, (ii) recent quotes agreed with sub-contractors and suppliers, (iii) estimates on construction and material costs, and (iv) stages of completion of the contracts.

The Group estimated the stages of completion of the contract by reference to professional surveys of work performed.

(d) Impairment of non-financial assets

The Group assess whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

4. Revenue

	Group	
	2015	**2014**
	$	**$**
Sale of development properties (recognised on percentage of completion basis)	36,944,411	23,787,440
Rental income	936,171	329,672
	37,880,582	24,117,112

5. Cost of sales

	Group	
	2015	**2014**
	$	**$**
Cost of sales in relation to development properties	33,580,498	21,432,117
Cost of sales in relation to serviced apartment	603,121	–
	34,183,619	21,432,117

6. Finance costs

	Group	
	2015	**2014**
	$	**$**
Interest expense - term loans	290,263	131,815
Bank charges	39,597	2,461
	329,860	134,276

7. Profit before tax

The following items have been included in arriving at profit before tax:

Continuing operations

	Group	
	2015	**2014**
	$	**$**
Audit fees to:		
- auditors of the Group	127,400	138,900
Depreciation of plant and equipment	210,861	37,097
Depreciation of investment property	867,072	8,610
Director's fees	188,000	125,835
Employee benefits expense (Note 31)	1,434,051	591,806
Rental expenses	564,608	742,256
Plant and equipment written off	377,340	–
Loss on disposal of plant and equipment	15,954	–

Discontinued operations

	Group	
	2015	**2014**
	$	**$**
Additional gain on disposal of investment (Note 9)	–	(444,351)
Legal fees incurred due to warranty (Note 30)	–	374,868

8. Income tax

	Group	
	2015	**2014**
	$	**$**
Current income tax – continuing operations		
- Current income taxation	228,873	624
- (Over)/under provision in respect of prior years	(214,715)	198,287
	14,158	198,911
Deferred tax – continuing operations		
- Origination and reversal of temporary differences	72,109	412,818
- Over provision in respect of prior years	(2,589)	(68,018)
	69,520	344,800
Income tax recognised in profit or loss	83,678	543,711

8. Income tax (cont'd)

Relationship between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 March 2015 and 31 March 2014 is as follows:

	Group	
	2015	2014
	$	$
Profit before tax from continuing operations	2,201,646	701,999
Profit before tax from discontinued operations (Note 9)	–	69,483
Accounting profit before tax	2,201,646	771,482
Tax at statutory tax rate of 17% (2014: 17%)	374,280	131,152
Adjustments:		
Non-deductible expenses	401,977	143,161
Income not subject to taxation	(13,171)	(97,974)
Effect of partial tax exemption and tax relief	(45,925)	(1,850)
Deferred tax assets not recognised	203,669	283,794
(Over)/under provision of income tax in respect of prior years	(214,716)	198,287
Over provision of deferred tax in respect of prior years	(2,589)	(68,018)
Adjustment for share of results of joint venture	(619,847)	(44,841)
Income tax recognised in profit or loss	83,678	543,711

Deferred income tax as at 31 March relates to the following:

	Group				Company	
	Balance sheet		Profit or loss		Balance sheet	
	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$
Attributable profit on development property	(604,649)	(667,225)	(62,576)	589,194	–	–
Unutilised tax losses	160,597	292,693	132,096	(244,394)	–	–
	(444,052)	(374,532)			–	–
Deferred income tax			69,520	344,800		

Unrecognised tax losses

As at 31 March 2015, certain subsidiaries in the Group have an aggregate unutilised tax loss of approximately $4,913,311 (2014: $3,715,258) available for offset against future taxable profits, for which no deferred tax assets are recognised on these amounts due to uncertainty of their utilisation. The utilisation of the tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation.

NOTES TO THE FINANCIAL STATEMENTS

9. Discontinued operations

Income statement disclosures

The results of the discontinued operations for the financial years ended 31 March 2015 and 31 March 2014 are as follows:

	Group	
	2015	**2014**
	$	**$**
Other income	–	444,351
Other expenses	–	(374,868)
Profit from discontinued operations, net of tax	–	69,483

Earnings per share disclosures

	Group	
	2015	**2014**
	$	**$**
Earnings per share from discontinued operations attributable to owners of the parent (cents per share)		
- Basic	–	0.01
- Diluted	–	0.01

The basic and diluted earnings per share are calculated by dividing the profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares for basic earnings per share computation and weighted average number of ordinary shares for diluted earnings per share computation respectively. These profit and share data are presented in tables in Note 10.

10. Earnings per share

Basic earnings per share from continuing operations are calculated by dividing earnings attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share from continuing operations are calculated by dividing earnings for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

There are no potential ordinary shares that are considered dilutive as the average market share price for the financial year is lower than the exercise price of the issued warrants.

10. Earnings per share (cont'd)

The basic and diluted earnings per share are calculated by dividing the profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares for basic earnings per share computation and weighted average number of ordinary shares for diluted earnings per share computation respectively, as follows: -

	Group	
	2015	**2014**
	No of shares	**No of shares**
Weighted average number of ordinary shares for basic earnings per share computation	622,615,384	622,615,384
Weighted average number of ordinary shares for diluted earnings per share computation	622,615,384	622,615,384

The following table reflect the earnings used in the computation of basic and diluted earnings per share for the financial years ended 31 March 2015 and 31 March 2014:

	Group	
	2015	**2014**
	$	**$**
Profit for the financial year attributable to owners of the Company	2,117,968	227,771
Profit from discontinued operations, net of tax attributable to owners of the Company	–	69,483
Profit from continuing operations, net of tax, attributable to owners of the Company	2,117,968	158,288

NOTES TO THE FINANCIAL STATEMENTS

11. Plant and equipment

Group	Leasehold improvement	Office equipment	Computers and software	Furniture and fittings	Operating equipment	Linen, glass/ silverware and uniforms	Total
	$	$	$	$	$	$	$
Cost							
At 1 April 2013	26,409	21,536	26,413	58,359	–	–	132,717
Additions	–	1,278	4,665	446,151	–	–	452,094
At 31 March 2014 and 1 April 2014	26,409	22,814	31,078	504,510	–	–	584,811
Additions	1,510	27,770	111,531	1,821,983	490,528	158,520	2,611,842
Written off	–	–	–	(377,340)	–	–	(377,340)
Disposal	–	(10,600)	–	(23,646)	–	–	(34,246)
At 31 March 2015	27,919	39,984	142,609	1,925,507	490,528	158,520	2,785,067
Accumulated depreciation and impairment							
At 1 April 2013	10,661	10,357	14,998	22,496	–	–	58,512
Charge for the financial year	8,803	7,214	9,048	12,032	–	–	37,097
At 31 March 2014 and 1 April 2014	19,464	17,571	24,046	34,528	–	–	95,609
Charge for the financial year	4,376	5,182	18,897	136,542	32,654	13,210	210,861
Disposal	–	(10,600)	–	–	–	–	(10,600)
At 31 March 2015	23,840	12,153	42,943	171,070	32,654	13,210	295,870
Net book value							
At 31 March 2015	4,079	27,831	99,666	1,754,437	457,874	145,310	2,489,197
At 31 March 2014	6,945	5,243	7,032	469,982	–	–	489,202

A subsidiary, Peninsula Park Residences Pte. Ltd., carried out a review for furniture and fittings that are no longer in use. An amount of S$377,340 (2014: nil), was written off in profit or loss (Note 7) for the financial year ended 31 March 2015.

NOTES TO THE FINANCIAL STATEMENTS

11. Plant and equipment (cont'd)

Company	Leasehold improvement	Office equipment	Computers and software	Furniture and fittings	Total
	$	$	$	$	$
Cost					
At 1 April 2013	26,409	21,536	26,413	58,359	132,717
Additions	–	1,278	4,665	1,800	7,743
At 31 March 2014 and 1 April 2014	26,409	22,814	31,078	60,159	140,460
Additions	1,510	150	11,865	3,330	16,855
Disposal	–	(10,600)	–	–	(10,600)
At 31 March 2015	27,919	12,364	42,943	63,489	146,715
Accumulated depreciation					
At 1 April 2013	10,661	10,357	14,998	22,496	58,512
Charge for the financial year	8,803	7,214	9,048	12,032	37,097
At 31 March 2014 and 1 April 2014	19,464	17,571	24,046	34,528	95,609
Charge for the financial year	4,376	3,591	6,612	12,477	27,056
Disposal	–	(10,600)	–	–	(10,600)
At 31 March 2015	23,840	10,562	30,658	47,005	112,065
Net book value					
At 31 March 2015	4,079	1,802	12,285	16,484	34,650
At 31 March 2014	6,945	5,243	7,032	25,631	44,851

12. Investment properties

Group	Completed investment properties	Investment property under refurbishment	Total
	$	$	$
Balance sheet:			
At 1 April 2013	3,145,426	28,556,736	31,702,162
Refurbishment costs capitalised	–	18,845,303	18,845,303
Depreciation charged	(8,610)	–	(8,610)
As at 31 March 2014 and 1 April 2014	3,136,816	47,402,039	50,538,855
Refurbishment costs capitalised	–	5,178,779	5,178,779
Transfer to completed investment property	52,580,818	(52,580,818)	–
Depreciation charged	(867,072)	–	(867,072)
As at 31 March 2015	54,850,562	–	54,850,562

	2015	2014
Income statement:	$	$
Rental income from investment properties:		
- Minimum lease payments	936,171	329,672
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	642,163	29,506

The investment properties held by the Group as at 31 March 2015 are as follows:

Description and Location	Existing Use	Tenure	Unexpired lease term	Estimated fair value	
				2015	2014
				$'000	$'000
2 shop units, No. 432 Balestier Road	Shops	Freehold	Freehold	4,000	3,800
96 serviced apartment units, No. 554 Havelock Road	Serviced Apartments	Leasehold	20 years	56,000	56,000

12. Investment properties (cont'd)

Valuation of investment properties

Investment properties are stated at cost less depreciation. The desktop valuations at 31 March 2015 were performed by Cushman & Wakefield VHS, an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the properties valued.

In relation to No. 432 Balestier Road, the valuation is based on the direct comparison method that consider the sales of similar properties that have been transacted in the open market.

In relation to No. 554 Havelock Road, the valuation is based on the direct comparison method and discounted cashflow method

Details of valuation techniques and unobservable inputs are disclosed in Note 35.

13. Investments in subsidiaries

	Company	
	2015	2014
	$	$
Shares, at cost	6	8
Disposal of subsidiaries	–	(2)
De-registered of subsidiaries	(4)	–
Carrying amount of investments	2	6

Name	Principal activities	Country of incorporation	Proportion (%) of ownership interest	
			2015	2014
Held by the Company				
Luban Investments Pte. Ltd. [(2)]	Investment property	Singapore	100	100
Pollux Capital Partners Pte. Ltd. [(1)]	Investment holding	Singapore	–	100
Pollux International Pte. Ltd. [(1)]	Investment holding	Singapore	–	100
Kovan Properties Pte. Ltd. [(2)]	Investment holding	Singapore	100	100
Pollux Renoir Pte. Ltd. [(1)]	Investment holding	Singapore	–	100

13. Investments in subsidiaries (cont'd)

Name	Principal activities	Country of incorporation	Proportion (%) of ownership interest	
			2015	2014
Held through subsidiaries				
Kovan Central Pte. Ltd. [(2)]	Property development	Singapore	100	100
Boulevard Residences Pte. Ltd. [(2)]	Property development	Singapore	100	100
Bvlgari Park Residences Pte. Ltd.[(2)]	Property development	Singapore	100	100
Channel Residences Pte. Ltd. [(2)]	Property development	Singapore	100	100
Giorgio Residences Pte. Ltd. [(2)]	Property development	Singapore	100	100
Peninsula Park Residences Pte. Ltd. [(2)]	Investment property	Singapore	100	100

Note:
(1) Companies have completed the filing of de-registration as at 31 March 2015.
(2) Audited by Ernst & Young LLP, Singapore

14. Investment in joint venture

The Group has 50% (2014: 50%) interest in the ownership and voting rights in a joint venture, Pollux Botero Pte. Ltd. The joint venture was incorporated in Singapore and holds 100% interest in an entity with a property under development. The Group jointly controls the venture with other partner under the contractual agreement and requires unanimous consent for all major decision over the relevant activities. The Group has recognised its interest in the joint venture using the equity method.

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Shares, at cost	1	1	1	1
Share of post-acquisition reserves	3,469,463	195,306	–	–
	3,469,464	195,307	1	1

14. Investment in joint venture (cont'd)

Summarised financial statement information in respect of Pollux Botero Pte. Ltd. in the consolidated financial statements is as follows:

Summarised balance sheet	**Group**	
	2015	**2014**
	$	**$**
Property under development	28,680,066	18,674,181
Other debtors and deposits	64,939	40,089
Prepaid operating expenses	119,560	119,997
Due from shareholders (non-trade)	28,981,202	16,000,000
Cash and cash equivalents	20,456,248	18,720,877
Total assets	78,302,015	53,555,144
Current liabilities	69,720,124	1,474,889
Non-current liabilities	1,642,963	51,689,641
Total liabilities	71,363,087	53,164,530
Net assets	6,938,928	390,614
Proportion of the Group's ownership	50%	50%
Carrying amount of the investment	3,469,464	195,307

Summarised statement of comprehensive income	**Group**	
	2015	**2014**
	$	**$**
Revenue	19,672,625	3,278,065
Operating expenses	(10,804,149)	(2,386,291)
Interest expense	(810,635)	(230,796)
Profit before tax	8,057,841	660,978
Income tax expense	(1,509,527)	(133,436)
Profit after tax	6,548,314	527,542
Other comprehensive income	–	–
Total comprehensive income	6,548,314	527,542

Management fee of $744,000 (2014:$19,200) was charged to Pollux Botero Pte. Ltd. in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

15. Land held for development

	Group	
	2015	**2014**
	$	**$**
Land, at cost	–	17,550,223
Interest capitalized	–	587,865
Regulatory costs	–	2,333,894
Less: deposits received	–	(2,515,433)
	–	17,956,549

531 to 537 East Coast Road was transferred from land held for development to properties under development during the financial year as the property has commenced development (Note 16).

16. Properties under development

	Group	
	2015	**2014**
	$	**$**
Land, at cost	58,007,984	40,517,704
Interest capitalised	3,324,123	1,728,877
Development and related cost	26,345,231	12,524,203
Attributable profit	4,412,317	1,048,405
	92,089,655	55,819,189
Less: progress payment received	(38,609,258)	(11,822,433)
	53,480,397	43,996,756
Costs incurred in relation to development properties recognised as an expense in cost of sales (Note 5)	33,580,498	21,432,117

The properties under development are mortgaged to banks and financial institution as security of interest bearing bank borrowings (Note 25).

List of properties under development

Description and location	Tenure	% owned	Approx. site area (square metres)	Approx. gross floor area (square metres)
11 Lorong N Telok Kurau	Freehold	100	1,126	1,657
25 Lorong M Telok Kurau	Freehold	100	1,805	2,913
5 Lorong 27 Geylang	Freehold	100	470	1,370
531 to 537 East Coast Road	Freehold	100	1,425	2,224

During the financial year, the Group capitalised interest arising from loans and borrowings of subsidiaries amounting to $1,007,381 (2014: $975,109). The effective rate used for the capitalisation is within the range of 1.93 to 2.31% (2014: 1.83% to 2.12%).

NOTES TO THE FINANCIAL STATEMENTS

17. Trade receivables

	Group	
	2015	2014
	$	$
Trade receivables	5,258,412	14,577
Final amount receivable on units sold	531,556	3,576,795
	5,789,968	3,591,372

Trade receivables are generally on 7 – 30 days' term. They are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition. Trade receivables of the Group are denominated in Singapore Dollars.

During the last financial year, the Group had obtained the Temporary Occupation Permit ("TOP") for one of its development property. As the development property was considered to be completed upon obtaining TOP, the Group had recognised 100% of the revenue in relation to the units sold. Accordingly, final amount receivable on units sold amounting to $3,576,795 were recognised at the end of the last reporting period.

During the current financial year, $3,045,239 was received from the unit holders. The remaining amount of $531,556 will be received from the unit holders upon the transfer of the strata title.

18. Other receivables and deposits

	Group		Company	
	2015	2014	2015	2014
	$	$	$	$
Deposit receivable	1,763,187	1,728,305	1,714,076	1,717,655
Convertible loan notes	–	1,280,000	–	1,280,000
Other receivables	349,750	189,211	325,000	6,978
	2,112,937	3,197,516	2,039,076	3,004,633

The convertible loan notes were redeemed on 1 July 2014.

Deposit receivable includes lease rental deposit paid by the Company on behalf of a subsidiary that was disposed in the prior years. This amount is expected to be received from the former subsidiary upon the settlement of the legal case (Note 30).

Other receivables and deposits of the Group and the Company are denominated in Singapore Dollars.

19. Due from subsidiaries

The amounts due from subsidiaries are non-trade in nature, unsecured, interest-free, repayable on demand, to be settled in cash and denominated in Singapore Dollars.

20. Due from joint venture

The amount due from joint venture is non-trade in nature, unsecured, interest-free, repayable on demand, to be settled in cash and denominated in Singapore Dollars.

21. Due from a related company

The amount due from a related company is non-trade in nature, unsecured, interest-free, repayable on demand, to be settled in cash and denominated in Singapore Dollars.

22. Cash and cash equivalents

	Group		Company	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Cash at banks and in hand	16,850,944	9,711,110	2,174,158	1,604,492

Included in the Group's cash at banks are $14,088,548 (2014: $7,821,471) held under the Project Account Rules (1997 Ed), withdrawals from which are restricted to payments for development expenditure incurred on development properties.

Cash and cash equivalents of the Group and the Company are denominated in Singapore Dollars.

23. Trade payables

Trade payables are non-interest bearing and are normally settled on 60-day terms.

Trade payables of the Group and the Company are denominated in Singapore Dollars.

24. Other payables and accruals

	Group		Company	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Other payables	653,542	325,002	132,519	203,404
Provision for performance bonus	26,000	484,418	26,000	484,418
Accrued directors' fees	193,202	134,237	193,202	129,200
Accrued operating expenses	614,314	941,398	275,509	112,013
Deposits received from customer	34,350	39,536	–	–
	1,521,408	1,924,591	627,230	929,035

Other payables are unsecured, interest-free and repayable on demand.

Other payables and accruals of the Group and the Company are denominated in Singapore Dollars.

The provision for performance bonus payable is in relation to an executive director pursuant to an employment contract.

NOTES TO THE FINANCIAL STATEMENTS

25. Loans and borrowings

	Maturity (Financial Year)	Group 2015 $	Group 2014 $	Company 2015 $	Company 2014 $
Current:					
(a) SGD loan at 2.00% p.a. over SOR	2015	–	1,000,000	–	–
(b) SGD loan at 2.25% p.a. over SIBOR	2015	2,000,000	–	–	–
(c) SGD loan at 2.25% p.a. over SOR	2016	1,926,808	19,332,632	–	–
(d) SGD loan at 2.72% p.a. below CPR	2016	71,335	87,984	–	–
(e) SGD loans at 1.75% p.a. over SOR	2016	27,127,988	–	–	–
(f) SGD loan at 1.50% p.a. over SIBOR	2015	6,634,680	–	–	–
		37,760,811	20,420,616	–	–
Non- current:					
(e) SGD loans at 1.75% p.a. over SOR	2016	–	27,127,988	–	–
(d) SGD loan at 2.72% p.a. below CPR	2017-2036	1,909,688	1,921,384	–	–
(g) SGD loan at 1.85% p.a. over SOR	2016	11,795,754	11,795,754	–	–
(f) SGD loan at 1.50% p.a. over SIBOR	2016	–	6,634,680	–	–
(c) SGD loan at 2.25% p.a. over SOR	2017	19,544,513	–	–	–
		33,249,955	47,479,806	–	–

(a) SGD loan at 2.00% p.a. over SOR

This money market loan bears interest at 2.00% p.a. over the bank's cost of funds or 2.00% p.a. over the applicable SWAP Offer Rate ("SOR"). The loan has been fully repaid during the financial year.

(b) SGD loans at 2.25% p.a. over SIBOR

This money market loan bears interest at 2.25% p.a. over the bank's cost of funds or 2.25% p.a. over the applicable Singapore Interbank Offer Rate ("SIBOR"). The amount of $2,000,000 is fully repayable on 31 October 2015.

(c) SGD loan at 2.25% p.a. over SOR

This term loan bears interest at 2.25% p.a. over the bank's cost of funds or 2.25% p.a. over the applicable SOR. The full loan amount of $21,471,321 is repayable in 36 equal monthly instalments from 31 December 2014 to 31 December 2017.

(d) SGD loan at 2.72% p.a. below CPR

This term loan bears interest at 2.72% p.a. below the bank's commercial property rate ("CPR"). The full loan amount of $1,981,023 is repayable in 301 equal monthly instalments from 1 December 2011 to 1 December 2036.

(e) SGD loans at 1.75% p.a. over SOR

These loans bear interest at 1.75% p.a. over the bank's cost of funds or 1.75% p.a. over the applicable SOR and these loans are fully repayable on 31 March 2016.

NOTES TO THE FINANCIAL STATEMENTS

25. Loans and borrowings (cont'd)

(f) SGD loan at 1.50% p.a. over SIBOR

This loan bears an interest of 1.50% p.a. over the bank's cost of funds or 1.50% p.a. over the applicable SIBOR Rate and this loan is fully repayable on 31 October 2015.

(g) SGD loan at 1.85% p.a. over SOR

This loan bears an interest of 1.85% p.a. over the bank's cost of funds or 1.85% p.a. over the applicable SOR and this loan is fully repayable on 30 September 2016.

The above loans are secured by the following:

(a) First legal mortgage over the related investment properties or the related properties under development.

(b) Corporate guarantee by the Company.

(c) Legal assignment over all rights, title, and interests in the related construction contract, insurance policies, performance bond (if any), tenancy agreements, current and future rental income relating to the specified property pledged and sale and purchase agreements in respect of properties under development and investment properties.

The loan includes a financial covenant which the loans obtained shall not exceed the range of stipulated percentage 65% to 90% of the market value of the properties.

26. Loan from joint venture

The loan from joint venture is unsecured, interest-free, repayable on demand, to be settled in cash and is denominated in Singapore Dollars.

27. Due to subsidiaries

The amounts due to subsidiaries are unsecured, interest-free, repaid during the financial year and are denominated in Singapore Dollars.

28. Share capital

	Group and Company			
	2015		2014	
	No. of shares	$	No. of shares	$
Beginning and end of the financial year	622,615,384	54,508,876	622,615,384	54,508,876

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

29. Commitments

(a) *Operating lease commitments – as lessee*

The Group has entered into various operating lease agreements for offices. These leases have an average tenure of between 1 and 2 years. Lease terms do not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

Minimum lease payments recognised as an expense in the income statement for the financial year ended 31 March 2015 amounted to $564,608 (2014: $742,256).

Future minimum rental payables under non-cancellable operating leases as at 31 March are as follows:

	Group	
	2015	**2014**
	$	**$**
Not later than 1 year	73,291	568,733
Later than 1 year but not later than 5 years	–	73,291
	73,291	642,024

(b) *Operating lease commitments – as lessor*

The Group has entered into various operating lease agreements for its leasehold shop units. These non-cancellable leases have remaining lease terms of between 1 to 2 years.

Future minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

	Group	
	2015	**2014**
	$	**$**
Not later than 1 year	147,000	272,322
Later than 1 year but not later than 5 years	102,000	70,000
	249,000	342,322

(c) *Capital commitments*

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2015	**2014**
	$	**$**
Capital commitment in respect of properties under development	20,608,489	33,391,083
Share of joint venture's capital commitments in relation to property under development	6,565,465	7,922,969
	27,173,954	41,314,052

NOTES TO THE FINANCIAL STATEMENTS

30. Contingencies

Contingent liability

Litigation

Pursuant to the sale of Builders Shop Pte Ltd ("BSPL") to Lorenzo International Limited ("Lorenzo") in prior years, the Company had agreed to indemnify Lorenzo for any "actual and proven damages" arising from the construction projects undertaken prior to the disposal of BSPL.

In the last financial year, Lorenzo made an indemnity claim for legal costs associated with a construction project that was under litigation with the developer. The Company paid Lorenzo $374,868 for the legal fees incurred and recorded the legal fees as an expense in the previous year income statement. During the current financial year, the Company paid additional legal fees of $325,000 to Lorenzo. These additional legal fees were recorded as other receivables in the balance sheet. The Company has sought a separate legal advice, which opined that the Indemnity does not expressly cover legal and expert fees incurred for litigation.

Accordingly, the Company believes that there are reasonable grounds that the legal fees paid to Lorenzo are recoverable, and as such, did not expense the legal fees in the current financial year.

The Company did not make any provision for damages on the ongoing litigation relating to BSPL'S construction project as the case is still ongoing. The Company believes that the claim-against BSPL cannot be substantiated.

Guarantees

As at 31 March 2015, guarantees issued to banks by the Company in respect of banking facilities extended to subsidiaries and joint venture amounted to $108,173,571 (2014: $116,631,600) and $37,483,000 (2014: $37,483,000) respectively, of which the amounts utilised by the subsidiaries and joint venture was $71,010,766 (2014: $68,091,054) and $34,278,103 (2014: $25,778,103) respectively.

The Company has provided counter guarantees amounting to $9,000,000 (2014: $9,000,000) to a guarantor company who had provided qualifying certificate bonds to the Controller of Housing.

31. Employee benefits

Employee benefits expense (including executive directors):

	Group	
	2015	**2014**
	$	**$**
Salaries and bonuses	1,286,936	543,469
CPF contributions	87,423	47,222
Other short-term benefits	59,692	1,115
	1,434,051	591,806

The above includes directors' and key management remuneration shown in Note 32.

32. Related party transactions

(a) Sale and purchase of services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the financial year at terms agreed between the parties:

	Group	
	2015	2014
	$	$
Rental income from a company related to a director	106,920	72,330
Management fees from a joint venture	744,000	19,200
Utilities back charged to a company related to a director	–	2,150
Legal fees paid to a firm related to a director	20,000	26,066

(b) Compensation of key management personnel

	Group	
	2015	2014
	$	$
Short-term employee benefits	771,513	397,390
CPF contributions	46,854	25,601
Other short-term benefits	73,028	30,000
Total compensation paid to key management personnel	891,395	452,991
Comprised amounts paid to: Directors of the Company	326,000	180,000
Other key management personnel	565,395	272,991
	891,395	452,991

33. Segment information

For management purposes, the Group is organised into business units based on their products and services. As at 31 March 2015, there are two segments under continuing operations:

(a) The Property Development segment is involved in acquisition and development of properties for sale.

(b) The Property Investment segment is involved in renting of properties and operating of serviced apartments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. The Group financing (including finance costs and income) and income taxes are managed on a group basis and are not allocated to operating segments.

NOTES TO THE FINANCIAL STATEMENTS

33. Segment information (cont'd)

Continuing operations

	Property investment		Property development		Others		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	$	$	$	$	$	$	$	$
Revenue:								
External customers	936,171	329,672	36,944,411	23,787,440	–	–	37,880,582	24,117,112
Inter-segment	–	–	–	–	–	–	–	–
Total revenue	936,171	329,672	36,944,411	23,787,440	–	–	37,880,582	24,117,112
Results:								
Depreciation	1,050,878	8,610	–	–	27,055	37,097	1,077,933	45,707
Interest expense	273,226	24,705	55,224	108,208	1,410	1,363	329,860	134,276
Share of results of joint venture	–	–	3,646,157	263,771	–	–	3,646,157	263,771
Income tax expense	–	–	83,678	543,711	–	–	83,678	543,711
Segment profit/ (loss)	(2,202,351)	(354,967)	5,105,411	1,755,605	(785,092)	(1,242,350)	2,117,968	158,288
Assets								
Segment assets	57,719,897	50,679,942	77,334,791	74,048,029	5,074,972	6,020,439	140,129,660	130,748,410
Liabilities								
Segment liabilities	24,391,010	23,451,916	51,785,666	51,649,782	15,122,635	8,934,331	91,299,311	84,036,029

33. Segment information (cont'd)

Discontinued operations

	Home furnishing		Others		Total	
	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $
						(Note 9)
Revenue:						
External customers	–	–	–	–	–	–
Inter-segment	–	–	–	–	–	–
Total revenue	–	–	–	–	–	–
Results:						
Segment profit	–	–	–	69,483	–	69,483
Assets						
Segment assets	–	–	–	–	–	–
Liabilities						
Segment liabilities	–	–	–	–	–	–

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2015 $	2014 $	2015 $	2014 $
Singapore	37,880,582	24,117,112	60,809,223	51,223,364

Non-current assets information presented above consist of investment properties, plant and equipment, and investment in a joint venture as presented in the consolidated balance sheet.

34. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk, liquidity risk and foreign currency risk. The Board of Directors reviews and agrees on policies and procedures for the management of these risks, which are executed by the Chief Executive Officer.

It is, and has been throughout the current and previous financial year, the Company's policy that no derivative shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Company does not apply hedge accounting.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks:

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash and cash equivalents) the Group and the Company minimise credit risk by dealing with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

<u>Exposure to credit risk</u>

At the balance sheet date, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amounts of each class of financial assets recognised in the balance sheet, and
- a nominal amount of $145,656,571 (2014: $154,114,600) relating to corporate guarantees provided by the Company for its subsidiaries and joint venture.

34. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade and other receivables on an on-going basis. The credit risk concentration profile of the Group's trade and other receivables at the balance sheet date is as follows:

	Group			
	2015		2014	
	$	% of total	$	% of total
Trade receivables				
By Country:				
Singapore	5,789,968	100	3,591,372	100
	5,789,968	100	3,591,372	100
By Industry:				
Property investment	91,214	2	14,577	–*
Property development	5,698,754	98	3,576,795	100
	5,789,968	100	3,591,372	100

	Group			
	2015		2014	
	$	% of total	$	% of total
Other receivables				
By Country:				
Singapore	2,112,937	100	3,197,516	100
	2,112,937	100	3,197,516	100
By Industry:				
Property development	17,550	1	155,391	5
Property investment	56,311	2	37,492	1
Others	2,039,076	97	3,004,633	94
	2,112,937	100	3,197,516	100

* Below one percent of total balance

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with reputable financial institutions with high credit ratings.

34. Financial risk management objectives and policies (cont'd)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from interest bearing loans from financial institutions.

The Group obtains financing through loans from financial institutions. The Group's policy is to obtain the most favourable market interest rates available.

Sensitivity analysis for interest rate risk

At the balance sheet date, if interest rates had been 50 (2014: 50) basis points lower/higher with all other variables held constant, the Group's interest during the financial year would have been $269,772 (2014: $456,170) lower/higher arising mainly as a result of lower/higher interest expense on floating rate loan from financial institutions.

(c) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company monitor and maintain a level of cash and bank balances deemed adequate by the management to finance the Group's and Company's operations and mitigate the effected of fluctuations in cash flows.

34. Financial risk management objectives and policies (cont'd)

(c) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the balance sheet date based on contractual undiscounted repayment obligations:

	2015				2014			
	1 year or less	1 to 5 years	Over 5 years	Total	1 year or less	1 to 5 years	Over 5 years	Total
	$	$	$	$	$	$	$	$
Group								
Financial assets:								
Cash and cash equivalents	16,850,944	–	–	16,850,944	9,711,110	–	–	9,711,110
Due from joint venture	–	–	–	–	557,487	–	–	557,487
Due from a related company	796,382	–	–	796,382	–	–	–	–
Trade, other receivables and deposits	7,902,905	–	–	7,902,905	6,788,888	–	–	6,788,888
Total undiscounted financial assets	25,550,231	–	–	25,550,231	17,057,485	–	–	17,057,485
Group								
Financial liabilities:								
Trade payables	3,517,521	–	–	3,517,521	5,835,860	–	–	5,835,860
Other payables and accruals	1,521,408	–	–	1,521,408	1,924,591	–	–	1,924,591
Loans and borrowings	39,081,345	35,054,869	1,955,744	76,091,958	20,970,603	48,050,934	1,802,485	70,824,022
Loan from joint venture	14,490,601	–	–	14,490,601	8,000,000	–	–	8,000,000
Total undiscounted financial liabilities	58,610,875	35,054,869	1,955,744	95,621,488	36,731,054	48,050,934	1,802,485	86,584,473
Total net undiscounted financial liabilities	(33,060,644)	(35,054,869)	(1,955,744)	(70,071,257)	(19,673,569)	(48,050,934)	(1,802,485)	(69,526,988)

34. Financial risk management objectives and policies (cont'd)

(c) *Liquidity risk (cont'd)*

	2015			2014		
	1 year or less	1 to 5 years	Total	1 year or less	1 to 5 years	Total
	$	$	$	$	$	$
Company						
Financial assets:						
Other receivables and deposits	2,039,076	–	2,039,076	3,004,633	–	3,004,633
Due from subsidiaries	55,321,321	–	55,321,321	50,080,446	–	50,080,446
Due from joint venture	–	–	–	557,487	–	557,487
Due from a related company	796,382	–	796,382	–	–	–
Cash and cash equivalents	2,174,158		2,174,158	1,604,492	–	1,604,492
Total undiscounted financial assets	60,330,937	–	60,330,937	55,247,058	–	55,247,058
Financial liabilities:						
Other payables and accruals	627,230	–	627,230	929,035	–	929,035
Due to subsidiaries	–	–	–	1,020,000	–	1,020,000
Loan from joint venture	14,490,601	–	14,490,601	8,000,000	–	8,000,000
Total undiscounted financial liabilities	15,117,831	–	15,117,831	9,949,035	–	9,949,035
Total net undiscounted financial assets	45,213,106	–	45,213,106	45,298,023	–	45,298,023

The table below shows the contractual expiry by maturity of the Group and Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	2015 $'000				2014 $'000			
	One year or less	One to five years	Over five years	Total	One year or less	One to five years	Over five years	Total
Financial guarantees:								
- Banking facilities	102,941	40,516	2,200	145,657	16,075	135,840	2,200	154,115

(d) *Foreign currency risk*

As at 31 March 2015, the Group does not have any significant transactional currency exposures arising from purchases that are denominated in a currency other than the functional currency of the Group.

NOTES TO THE FINANCIAL STATEMENTS

35. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group categories fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

– Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,

– Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and

– Level 3 - Unobservable inputs for the asset or liability

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There are no assets measured at fair value at end of the reporting period.

(b) *Assets not carried at fair value but for which fair value is disclosed*

The following table shows an analysis of the asset not measured at fair value at end of the reporting period but for which fair value is disclosed.

	Group			
	2015			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	$	$	$	$
Non-financial asset:				
Investment properties (Note 12)	–	–	60,000,000	60,000,000

	Group			
	2014			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	$	$	$	$
Non-financial asset:				
Investment properties (Note 12)	–	–	59,800,000	59,800,000

NOTES TO THE FINANCIAL STATEMENTS

35. Fair value of assets and liabilities (cont'd)

(b) *Assets not carried at fair value but for which fair value is disclosed (cont'd)*

Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements.

Description	Fair value		Valuation techniques	Unobservable inputs
	2015 $	2014 $		
Investment properties	60,000,000	59,800,000	The fair value is determined using (a) Direct comparison and / or (b) Discounted cash flow	Discount rate adjustments based on management's assumptions Terminal yield adjustments based on management's assumptions

(c) *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value*

The fair value of financial liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation fair value are as follows:

	2015		2014	
	Carrying amount	Fair value	Carrying amount	Fair value
	$	$	$	$
Financial liabilities:				
Loans and borrowings (non-current)	33,249,955	30,851,977	47,479,806	44,198,827

Determination of fair value

The fair value as disclosed in the table above is estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the end of the reporting period.

(d) *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value*

Current trade receivables, other receivables and deposits, due from joint venture, due from/(to) subsidiaries, due from a related company, cash and cash equivalents, trade payables, other payables and accruals and loan from joint venture

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either repayable on demand, due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

36. Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2015 and 31 March 2014.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade and other payables, due to related parties, bills payable, bank overdrafts and loans, less cash and cash equivalents. Capital comprises equity attributable to the equity holders of the parent.

	Group	
	2015	**2014**
	$	**$**
Trade payables	3,517,521	5,835,860
Other payables and accruals	1,521,408	1,924,591
Loan from joint venture	14,490,601	8,000,000
Loans and borrowings	71,010,766	67,900,422
Total debt	90,540,296	83,660,873
Less: Cash and cash equivalents	(16,850,944)	(9,711,110)
Net debt	73,689,352	73,949,763
Equity attributable to the equity holders of the Parent	48,830,349	46,712,381
Capital and net debt	122,519,701	120,662,144
Gearing ratio	60%	61%

37. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2015 were authorised for issue in accordance with a resolution of the directors on 26 June 2015.

SHAREHOLDINGS STATISTICS

AS AT 12 JUNE 2015

Number of issued shares	- 622,615,384
Issued and paid-up share capital	- S$55,241,525.56
Number of treasury shares held	- Nil
Number of shareholders	- 1,310
Class of shares	- Ordinary shares each with equal voting rights

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 12 June 2015, 23.26% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited is complied with.

ANALYSIS OF SHAREHOLDINGS

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	2	0.15	13	0.00
100 - 1,000	338	25.80	335,620	0.05
1,001 - 10,000	498	38.02	2,669,510	0.43
10,001 - 1,000,000	434	33.13	45,922,973	7.38
1,000,001 and above	38	2.90	573,687,268	92.14
	1,310	100.00	622,615,384	100.00

TOP 20 SHAREHOLDERS

No.	Name of Shareholder	No. of Shares	%
1	Pollux Holdings Pte Ltd	372,014,384	59.75
2	Shining Holdings Pte Ltd	63,371,000	10.18
3	Phillip Securities Pte Ltd	13,424,354	2.16
4	OCBC Securities Private Ltd	13,285,990	2.13
5	Tay Swee Leng	9,999,960	1.61
6	Tan Kay Sing	9,900,000	1.59
7	UOB Kay Hian Pte Ltd	7,467,000	1.20
8	DB Nominees (S) Pte Ltd	6,775,000	1.09
9	Tan Siok Hwee	5,999,990	0.96
10	Pang Heng Kwee	5,850,000	0.94
11	Koh Wee Meng	4,880,000	0.78
12	Yeong Yoon Ying	4,500,000	0.72
13	Chang Soon Kheong	4,463,000	0.72
14	Rice Fields Pte Ltd	4,313,000	0.69
15	Goh Wan Peng	4,043,000	0.65
16	Maybank Kim Seng Securities Pte Ltd	3,451,000	0.55
17	Tan Li Yu	3,250,000	0.52
18	Terry Tan Nan Chuang	2,849,000	0.46
19	Tan Kay Tho	2,600,000	0.42
20	Ng Chwee Cheng	2,558,000	0.41
		544,994,678	87.53

SHAREHOLDINGS STATISTICS

AS AT 12 JUNE 2015

SUBSTANTIAL SHAREHOLDERS
(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest		Total Interest	
Substantial Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Pollux Holdings Pte. Ltd.	378,789,384	60.84	-	-	-	-
Nico Purnomo Po[1]	-	-	378,789,384	60.84	378,789,384	60.84
Tan Kay Kiang[2]	1,549,920	0.25	74,111,960	11.90	75,661,880	12.15
Tan Kay Sing[3]	10,000,000	1.61	64,112,000	10.30	74,112,000	11.91
Tan Kay Tho[4]	2,600,000	0.42	64,112,000	10.30	66,712,000	10.72
Tan Chin Hoon[5]	630,000	0.10	64,112,000	10.30	64,742,000	10.40
Shining Holdings Pte Ltd[6]	63,371,000	10.18	741,000	0.12	64,112,000	10.30

Notes:

(1) Nico Purnomo Po is deemed to be interested in the 378,789,384 shares held by Pollux Holdings Pte. Ltd., by virtue of section 7(4) of the Companies Act, Cap.50 (the "Act").

(2) Tan Kay Kiang is deemed to be interested in the 63,371,000 shares held by Shining Holdings Pte Ltd, 741,000 shares held by Shining Development Pte Ltd, by virtue of sections 7(4A) and 7(4) of the Act, respectively and 9,999,960 shares held by his spouse, Tay Swee Leng, by virtue of section 164(15)(a) of the Act.

(3) Tan Kay Sing is deemed to be interested in the 63,371,000 shares held by Shining Holdings Pte Ltd and 741,000 shares held by Shining Development Pte Ltd, by virtue of sections 7(4A) and 7(4) of the Act, respectively.

(4) Tan Kay Tho is deemed to be interested in the 63,371,000 shares held by Shining Holdings Pte Ltd and 741,000 shares held by Shining Development Pte Ltd, by virtue of sections 7(4A) and 7(4) of the Act, respectively.

(5) Tan Chin Hoon is deemed to be interested in the 63,371,000 shares held by Shining Holdings Pte Ltd and 741,000 shares held by Shining Development Pte Ltd, by virtue of sections 7(4A) and 7(4) of the Act, respectively.

(6) Shining Holdings Pte Ltd is deemed to be interested in the 741,000 shares held by its wholly-owned subsidiary, Shining Development Pte Ltd, by virtue of section 7(4A) of the Act.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of Pollux Properties Ltd. (the "**Company**") will be held at Senator Room Level 1 The St. Regis Singapore 29 Tanglin Road Singapore 247911 on Thursday, 23 July 2015 at 2.00 p.m., for the purpose of transacting the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 March 2015 and the Directors' Report and the Independent Auditor's Report thereon. — Resolution 1

2. To approve Directors' fees of S$188,000.00 for the financial year ended 31 March 2015. (2014: S$125,835.00) — Resolution 2

3. To re-elect Mr Tan Kay Kiang, a Director retiring by rotation pursuant to Article 104 of the Company's Articles of Association. *(See Explanatory Note)* — Resolution 3

4. To re-elect Mr James Kho Chung Wah, a Director retiring by rotation pursuant to Article 104 of the Company's Articles of Association. *(See Explanatory Note)* — Resolution 4

5. To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. — Resolution 5

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:

6. THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**"), authority be and is hereby given to the Directors to:

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

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

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

   (b) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, notwithstanding that the authority granted by this Resolution may have ceased to be in force at the time of such issuance of shares.

PROVIDED THAT

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 100% of the total number of issued shares in the capital of the Company excluding treasury shares, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to shareholders of the Company shall not exceed 50% of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with paragraph (2) below);

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

(i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue or consolidation or subdivision of shares;

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

(4) (unless revoked or varied by the Company in a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. *(See Explanatory Note)* Resolution 6

7. To transact any other business of an Annual General Meeting.

BY ORDER OF THE BOARD

Nico Purnomo Po
Executive Director

Singapore
7 July 2015

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

Resolutions 3 & 4

Detailed information on these Directors can be found under 'Board of Directors', 'Corporate Governance Report' and 'Directors' 'Report' in the Company's Annual Report 2015. Save as disclosed in those sections, there are no relationships including immediate family relationships between each of the Directors and the other Directors, the Company or its 10% shareholders.

Mr James Kho Chung Wah will, upon re-election as a Director of the Company, remain as Chairman of the Audit Committee and a member of the Remuneration and Nominating Committee, and he will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

Resolution 6

Resolution no. 6, if passed, will empower the Directors of the Company to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding in aggregate 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 50% may be issued other than on a *pro rata* basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time that Resolution no. 6 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Resolution no. 6 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.

Notes:

(1) A member of the company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies and vote in his stead. Such proxy need not be a member of the Company. Where there is more than one proxy, the proportion (expressed as a percentage of the whole) of his shareholding to be represented by each proxy must be stated.

(2) The instrument appointing proxy or proxies must be deposited at the registered office of the Company at 391A Orchard Road #08-07 Ngee Ann City Tower A Singapore 238873 not later than 48 hours before the time set for the Annual General Meeting or any adjournment thereof.

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

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

The contact person for the Sponsor is Ms. Goh Mei Xian, Deputy Head of Continuing Sponsorship, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02, Singapore 068896, telephone (65) 6854-6160.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) contents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request, and (iv) agrees to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a results of the member's breach of warranty.

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POLLUX PROPERTIES LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199904729G)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:
For CPF Investors Only
1. For investors who have used their CPF moneys to buy ordinary shares in the capital of Pollux Properties Ltd., this 2015 Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

Personal Data Privacy
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 7 July 2015.

I/We ______________________ NRIC/Passport No. ______________________

of ____

being a member/members of POLLUX PROPERTIES LTD. (the "Company") hereby appoint

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

and/or failing him/her (delete as appropriate)

or failing him/her, the Chairman of the Fifteenth Annual General Meeting ("AGM") of the Company as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the AGM of the Company to be held at Senator Room Level 1 The St. Regis Singapore 29 Tanglin Road Singapore 247911, on Thursday, 23 July 2015 at 2.00 p.m., and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of the AGM. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the AGM).

	Ordinary Resolutions	**For**	**Against**
	Ordinary Business		
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2015 and the Directors' Report and the Independent Auditor's Report thereon.		
2.	To approve Directors' fees of S$188,000.00 for the financial year ended 31 March 2015.		
3.	To re-elect Mr Tan Kay Kiang, a Director retiring by rotation pursuant to Article 104 of the Company's Articles of Association.		
4.	To re-elect Mr James Kho Chung Wah, a Director retiring by rotation pursuant to Article 104 of the Company's Articles of Association.		
5.	To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.		
	Special Business		
6.	To authorise the Directors to issue new shares.		

Dated this ______________ day of ______________ 2015

Total No. of Shares in:	No. of Shares
CDP Register	
Register of Members	

____
Signature(s) of Shareholder(s)/Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ THE NOTES OVERLEAF

Notes:

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

2. A member of the Company entitled to attend and vote at the above-mentioned meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his stead. Where a member appoints more than one proxy, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company.

3. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 391A Orchard Road #08-07 Ngee Ann City Tower A Singapore 238873, not less than 48 hours before the time set for the meeting.

4. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.

5. The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised.

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

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

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

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POLLUX PROPERTIES

POLLUX PROPERTIES LTD.

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