FORGING AHEAD
LOCALLY & BEYOND

Figtree

ANNUAL REPORT
2014

Staying ahead of the curve, we continued to push ahead with our expansion plans this year. Our specialist capabilities in the design and building of commercial, industrial and residential properties have brought us to new markets, where we are able to offer consistent, quality services to our customers – each and every time.

Our milestone acquisitions in Australia this year have further solidified the Group's foundation as we move to forge a stronger presence both at home and further ashore. As we go on to pursue new opportunities to fortify our core businesses, we aspire to unlock greater value for our shareholders as they journey with us for the long-term.

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CORPORATE PROFILE

We specialise in the design and building of commercial and industrial facilities, as well as engage in property development.

Founded in 2009, Figtree Holdings Limited ("Figtree" or the "Company", and together with its subsidiaries and associate, the "Group"), specialises in the design and building of commercial and industrial facilities. The Group typically acts as the main contractor for its projects in Singapore, covering new construction, A&A works on existing buildings as well as refurbishment and upgrading of existing buildings. In China and Malaysia, the Group provides design, project and construction management consulting services.

In 2014, the Group grew its property development business in China and Australia, which includes developing, constructing, selling and leasing of residential, commercial and industrial properties.

Figtree was listed on SGX Catalist on 11 November 2013.

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

As we celebrate our first anniversary as a listed company on the SGX Catalist since 11 November 2013, we are proud to have fostered a strong set of fundamentals, surpassing the expectations of many, for the financial year in review.

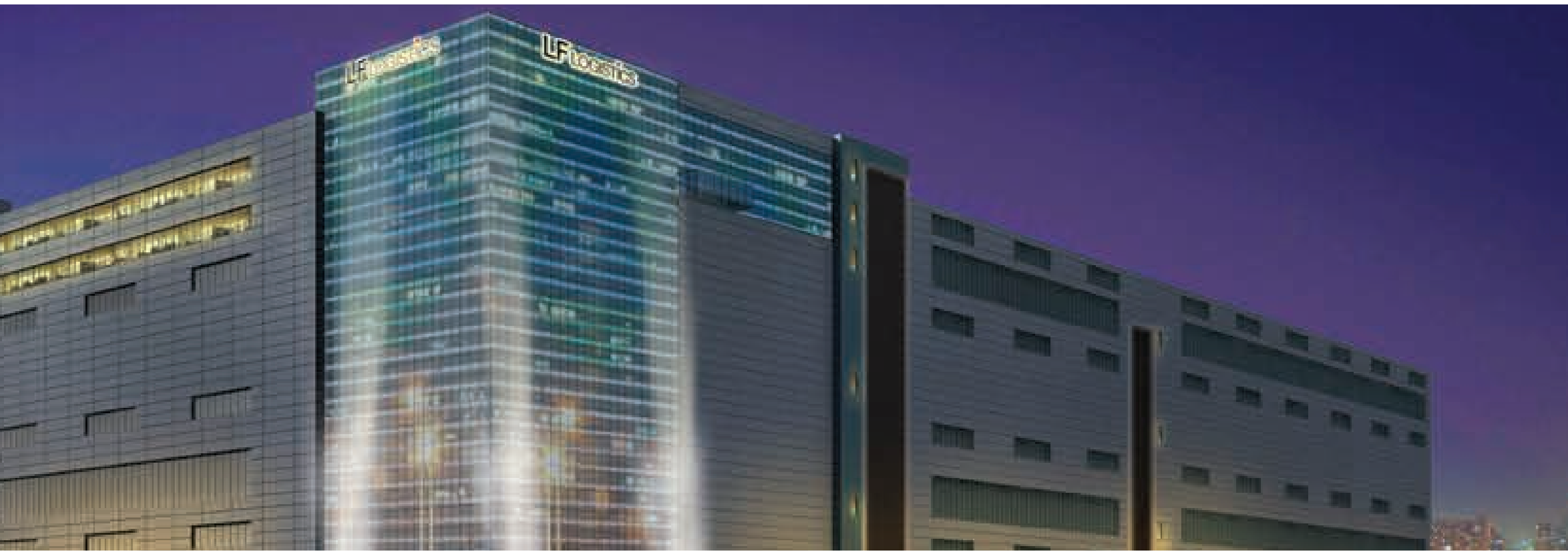
FORGING AHEAD LOCALLY AND BEYOND

During 2014, we established a wholly-owned subsidiary, Figtree Real Estate Pty Ltd ("Figtree Real Estate"), in Australia, to explore property development opportunities in the nation's major cities, and we have since made significant headway in our latest foray. Notably, we boosted our **Property Development** business with two landmark purchases in Melbourne, Australia, in quick succession in August and November 2014. Occupying a prime address at 293-303 La Trobe Street, the property comprises two adjoining plots of land totalling 670 square metres ("sqm"), which we plan to combine to maximise its potential by way of a high-rise mixed development.

The property is strategically located in the heart of Melbourne City in "Capital City Zone 1". It is not only well served by public transport, but also close to the Melbourne Central Railway Station, Melbourne Central Mall – a central hub for shopping, as well as universities such as RMIT and University of Melbourne. Other renowned landmarks such as Queen Victoria Market, Chinatown and Flagstaff Gardens are also close by. Valued at a total purchase consideration of approximately A$17.43 million (equivalent to approximately S$18.43 million), we are pleased to report that the acquisition has been completed on 16 February 2015. We have appointed consultants to work on the design and will be submitting our planning application to the Victoria Department of Environment, Land, Water and Planning in the second quarter of 2015, and hope to obtain our planning permit by the fourth quarter of 2015.

Besides Australia, we also took part in two additional property development projects in China during the fiscal year through our associated company, Vibrant Properties Pte Ltd ("Vibrant Properties"). The first was in March 2014 for an 88,917 sqm prime high tech industrial park development site in Changshu High Tech Industrial Park in Jiangsu, China for approximately RMB28.85 million (equivalent to approximately S$6.31 million). To be named the Changshu Fervent Industrial Park, this industrial development will have a gross floor area ("GFA") of about 67,405 sqm consisting of six blocks of standard light industrial factory and a 5-storey multi-purpose facility. The construction of this project is on schedule and completion is expected by the second quarter of 2015. Through Vibrant Properties, our Group has an effective interest of 20% in this project.

Following which, in May 2014, we secured another property development project in China comprising a government-approved resettlement housing development in Jiangyin, China, which we acquired for approximately RMB75.42 million (equivalent to approximately S$16.60 million). With a guaranteed buyback upon completion, the total estimated GFA of this development is around 35,702 sqm and comprises a 33-storey block of residential flats and a 14-storey block of residential flats with a basement car park. To date, construction is ahead of schedule and completion is expected by the first quarter of 2016. We hold an effective stake of 24% in this project.



We are also providing **Project and Construction Management** consultancy services for both projects in China.

On the **Design and Build** front, we have commenced work on two new major projects during the year – the LF Logistics Distribution Centre for Development 8 Pte Ltd ("D8") in April 2014 and the Chemical Warehouse at Gul Circle for Crystal Freight Services Distripark Pte Ltd ("CFSDPL") in September 2014 – for which a small percentage of revenue has been recognised in the financial year ended 31 December 2014 ("FY2014"). These projects are expected to be completed in the fourth quarter of 2015 and the first quarter of 2016 respectively.

REVIEW OF 2014

Buoyed by our solid reputation for delivering quality work, technical expertise and an experienced management team, the Group delivered a robust set of financials for FY2014.

We achieved a healthy net attributable profit of S$7.22 million on revenue of S$98.54 million in FY2014, as compared to a net attributable profit of S$8.64 million and revenue of S$101.82 million in the previous year ("FY2013"). The decrease is mainly due to the timing difference in revenue recognition from various projects, which is based on the percentage of completion method.

Correspondingly, the Group's gross profit decreased by 8.5% from S$14.42 million in FY2013 to S$13.19 million in FY2014, while gross profit margin decreased by 0.8 percentage points from 14.2% in FY2013 to 13.4% in FY2014. The decrease in gross profit margin was mainly attributed to the completion of various projects in the first half of 2014 and marginal profit recognised for the two new projects: D8 and CFSDPL.

SHARPENING OUR FOCUS TO UNLOCK VALUE

In the first year since our listing, we have attained numerous achievements and achieved significant milestones both locally and offshore.

Our next steps are clear: we want to ensure that we continue to deliver quality projects in the pipeline, strengthen our earnings base, fortify our pillars of growth, and ultimately lead the Group to a profitable position through our focused approach.

Looking ahead, we will build upon our successes and aim to sharpen our focus on our core Design and Build business, and push ahead to nurture our Property Development business. We will also continue to work closely with our subsidiaries and partners to explore and negotiate new potential industrial Design and Build projects in Singapore, China and the region.

OUTLOOK FOR 2015

The outlook for the construction industry in Singapore remains positive for the next 12 months, and the Building and Construction Authority ("BCA") has projected construction demand for 2015[1] to range between S$29 billion to S$36 billion.

Our order book for Design and Build projects as at 31 December 2014 stands at approximately S$127.00 million. As part of its growth plans going forward, Figtree will continue to explore and negotiate new potential industrial Design and Build projects in Singapore, China

[1] "Public sector projects to sustain construction demand in 2015", BCA website, 8 January 2015

and the region. Alongside, we will also continue to extend our extensive Project and Construction Management knowledge and expertise in both Malaysia and China.

For the Property Development segment, we will continue to explore potential development opportunities with a focus on China and Australia through our respective associates and/or subsidiaries, Vibrant Properties and Figtree Real Estate.

Where it makes sense for us to look at complementary businesses in construction, design and build or property development, we will keep a look out for suitable mergers and acquisitions, joint ventures or strategic alliances on an opportunistic basis.

The Group is optimistic on its business outlook, and we expect to remain profitable for FY2015.

REWARDING OUR SHAREHOLDERS

For the year ended 31 December 2014, the Board has recommended a first and final dividend of 1.00 Singapore cent per ordinary share, which if approved at the forthcoming Annual General Meeting of the Company, will be paid to shareholders on a date to be announced later.

APPRECIATION

It has been a breakthrough year of firsts for us, and I would like to express my deep appreciation to all staff, business partners and associates – your hard work, unwavering commitment and dedication have been truly invaluable, and the strong performance of our Group in FY2014 could not have been possible without you. Your efforts are greatly valued, and I look forward to your continuing support in the years to come.

I would like to thank all our shareholders, who have believed in us and journeyed with us throughout this exciting year, as well as my fellow directors on the Board for their invaluable counsel and guidance.

I look forward to seeing you all at our upcoming Annual General Meeting on 23 April 2015.

Danny Siaw
Executive Chairman and Managing Director

FINANCIAL REVIEW

Overall, the Group maintained a healthy revenue inflow for FY2014 at S$98.54 million, representing a marginal decrease of 3.2% year-on-year from S$101.82 million on the back of timing differences in revenue recognition from its projects. Notably, works pertaining to two new major projects, D8 and CFSDPL only commenced in April and September 2014 respectively, thus contributing only a small percentage of revenue during the period under review.

Correspondingly, gross profit declined by 8.5% to S$13.19 million in FY2014, while gross profit margin also decreased by 0.8 percentage points to 13.4% in FY2014 compared to 14.2% for FY2013 as various projects were completed in the first half of 2014, and less profit was recognised for the Group's new projects, D8 and CFSDPL, during their initial stages of construction.

In light of interest income recognised from long term loans extended to an associate, the Group posted an increase in other income of S$0.04 million to S$0.51 million in FY2014.

Cost-wise, the Group's administrative expenses rose by 17.6% from S$3.80 million in FY2013 to S$4.47 million in FY2014. This was mainly attributable to an increase in general administrative expenses, compliance costs (such as professional and audit fees), depreciation, office related expenses and directors' fees. In addition, higher employee expenses arising from a greater headcount stemming from an anticipated increase in business activities, also contributed to the spike in expenses during the year.

The Group registered no finance costs during the current year, as finance costs from bank borrowings relating to the purchase of the Group's office located at 8 Jalan Kilang Barat, #03-01 Central Link, Singapore 159351, have been fully repaid on 26 December 2013.

Depreciation of property, plant and equipment increased by 101.9% to S$0.17 million in FY2014, mainly due to the acquisition of the Group's office property in the second half of 2013 and ancillary costs related to fitting out the office premises.

Factoring in losses posted by the Group's associate, Vibrant Properties, share of results of associates deteriorated from a loss of S$509 to S$0.46 million in FY2014.

In line with lower profitability registered during the fiscal period, tax expense fell by 24.5% year-on-year to S$1.54 million in FY2014.

Taking into account the aforementioned, the Group reported a net profit attributable to owners of the Company of S$7.22 million in FY2014, as compared to S$8.63 million the preceding year.

As at 31 December 2014, the Group's current assets of S$76.61 million accounted for 87.6% of total assets, whereas trade and other receivables increased 109.4% year-on-year to S$37.90 million, comprising 49.5% of the Group's total current assets.

The net book value of the Group's property, plant and equipment also rose from S$3.67 million to S$3.77 million over the year, following renovations at the office and purchases relating to fitting out the office premises comprising furniture, office equipment, computers and a motor vehicle. However, the increase was partly offset by depreciation charges recorded during the year.

The Group's current liabilities amounted to S$59.87 million, accounting for 99.9% of the Group's total liabilities as at 31 December 2014. Comprising 54.5% of total current liabilities, trade and other payables of S$32.65 million increased by S$13.66 million year-on-year following an increase in accrued operating expenses by S$13.52 million on the back of more construction activities.

The Group posted a net positive working capital of S$16.75 million as at 31 December 2014, as compared to S$19.81 million the preceding period.

Likewise, cash and cash equivalents remained healthy, increasing 46.2% to S$37.03 million from S$25.32 million during the year under review.

BOARD OF DIRECTORS

SIAW KEN KET @ DANNY SIAW[1]

(Executive Chairman and Managing Director)

Mr Siaw was appointed as Executive Chairman and Managing Director of the Company on 5 June 2013.

Primarily responsible for the business development and overall management of the Group, Mr Siaw started his career in November 1990 as a site engineer with Civil & Civic Pty Ltd, a wholly-owned subsidiary of Lend Lease Corporation Limited in Australia.

Following which, he was transferred to Bovis Lend Lease Pte Ltd (a design and build company) in Singapore in July 1993 as a project manager and rose through the ranks to become a business development manager. He went on to Magdecon Projects Pte Ltd in 1998 as an executive director in charge of business development and design. On the back of his stellar work performance, Mr Siaw was subsequently promoted to the post of managing director in 2004, a position he held until December 2010.

The following year, Mr Siaw joined Figtree Projects Pte. Ltd. as its managing director and subsequently became the director of Figtree Projects Sdn Bhd and Figtree Projects (Shanghai) Co., Ltd in the latter part 2011. In 2013, Mr Siaw was also appointed as a director of Figtree Developments Pte. Ltd.

Mr Siaw holds a Bachelor of Planning and Design, as well as a Bachelor of Building, from the University of Melbourne, Australia.

TAN CHEW JOO[2]

(Executive Director and Cost Director)

Mr Tan was appointed as Executive Director and Cost Director of the Company on 5 June 2013.

He is chiefly responsible for the overall management of costing and budgeting of projects for the Group. Mr Tan started his career in 1973 as a quantity surveyor with the Singapore Public Works Department before joining Soh Beng Tee Pte Ltd, a general building contractor, as its contracts manager in 1975. Five years later, Mr Tan joined Bovis Lend Lease Pte Ltd in 1980 as its cost manager where he rose through the ranks to become senior director and general manager. Subsequently, he joined Magdecon Projects Pte Ltd in 1998 as its managing director and undertook the position of the executive chairman from 2004 to 2007. Following which, Mr Tan assumed the position of technical consultant for Magdecon Projects Pte Ltd from 2007 to 2009 and was also an executive director of Singa MP Corporation Pte Ltd, the holding company of Magdecon Projects Pte Ltd, from 2008 to 2009. In 2011, Mr Tan joined the Group and became the cost director for Figtree Projects Pte. Ltd. before becoming a director of Figtree Developments Pte. Ltd. in 2013.

Mr Tan holds a Bachelor of Science (Building) from the then University of Singapore. He is also a Member of the Singapore Institute of Surveyors and Valuers.

THOMAS WOO SAI MENG[3]

(Non-Executive Director)

Mr Woo was appointed as Non-Executive Director of the Company on 8 October 2013.

Currently the executive director and chief investment officer of Vibrant Group Limited (formerly known as Freight Links Express Holdings Limited) ("Vibrant"), Mr Woo first joined Vibrant in May 1997 as the chief financial officer. He was appointed as executive director of Vibrant in September 2001 and assumed his current chief investment officer role in November 2010. Mr Woo also sits on the board of a number of Vibrant's subsidiaries and associated companies. Prior to joining Vibrant, Mr Woo held senior managerial appointments with a number of private sector organisations.

Mr Woo holds a Bachelor of Economics from the University of New England and a Master of Business Administration from the University of Queensland. He is also a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountants and a Fellow of CPA Australia.

LEE KIM HUAT[4]

(Lead Independent Director)

Mr Lee was appointed as Lead Independent Director of the Company on 8 October 2013.

He is currently the chief operating officer and finance director of Nordic Global Holdings Pte. Ltd., an investment holding company, as well as the chief operating officer and finance director of Nordic Lift-Truck Pte. Ltd., Nordic Trading & Engineering Pte. Ltd., Nordic Equipment (Myanmar) Ltd. and PT. Nordic Lift-Truck. Notably, these companies are engaged in the sale, refurbishment, servicing and repair of container and material handlers, terminal tractors, heavy forklifts, quayside cranes and port equipment.

Mr Lee also has extensive experience in finance and accounting. From 2002 to 2009, he was the group chief financial officer of BBR Holdings (S) Ltd ("BBR Holdings"), a SGX Mainboard-listed company that engages in, amongst others, design and build as well as property development. As group chief financial officer of BBR Holdings, he was responsible for the overall finance, administration and other operational matters within the group. Prior to Mr Lee's appointment as group chief financial officer, he was also the executive director responsible for finance, administration and other operational matters in several of BBR Holdings' main subsidiaries such as Singapore Piling & Civil Engineering Private Limited, Singa Development Pte Ltd and BBR Construction Systems Pte Ltd.

Mr Lee holds a Bachelor of Arts (Accounting) from Newport University, a Diploma in Business Studies from the City College of Higher Education (London) and a Post-graduate Diploma in Accounting and Finance from The London School of Economics and Political Science. He is an Associate of The Association of Cost and Executive Accountants and a Fellow Certified Corporate Executive Accountant of the Association of Certified Project Accountants.

LEE CHOONG HIONG[5]

(Independent Director)

Mr Lee was appointed as Independent Director of the Company on 8 October 2013.

He is also currently the owner of LCH Quantity Surveying Consultant, a sole-proprietorship which he started in 1986, that provides quantity surveying services, business and management consultancy services, as well as LTY + LCH (JV), a partnership registered in 2005 that provides quantity surveying services.

With more than 40 years of experience in quantity surveying, Mr Lee worked as a senior quantity surveyor at LT&Y from 1973 to 1981. Thereafter, he became a partner at Lim Chan Hoe & Partners, a company in the business of quantity surveying from 1981 to 1986.

Mr Lee holds a Bachelor of Science (Building) from the University of Singapore and is a member of The Singapore Institute of Surveyors and Valuers.

PONG CHEN YIH[6]

(Independent Director)

Mr Pong was appointed as Independent Director of the Company on 8 October 2013.

Specialising in legal work pertaining to capital markets, compliance, investments and acquisitions, Mr Pong is a principal in Baker & Mckenzie. Wong & Leow and has been with the firm since October 2014. In practice since May 2002, Mr Pong started his legal profession as an associate in Shook Lin & Bok LLP prior to joining WongPartnership LLP as an associate in 2003 before being promoted to the position of partner in 2008.

Mr Pong holds a Bachelor of Law from the National University of Singapore and is a member of the Singapore Academy of Law and the Law Society of Singapore.

KEY MANAGEMENT

LING LIONG KIONG AUDREA *(Chief Financial Officer)*

Ms Ling joined our Group in February 2013 and is our Chief Financial Officer.

Responsible for all finance-related areas of the Group, Ms Ling first started her career in 1997 as an auditor in Ernst & Young LLP before leaving in 2002 to join BBR Holdings, a design and build construction and property development company listed on the Mainboard of the SGX-ST. As a group accountant at BBR Holdings, she performed consolidation and prepared all financial announcements as well as annual reports and quarterly budgets, forecasts and cash flow statements. Subsequently, she joined Adventus Holdings Limited, an advanced materials and solutions and commodities and resources company listed on Catalist, as the group finance manager in 2010 before leaving to join the Group in 2013.

Ms Ling holds a Bachelor of Commerce in Marketing and Accounting from the University of New South Wales and is also a Certified Practising Accountant of CPA Australia.

TEOH HOON SONG *(Mechanical and Electrical Engineering Director)*

Mr Teoh is the Mechanical and Electrical Engineering ("M&E") Director for Figtree Projects Pte. Ltd. and is responsible for all M&E related matters for all projects as well as ensuring compliance with applicable ISO procedures and BCA Green Mark compliance.

Mr Teoh started his career in 1995 as an engineer with Hart Engineering Pte Ltd until 2000, when he left to join United Engineers Pte Ltd in the same capacity. In 2005, Mr Teoh joined Magdecon Projects Pte Ltd, a building and construction company, as an M&E Manager and became project manager subsequently, where he was responsible for the management of building and construction projects. Mr Teoh joined Figtree Projects Pte. Ltd. in 2010 as M&E Director.

Mr Teoh holds a Bachelor of Engineering (Electrical & Electronic Engineering) from the Nanyang Technological University.

FUNG TZE PING *(Project Director)*

Mr Fung is the Project Director for Figtree Projects Pte. Ltd. and is responsible for project management, project planning, management of budgeting and costing.

Mr Fung started his career in 2000 with Magdecon Projects Pte Ltd where he was the site/project engineer for construction projects undertaken by various organisations including Hermes-Epitek Corp. Pte Ltd ("Hermes-Epitek") and Agnos Chemicals Pte Ltd. He was subsequently promoted to the role of a project manager in 2004, where he started managing various projects involving utilities pipework hook-up for Hermes-Epitek as well as managing the construction of a chemicals warehouse for LTH Logistic (Singapore) Pte Ltd. In 2011, Mr Fung joined Figtree Projects Pte. Ltd. as Project Director.

Mr Fung holds a Diploma in Technology (Building) from Tunku Abdul Rahman College and a Master of Science in Construction Management (Project Management) from Heriot-Watt University.

OEI TJHING BO ROBERT *(Technical Director)*

Mr Oei is the Technical Director for Figtree Projects Pte. Ltd. and is responsible for the preparation of conceptual structural designs and evaluation of the final structural design.

From 1978 to 1998, Mr Oei took on various roles within the L&M group of companies, a specialist engineering contractor in Singapore. These roles include the technical director of L&M Prestressing Pte Ltd, chief executive officer of L&M Geotechnic Pte Ltd and L&M Foundation Specialist Pte Ltd and country director for its subsidiaries in Brunei and Indonesia. After which, Mr Oei joined Yongnam Engineering & Construction Pte Ltd from 1999 to 2002 as a technical manager for projects in Singapore, Hongkong and India. Subsequently, he joined various other engineering and construction companies as technical director/consultant over 2003 to 2006 before joining Magdecon Projects Pte Ltd as its technical projects director. In 2009, Mr Oei joined Double Wong Foundation Pte Ltd, a foundation piling company, as technical projects director before leaving to join the Group in 2011.

Mr Oei holds a Bachelor of Engineering in Civil Engineering from the University of Sydney. He is also certified as a Professional Engineer by the Singapore Professional Engineers Board and registered Accredited Checker with the BCA.

GROUP STRUCTURE

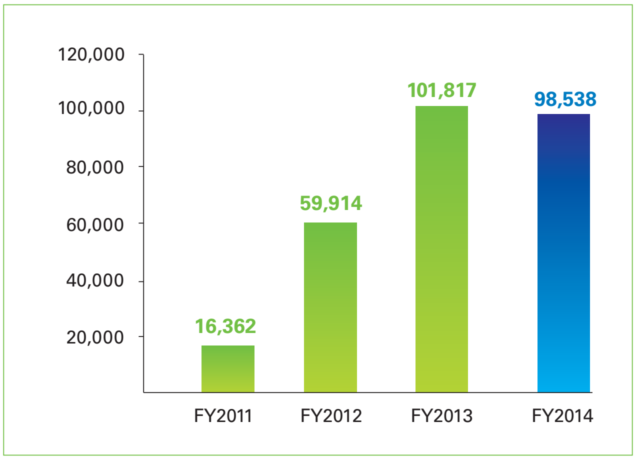
FINANCIAL HIGHLIGHTS

	2014	2013	2012	2011
GROUP INCOME STATEMENTS (S$'000)				
Revenue	**98,538**	101,817	59,914	16,362
Profit before taxation	**8,769**	10,646	4,466	918
Net profit attributable to owners of the Company	**7,220**	8,635	3,811	780
GROUP BALANCE SHEETS (S$'000)				
Total assets	**87,471**	47,096	28,664	17,960
Total liabilities	**59,873**	23,640	23,682	16,795
Equity attributable to owners of the Company	**27,560**	23,424	4,917	1,106
PER SHARE DATA (CENTS)				
Earnings per share (basic and diluted)	**2.60**	3.11[1]	1.37[1]	0.28[1]
Net asset value	**9.93**	8.44[2]	1.77[2]	0.40[2]
MARKET CAPITALISATION (S$'000)				
At close of market on the first trading day after the announcement of the unaudited financial results for the financial year ended	**37,469**	97,141	–	–

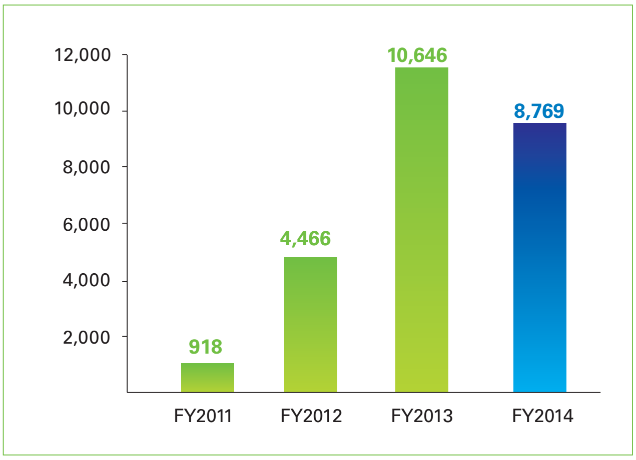
1 For illustrative and comparison purposes, earnings per share is calculated based on the audited profit attributable to owners of the Company and the post-IPO share capital of 277,546,000 shares.

2 For illustrative and comparison purposes, the net assets value per share is calculated based on the Company's post-IPO share capital of 277,546,000 shares.

REVENUE (S$'000)



PROFIT BEFORE TAXATION (S$'000)



CORPORATE INFORMATION

COMPANY REGISTRATION NUMBER
201315211G

DIRECTORS
Siaw Ken Ket @ Danny Siaw
(Executive Chairman and Managing Director)

Tan Chew Joo
(Executive Director and Cost Director)

Thomas Woo Sai Meng
(Non-Executive Director)

Lee Kim Huat
(Lead Independent Director)

Lee Choong Hiong
(Independent Director)

Pong Chen Yih
(Independent Director)

AUDIT COMMITTEE
Lee Kim Huat *(Chairman)*
Lee Choong Hiong
Pong Chen Yih

NOMINATING COMMITTEE
Pong Chen Yih *(Chairman)*
Lee Kim Huat
Tan Chew Joo

REMUNERATION COMMITTEE
Lee Choong Hiong *(Chairman)*
Lee Kim Huat
Pong Chen Yih

COMPANY SECRETARY
Lee Bee Fong

REGISTERED OFFICE
8 Jalan Kilang Barat
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Tel: (65) 6278 9722
Fax: (65) 6278 9747
Website: www.figtreeasia.com

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80 Robinson Road
#02-00
Singapore 068898

PRINCIPAL BANKERS
DBS Bank Ltd.
United Overseas Bank Limited

INDEPENDENT AUDITOR
Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge : **Tan Chian Khong**
Date of appointment : Since financial year ended 31 December 2013

SPONSOR
PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") of Figtree Holdings Limited, (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This report outlines the Company's corporate governance practices that were in place during the financial year ended 31 December 2014 ("**FY2014**"), with specific reference made to the principles of the Code of Corporate Governance 2012 (the "**Code**") and the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in January 2015 (the "**Guide**").

Guideline	Code and/or Guide Description and Company's Compliance or Explanation
General	**(a) Has the Company complied with all the principles and guidelines of the Code? If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.** The Company has complied with the principles and guidelines as set out in the Code and the Guide, where applicable. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code and/or the Guide.
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines of the Code? Not applicable. The Company did not adopt any alternative corporate governance practices in FY2014.

CORPORATE GOVERNANCE REPORT

BOARD MATTERS

The Board's Conduct of Affairs

1.1 **What is the role of the Board?**

The Board has six (6) members and comprises the following:

Table 1.1 – Composition of the Board	
Name of Director	**Designation**
Siaw Ken Ket @ Danny Siaw	Executive Chairman and Managing Director
Tan Chew Joo	Executive Director and Cost Director
Thomas Woo Sai Meng	Non-Executive Director
Lee Kim Huat	Lead Independent Director
Lee Choong Hiong	Independent Director
Pong Chen Yih	Independent Director

The Board is entrusted to lead and oversee the Group, with the fundamental principle to act in the best interests of the Group. In addition to its statutory duties, the Board's principal functions are:

- Supervising the overall management of the business and affairs of the Group and approving the Group's corporate and strategic policies and direction;
- Formulating and approving financial objectives of the Group and monitoring its performance such as reviewing and approving of financial results announcements and financial statements;
- Overseeing the processes for evaluating the adequacy of internal controls and risk management including the review and approval of interested person transactions;
- Assuming responsibility for corporate governance and compliance with the Companies Act (Chapter 50) of Singapore and the rules and regulations of the relevant regulatory bodies;
- Evaluating performance of the Management;
- Reviewing and approving the remuneration framework for the Directors and key executives;
- Providing entrepreneurial leadership, setting strategic objectives and ensuring the necessary human and financial resources are well in place to meet the Group's objectives;
- Establishing a prudent framework and effective controls so that risks can be assessed and managed, which include the safeguarding of shareholders' interests and the Group's assets; and
- Setting the Group's values and standards, including ethical standards, and ensuring that obligations to the shareholders are understood and met.

1.3	**Has the Board delegated certain responsibilities to committees? If yes, please provide details.** The Board has delegated certain responsibilities to the Audit Committee (the "**AC**"), the Remuneration Committee (the "**RC**"), and the Nominating Committee (the "**NC**") (collectively, the "**Board Committees**"). The compositions of the Board Committees are as follows:

	AC	NC	RC
Chairman	Lee Kim Huat	Pong Chen Yih	Lee Choong Hiong
Member	Lee Choong Hiong	Lee Kim Huat	Lee Kim Huat
Member	Pong Chen Yih	Tan Chew Joo	Pong Chen Yih

1.4	**Have the Board and Board Committees met in the last financial year?** The Board meets on a half yearly basis, and as and when circumstances require. In FY2014, the number of the Board and Board Committee meetings held and the attendance of each Board member are shown below.

	Board	AC	NC	RC
Number of Meetings Held	2	2	1	1
Name of Director	**Number of Meetings Attended**			
Siaw Ken Ket @ Danny Siaw	2	2*	1*	1*
Tan Chew Joo	2	2*	1	1*
Thomas Woo Sai Meng	2	2*	1*	1*
Lee Kim Huat	2	2	1	1
Lee Choong Hiong	2	2	1*	1
Pong Chen Yih	2	2	1	1

* *By invitation*

The Company's Articles of Association (the "**Articles**") allow for meetings to be held through audio-visual communication equipment.

1.5	**What are the types of material transactions which require approval from the Board?** Matters that require the Board's approval include, amongst others, the following: • corporate strategy and business plans; • material acquisitions and disposals of assets; • corporate or financial restructuring; • share issuance, proposal of dividends or changes in capital; • budgets, financial results announcements, annual report and audited financial statements; and • material interested person transactions.

1.6	**(a) Are new Directors given formal training? If not, please explain why.** All newly appointed Directors will undergo an orientation programme where the Director would be briefed by the Executive Chairman and Managing Director on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a director of a listed company. All newly appointed Directors who do not have prior experience as a director of a public listed company in Singapore will attend the training at the Singapore Institute of Directors or any other relevant courses.
	(b) What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date? Briefings, updates and trainings for the Directors in FY2014 include: • the external auditors ("**EA**") briefed the AC on changes or amendments to accounting standards during AC meetings; • the Company Secretary had briefed the Board on any regulatory updates; and • the Directors are regularly briefed on the business activities of the Group.
Board Composition and Guidance	
2.1 2.2 3.3	**Does the Company comply with the guideline on the proportion of Independent Directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.** In view that the Executive Chairman of the Board (the "**Chairman**") and the Managing Director (the "**MD**") is the same person, Guideline 2.2 of the Code is met as the Independent Directors make up half of the Board. Mr Lee Kim Huat has also been appointed as the Lead Independent Director of the Company and makes himself available to shareholders at the Company's annual general meetings.
2.3 4.3	**Has the independence of the Independent Directors been reviewed in the last financial year?** The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the Code. The Independent Directors have also confirmed their independence in accordance with the Code.
	(a) Is there any Director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the Director and specify the nature of such relationship. **(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.** There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent.

<table>
<tr><td>2.4</td><td>Has any Independent Director served on the Board for more than nine years since the date of his first appointment? If so, please identify the Director and set out the Board's reasons for considering him independent.

There are no Independent Directors who have served beyond nine years since the date of their first appointment.</td></tr>
<tr><td>2.6</td><td>(a) What is the Board's policy with regard to diversity in identifying director nominees?

(b) Please state whether the current composition of the Board provides diversity on each of the following - skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.

The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender.

The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:

<table>
<tr><th></th><th>Number of Directors</th></tr>
<tr><td>Core Competencies</td><td></td></tr>
<tr><td>– Accounting or finance</td><td>3</td></tr>
<tr><td>– Legal or corporate governance</td><td>1</td></tr>
<tr><td>– Relevant industry knowledge or experience</td><td>5</td></tr>
<tr><td>Gender</td><td></td></tr>
<tr><td>– Male</td><td>6</td></tr>
<tr><td>– Female</td><td>0</td></tr>
</table>
</td></tr>
<tr><td></td><td>(c) What steps have the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?

The Board has taken the following steps to maintain or enhance its balance and diversity:

• Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
• Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive Officer	
3.1	**Are the duties between Chairman and CEO segregated?** There was no distinction of the roles of the Executive Chairman and Managing Director in FY2014. Mr Siaw Ken Ket @ Danny Siaw assumes the roles of the Executive Chairman and Managing Director. The Company believes that a single leadership structure will facilitate the decision-making process in relation to business opportunities and operational matters. The Board is of the opinion that there would be no need to separate the two roles after taking into consideration the following: • Size and capabilities of the Board; • Size and operations of the Group; and • Safeguards and checks in place to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual or group exercising any concentration of power or influence.
3.4	**Have the Independent Directors met in the absence of the Executive Directors and key management personnel?** The Independent Directors have met in the absence of Executive and Non-Executive Directors and key management personnel in FY2014.
Board Membership	
4.1	**What are the duties of the NC?** The NC is guided by key terms of reference as follows: • Review and recommend the nomination or re-nomination of the Directors having regard to the Director's contribution and performance; • Determine on an annual basis whether or not a Director is independent; • Develop appraisal criteria for evaluation of the Board's and the Board Committee's performances; • Review of the training and development programs for the Board; • Assess whether or not a Director is able to and has been adequately carrying out his duties; and • Review and approve any new employment of related persons and the proposed terms of their employment.

4.4	(a) **What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?** The Board has not capped the maximum number of listed company board representations each Director may hold.
	(b) **If a maximum has not been determined, what are the reasons?** The NC is of the view that the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's contributions, after taking into account his or her other listed company board directorships and other principal commitments. The NC also believes that it is for each Director to assess his own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively. The NC does not wish to omit from consideration outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board. Save for Mr Thomas Woo Sai Meng who has one other board representation, the other Directors have no Board representations.
	(c) **What are the specific considerations in deciding on the capacity of directors?** The considerations in assessing the capacity of Directors include the following: • Expected and/or competing time commitments of Directors; • Competencies of Directors; • Geographical location of Directors; • Size and composition of the Board; and • Nature and scope of the Group's operations and size.
	(d) **Have the Directors adequately discharged their duties?** The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, and is satisfied that all Directors have discharged their duties adequately for FY2014.
4.5	**Are there alternate Directors?** The Company does not have any alternate directors.

4.6	**Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.**

Table 4.6(a) – Process for the Selection and Appointment of New Directors

1.	Determination of selection criteria	• The NC, in consultation with the Board, would identify the current needs of the Board in terms of skills/experience/knowledge to complement and strengthen the Board and increase its diversity.
2.	Search for suitable candidates	• The NC would consider candidates proposed by the Directors, key management personnel or search companies, and may engage external search consultants where necessary.
3.	Assessment of shortlisted candidates	• The NC would meet and interview the shortlisted candidates to assess their suitability.
4.	Appointment of director	• The NC would recommend the selected candidate to the Board for consideration and approval.

Table 4.6(b) – Process for the Re-electing Incumbent Directors

1.	Assessment of director	The NC would: • assess the performance of the director in accordance with the performance criteria set by the Board; • review the annual evaluations done by the Board, Board committees and individual Directors; and • assess the current needs of the Board.
2.	Re-appointment of director	• Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval.

	The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Pursuant to the Articles, at least one third of the Board (including the Executive Chairman and Managing Director) is to retire from office by rotation and be subject to re-election at the Annual General Meeting ("**AGM**") of the Company. Directors appointed by the Board during the financial year, shall only hold office until the next AGM and thereafter be eligible for re-election at the AGM. After assessing their contribution and performance, the NC has recommended the following Directors who are retiring at the forthcoming AGM pursuant to Article 98 of the Articles, to be nominated for re-election:

Table 4.6(c) – Re-election of Directors retiring at the forthcoming AGM

Name	Designation
Tan Chew Joo	Executive Director and Cost Director
Thomas Woo Sai Meng	Non-Executive Director

	The above Directors have offered themselves for re-election and the Board has accepted the recommendation.
4.7	**Please provide Directors' key information.** The key information of the Directors, including their appointment dates and directorships held in the past 3 years, are set out on pages 7 to 8 of this Annual Report. Their last re-election dates are tabled as follows:

Table 4.7 – Last re-election dates of Directors

Name	Designation	Last Re-election date
Siaw Ken Ket @ Danny Siaw	Executive Chairman and Managing Director	24 April 2014
Tan Chew Joo	Executive Director and Cost Director	-
Thomas Woo Sai Meng	Non-Executive Director	24 April 2014
Lee Kim Huat	Lead Independent Director	24 April 2014
Lee Choong Hiong	Independent Director	24 April 2014
Pong Chen Yih	Independent Director	24 April 2014

Board Performance

5.1
5.2
5.3

What is the performance criteria set to evaluate the effectiveness of the Board as a whole and its board committees, and for assessing the contribution by each Director to the effectiveness of the Board?

Table 5 sets out the performance criteria, as recommended by the NC and approved by the Board, to be relied upon to evaluate the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by each Director to the effectiveness of the Board to address how the Board has enhanced long-term shareholders' value:

Table 5 – Performance Criteria for Evaluating Board Effectiveness

Performance Criteria	Board and Board Committees	Individual Directors
Qualitative	1. Size and composition 2. Access to information 3. Board processes 4. Strategic planning 5. Board accountability 6. Risk management	1. Commitment of time 2. Knowledge and abilities 3. Teamwork 4. Independence (if applicable) 5. Overall effectiveness
Quantitative	1. Attendance at Board and Board Committee meetings	

No external facilitator was used in the evaluation process.

(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?

The review of the performance of the Board and the Board Committees is conducted by the NC annually. The review of the performance of each Director is also conducted at least annually and when the individual Director is due for re-election.

For FY2014, the review process was as follows:

1. The NC completed a board evaluation questionnaire on the effectiveness of the Board and the Board Committees and all Directors individually completed a self-evaluation performance questionnaire based on criteria disclosed in Table 5 above;
2. The Company Secretary collated and submitted the questionnaire results to the NC Chairman; and
3. The NC discussed and addressed concerns that arose and concluded the performance results during the NC meeting.

All NC members have abstained from the voting or review process of any matters in connection with the assessment of their performance.

(b) Has the Board met its performance objectives?

Yes, the Board has met its performance objectives.

Access to Information	
6.1 10.3	**What types of information does the Company provide to Independent Directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?**

Table 6 – Types of information provided by key management personnel to Independent Directors

	Information	**Frequency**
1.	Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Whenever Applicable
2.	Updates to the Group's operations and the markets in which the Group operates in	Half Yearly
3.	Budgets and forecasts (with variance analysis)	Half Yearly
4.	Consolidated Management accounts (with financial ratios analysis)	Quarterly
4.	Reports on on-going or planned corporate actions	Whenever Applicable
5.	Internal auditors' ("**IA**") and EA's reports	Annually

Key management personnel will provide any additional material or information that is requested by the Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. Monthly management accounts are made available to Directors when requested.

6.3 **What is the role of the Company Secretary?**

The role of the Company Secretary, the appointment and removal of whom is a matter for the Board as a whole, is as follows:

- Ensuring that Board procedures are observed and that the Company' memorandum and the Articles, relevant rules and regulations, including requirements of the Securities and Futures Act (Chapter 289) of Singapore, the Companies Act (Chapter 50) of Singapore and the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), are complied with;
- Assisting the Chairman and the Board to implement and strengthen corporate governance practices, with a view to enhancing long-term shareholder value;
- Assisting the Chairman to ensure good information flows within the Board and its committees and key management personnel;
- Facilitating orientation and assisting with professional development as required;
- Training, designing and implementing a framework for key management personnel's compliance with the Catalist Rules, including timely disclosure of material information;
- Attending and preparing minutes for all Board meetings;
- As secretary to all the other Board Committees, assisting to ensure coordination and liaison between the Board, the Board Committees and key management personnel; and
- Assisting the Chairman, the Chairman of each Board Committee and key management personnel in the development of the agendas for the various Board and Board Committee meetings.

REMUNERATION MATTERS	
Developing Remuneration Policies	
7.1	**What is the role of the RC?** The RC is guided by key terms of reference as follows: • Review and recommend to the Board a general framework of remuneration and specific remuneration packages for each Director and key management personnel and the implementation of any appropriate performance-related elements to be incorporated in the remuneration framework; • Review annually the remuneration packages of employees who are related to any of the Directors or any substantial shareholder of the Group; and • Administer the Figtree Employee Share Option Scheme.
7.3	**Were remuneration consultants engaged in the last financial year?** No remuneration consultants were engaged by the Company in FY2014.
7.4	**Termination Clause** There is currently no amount for termination, retirement and post-employment benefits granted to Directors, the Executive Chairman and Managing Director, and the top key management personnel (who are not Directors or the Executive Chairman and Managing Director).
Level and Mix of Remuneration	
8.4	**Claw-back mechanism** The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.
Disclosure on Remuneration	
9	**What is the Company's remuneration policy?** The Company's remuneration policy is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. The policy articulates to staff that total compensation is linked to the achievement of organisational and individual performance objectives, and benchmarked against relevant and comparative compensation in the market.

9.1 9.2	**Has the Company disclosed each Director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?** The breakdown for the remuneration of the Directors for FY2014 is as follows:

Table 9 – Directors' Remuneration

Name	Remuneration (S$'000)	Directors Fees[1] (%)	Salary (%)	Bonus[2] (%)	Benefits -in-kind[3] (%)	Total (%)
Siaw Ken Ket @ Danny Siaw	1,087	3.7	33.1	59.6	3.6	100
Tan Chew Joo	502	8.0	33.5	53.4	5.1	100
Thomas Woo Sai Meng	40	100	–	–	–	100
Lee Kim Huat	45	100	–	–	–	100
Lee Choong Hiong	43	93.9	–	–	6.1	100
Pong Chen Yih	40	100	–	–	–	100

1. *Fees are subject to approval by shareholders as a lump sum at the AGM.*
2. *Bonus includes an incentive bonus which is to be paid within three months after the AGM approving the audited consolidated accounts of the Group.*
3. *Benefits-in-kind refer to benefits such as fixed allowances and payments in respect of Company's statutory contributions to the Singapore Central Provident Fund.*

There is currently no termination, retirement, post-employment benefits that may be granted to the Directors and top four (4) key management personnel.

9.3	**(a) Has the Company disclosed each key management personnel's remuneration, in bands of S$250,000 or more in detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?** The Company only has four (4) top key management personnel. The breakdown for the remuneration of the Company's key management personnel (who are not Directors or the CEO) for FY2014 is as follows:

Table 9.3 – Remuneration of Key Management Personnel

	Salary (%)	Bonus[1] (%)	Benefits -in-kind[2] (%)	Total (%)
Above S$250,000 to $500,000				
Oei Tjhing Bo Robert	36.4	58.1	5.5	100
Teoh Hoon Song	33.8	57.9	8.3	100
Fung Tze Ping	34.0	58.3	7.7	100
Below S$250,000				
Ling Liong Kiong Audrea	65.6	21.9	12.5	100

1. *Bonus includes an incentive bonus which is to be paid within three months after the AGM approving the audited consolidated accounts of the Group.*
2. *Benefits-in-kind refer to benefits such as fixed allowances and payments in respect of Company's statutory contributions to the Singapore Central Provident Fund.*

	(b) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not Directors or the CEO). The total remuneration paid to the top four (4) key management personnel in aggregate for FY2014 was S$1,526,927.
9.4	**Is there any employee who is an immediate family member of a Director or the CEO, and whose remuneration exceeds S$50,000 during the last financial year? If so, please identify the employee and specify the relationship with the relevant Director or the CEO.** Mr Kevin Tan is the Development Manager of the Company and the Director of the Group's subsidiaries; Figtree La Trobe Pty Ltd and Figtree Real Estate Pty Ltd in Australia. He is the son of Mr Tan Chew Joo. The remuneration of Mr. Kevin Tan in FY2014 is less than S$50,000, in view that he was employed on 16 October 2014.

9.5	**Please provide details of the employee share scheme(s).** <u>Figtree Share Option Scheme</u> The Company has a share option scheme under the Figtree Employee Share Option Scheme (the "**ESOS**") which was approved by the shareholders at an extraordinary general meeting held on 8 October 2013. The RC administers the ESOS in accordance with the rules of the ESOS. Under the rules of the ESOS, Executive Directors and Non-Executive Directors (including Independent Directors) and confirmed full time employees of the Group are eligible to participate in the ESOS. Executive Directors, Non-Executive Directors and confirmed full time employees of the Group who are also controlling shareholders or associates of a controlling shareholder are also eligible to participate in the ESOS, provided that (a) the participation of, and (b) the terms of any options to be granted and the actual number of shares to be granted under the ESOS, to a participant who is a controlling shareholder or an associate of a controlling shareholder shall be approved by the independent shareholders in separate resolutions for each such person. The total number of new shares over which options may be granted pursuant to the ESOS, when added to the number of shares issued and issuable under such other share-based incentive plans (where applicable) of the Company, shall not exceed 15% of the issued share capital of the Company on the day preceding the relevant date of grant of the options. The number of options to be offered to a participant shall be determined at the discretion of the RC which shall take into account criteria such as rank, responsibilities within the Group, past performance, years of service and potential for future development of that participant. However, in relation to controlling shareholders or associates of controlling shareholders, the aggregate number of shares which may be granted shall not exceed 25% of the total number of shares available under the ESOS and the aggregate number of shares which may be granted to any individual controlling shareholders or associate of a controlling shareholder shall not exceed 10% of the total number of shares available under the ESOS. The options that are granted under the ESOS may have exercise prices that are, at the RC's discretion, set at a price (the "**Market Price**") equal to the average of the last dealt prices for the shares on the Official List of Catalist over the five consecutive Market Days immediately preceding the relevant date of grant of the relevant option; or at a discount to the Market Price (subject to a maximum discount of 20%). Options which are fixed at the Market Price may be exercised after the first anniversary of the date of grant of that option while options exercisable at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the ESOS will expire upon the tenth anniversary of the date of grant of that option. The ESOS shall continue in operation for a maximum duration of 10 years and may be continued for any further period thereafter with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. Since the commencement of the ESOS till the end of the financial year and up to the date of this report, no options were granted under the ESOS to Directors of the Company and/or employees of the Group. There were no outstanding options as at the end of FY2014. Further details of the ESOS are set out in the Company's offer document dated 29 October 2013 ("**Offer Document**").

<table>
<tr><td>9.6</td><td>

(a) Please describe how the remuneration received by Executive Directors and key management personnel has been determined by the performance criteria.

The remuneration received by the Executive Directors and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group for FY2014. The remuneration policy for employees comprises a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual. The remuneration package of the Executive Chairman and Managing Director, Mr Danny Siaw, includes an incentive bonus.

Mr Siaw had entered into a service agreement with the Company in which terms of his employment are stipulated. His initial term of employment is for a period of three (3) years from the date of admission of the Company to the Official List of the Catalist of the SGX-ST (the "**Initial Term**") on 11 November 2013. At the end of the Initial Term, his employment shall be automatically renewed on a year-on-year basis on such terms and conditions as may be agreed between the Company and Mr Siaw.

Under the service agreement, Mr Siaw is entitled to an incentive bonus, to be paid within three months after the AGM of the Company approving the audited consolidated accounts of the Group, based on the Group's audited consolidated profit before taxation and before profit sharing (excluding non-recurring exceptional items and extraordinary items) but before non-controlling interests of the Group for the relevant financial year.

</td></tr>
<tr><td></td><td>

(b) What were the performance conditions used to determine their entitlement under the short term and long term incentive schemes?

The following performance conditions were chosen for the Group to remain competitive and to motivate the Executive Directors and key management personnel to work in alignment with the goals of all stakeholders:

</td></tr>
</table>

Table 9.6(b)

Performance Conditions	Short-term Incentives (such as performance bonus)
Qualitative	1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices 6. Job performance
Quantitative	1. Profit Before Tax[1]

1. *Please refer to page 138 and 139 of the Offer Document for more detailed information.*

While the Company has an ESOS in place, no options were granted under the scheme. For such long-term incentives, the criteria taken into account include rank, responsibilities within the Group, past performance, years of service, etc.

(c) Were all of these performance conditions met? If not, what were the reasons?

Yes, the RC has reviewed and is satisfied that the performance conditions were met for FY2014.

ACCOUNTABILITY AND AUDIT	
Risk Management and Internal Controls	
11.3	(a) **In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.** The Board, with the concurrence of the AC, is of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2014. The bases for the Board's view are as follows: 1. Assurance has been received from the Executive Chairman and Managing Director, CFO and the IA (refer to Section 11.3(b) below); 2. An internal audit has been done by the IA and significant matters highlighted to the AC and key management personnel were appropriately addressed; 3. Key management personnel regularly evaluates, monitors and reports to the AC on material risks; and 4. Discussions were held between the AC and the IA in the absence of the key management personnel to review and address any potential concerns; The Company is gradually placing emphasis on sustainability and would implement appropriate policies and programmes when the opportunities arise. In addition, the Company have ongoing efforts to achieve and meet best practices set by industry standards from projects, in particular to environmental and workplace safety standards; this has been affirmed by the receipt of several accreditations and awards, such as BCA Green Mark Award and bizSAFE star for the financial year under review.
	(b) **In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the IA that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?** Yes, the Board has obtained such assurance from the Executive Chairman and Managing Director and CFO in respect of FY2014. The Board has relied on the EA's report as set out in this Annual Report as assurance that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances. The Board has additionally relied on the IA's reports issued to the Company in FY2014 as assurances that the Company's risk management and internal control systems are effective.

Audit Committee	
12.1 12.4	**What is the role of the AC?** The AC is guided by the following key terms of reference: • Review the relevance and consistency of the accounting standards, the significant financial reporting issues, recommendations and judgements made by the EA so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance; • Review and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operation, compliance and information technology risks; • Review the effectiveness and adequacy of the Group's internal audit function; • Review the scope and results of the external audit, and the independence and objectivity of the EA; • Make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the EA, and approve the remuneration and terms of engagement of the EA; • Review the system of internal controls and management of financial risks with the IA and the EA; • Review the co-operation given by the Management to the EA and IA, where applicable; • Review the Group's compliance with such functions and duties as may be required under the relevant statutes or the Listing Manual, including such amendments made thereto from time to time; • Review and approve any interested person transactions; • Review potential conflicts of interest (if any) and to set out a framework to resolve or mitigate any potential conflicts of interests; • Review the risk management framework, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGXNET; • Investigate any matters within its terms of reference; • Review the policy and arrangements by which employees may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matters and for appropriate follow-up; and • Undertake such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time
12.5	**Has the AC met with the auditors in the absence of key management personnel?** Yes, the AC has met with the IA and the EA in the absence of key management personnel in FY2014.

<table>
<tr><td>12.6</td><td>Has the AC reviewed the independence of the EA?

The AC has reviewed the non-audit services provided by the EA and is satisfied that the nature and extent of such services would not prejudice the independence of the EA, and has recommended the re-appointment of the EA at the forthcoming AGM.</td></tr>
<tr><td></td><td>(a) Please provide a breakdown of the fees paid in total to the EA for audit and non-audit services for the financial year.

<table>
<tr><td colspan="3">Table 12.6(a) – Fees Paid to the EA for FY2014</td></tr>
<tr><td></td><td>S$</td><td>% of total</td></tr>
<tr><td>Audit fees</td><td>84,500</td><td>100</td></tr>
<tr><td>Non-audit fees</td><td>–</td><td>–</td></tr>
</table>
</td></tr>
<tr><td></td><td>(b) If the EA have supplied a substantial volume of non-audit services to the Company, please state the bases for the AC's view on the independence of the EA.

There were no non-audit services rendered during FY2014.</td></tr>
<tr><td>12.7</td><td>Does the Company have a whistle-blowing policy?

Yes. The Company's staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle-blowing report to figtree@rsmethos.com or through the hotline at +65 6705 7195.</td></tr>
<tr><td>12.8</td><td>What are the AC's activities or the measures it has taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements?

The AC has been kept abreast of the latest accounting standards and issues which have a direct impact on financial statements by the EA through the AC meetings held in FY2014.</td></tr>
<tr><td>12.9</td><td>Exclusion from membership of AC

None of the AC members are a former partner or director of the Company's existing auditing firm or audit corporation.</td></tr>
<tr><td colspan="2"><u>Internal Audit</u></td></tr>
<tr><td>13.1
13.2
13.3
13.4
13.5</td><td>Please provide details of the Company's internal audit function, if any.

The Company's internal audit function is outsourced to RSM Ethos Pte Ltd that reports directly to the AC Chairman and administratively to the Executive Chairman and Managing Director. The AC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The AC is satisfied that the IA is adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and resourced, and has the appropriate standing in the Company to discharge its duties effectively.</td></tr>
</table>

<table>
<tr><td colspan="2">SHAREHOLDER RIGHTS AND RESPONSIBILITIES & CONDUCT OF SHAREHOLDER MEETINGS</td></tr>
<tr><td colspan="2"><u>Communication with Shareholders</u></td></tr>
<tr><td>15.2
15.3
15.4</td><td>(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?

(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?

The Company solicits feedback from and addresses the concerns of shareholders via the following:

• general meetings held; and
• a dedicated external investor relations team whose contact details can be found as follows:

<u>August Consulting</u>
Tel: +65 6733 8873
Karen Ting, karenting@august.com.sg
Yiting Foo, yiting@august.com.sg
Michelle Tan, michelle@august.com.sg</td></tr>
<tr><td></td><td>(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?

Apart from the SGXNET announcements and its Annual Report, the Company updates shareholders on its corporate developments through its corporate website at http://www.figtreeasia.com.</td></tr>
<tr><td>15.5</td><td>Does the Company have a dividend policy?

The Company does not have a fixed dividend policy. Nonetheless, key management personnel will review, inter alia, the Group's performance in the relevant financial period, projected capital needs and working capital requirements and make appropriate recommendations to the Board on dividend declaration.</td></tr>
<tr><td></td><td>Is the Company paying dividends for the financial year? If not, please explain why.

The Board has proposed a first and final dividend of 1.00 Singapore cent per ordinary share for FY2014 which will be subject to shareholders' approval at the forthcoming AGM.</td></tr>
</table>

Conduct of Shareholder Meetings	
14.1 14.2 14.3	**Stakeholder rights and responsibility** Shareholders are encouraged to attend the AGM to ensure a greater level of shareholders' participation and for them to be kept up to date with the strategies and goals of the Group. All shareholders of the Company receive a copy of the annual report, the notice of AGM and circular and notice pertaining to any extraordinary general meeting of the Company. To facilitate participation by the shareholders, the Articles allow the shareholders to attend and vote at general meetings of the Company or to appoint not more than two proxies to attend and vote on their behalf. Separate resolutions on each distinct issue are requisite.
16.1 16.3 16.4 16.5	**How are the general meetings of shareholders conducted?** At the AGM, the EA as well as the Directors are in attendance to answer queries from shareholders. Shareholders are given the opportunity at the general meetings of the Company to air their views and query the Directors and the Management on matters relating to the Group and its operations. The Company views the AGM as a principal forum of dialogue and interaction with all shareholders. The Company will consider the use of other forums set out in the Code as and when such needs arise. The Company shall, for the time being, put all resolutions to vote by show of hands as it is of the view that voting by poll is logistically burdensome and not cost effective. The Company would adopt poll voting for its general meetings of shareholders held on or after 1 August 2015. All minutes of general meetings will made available to shareholders upon their request.

COMPLIANCE WITH APPLICABLE CATALIST RULES	
Catalist Rule	**Rule Description and Company's Compliance or Explanation**
712, 715	**Appointment of Auditors** The Company confirms its compliance to the Catalist Rules 712 and 715.
1204(8)	**Material Contracts** Save for the transactions as disclosed under 1204(17) as below, there were no material contracts entered into by the Group involving the interests of the Executive Chairman and Managing Director, any Director, or controlling shareholder, which are either still subsisting at the end of FY2014 or if not then subsisting, entered into since the end of the previous financial year.
1204(10)	**Confirmation of adequacy of internal controls** The Board and the AC are of the opinion that the internal controls are adequate to address the financial, operational and compliance risks based on the following: • internal controls and the risk management system established by the Company; • work performed by the IA and the EA; • assurance from the Executive Chairman and Managing Director and CFO; and • reviews done by the various Board Committees and key management personnel.

1204(17)	**Interested Persons Transaction ("IPT")** The Group has procedures governing all IPTs to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. Save for the disclosure as follows, there were no IPTs with value more than S$100,000 transacted during FY2014:

Name of Interested Person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) (S$'000)
Singapore Enterprises Private Limited in relation to the provision of proportionate shareholders' loans to VPPL[1]	8,713	-
Update on IPT as disclosed in the Offer Document		
Design and build contract between Figtree Projects Pte. Ltd. and Freight Links E-Logistics Technopark Pte Ltd[2]	1,783	-
Design and build contract between Figtree Projects and Crystal Freight Services Distripark Pte Ltd[3]	6,790	-

Notes:

1. *The transactions are not required to comply with Rule 906 of the Catalist Rules pursuant to Rule 916(3)(c) of the Catalist Rules (please refer to the announcement made on 12 May 2014).*

2. *As disclosed in Page 121 of the Offer Document. Construction works for this project commenced on 11 September 2013. For FY2014, S$0.96 million of work was done for this project and S$1.78 million was invoiced. A total amount of S$2.66 million of work was done, S$2.53 million was invoiced and S$2.53 million has been collected since the commencement of this project.*

3. *As disclosed in Page 122 of the Offer Document. Construction works for this project commenced on 20 November 2014. For FY2014, S$9.90 million of work was done for this project, out of which S$6.79 million was invoiced and S$4.60 million has been collected since the commencement of this project.*

1204(19)	**Dealing in Securities** The Company has adopted an internal policy which prohibits the Directors and officers from dealings in the securities of the Company while in possession of price-sensitive information. The Company, its Directors and officers are also discouraged from dealing in the Company's securities on short term considerations and are prohibited from dealing in the Company's securities during the period beginning one month before the announcement of the Company's half-year and full-year financial statements and ending on the date of the announcement of the relevant results. In addition, Directors and key management personnel are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

CORPORATE GOVERNANCE REPORT

1204(21)	**Non-sponsor fees** No non-sponsor fees were paid to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2014.
1204(22)	**Use of IPO Proceeds**

Purpose	Amount allocated as set out in the Offer Document (S$'000)	Amount reallocated as per announcement dated 3 January 2014 (S$'000)	Amount reallocated as per announcement dated 12 August 2014 (S$'000)	Amount utilised as at the date of this announcement (S$'000)	Amount unutilised as at the date of this announcement (S$'000)
Undertake property development projects	5,000	123	601	(5,724)	–
Expansion of our operations in existing markets and into new markets	600	–	(600)	–	–
Financing the purchase of the New Office	354	–	(1)	(353)	–
Repayment of bank borrowing for the purchase of the New Office	1,764	(16)	–	(1,748)	–
General working capital[1]	2,221	–	–	(2,221)	–
Total	**9,939**	**107**	**–**	**(10,046)**	**–**

As at 27 February 2015, the Company has utilised all the proceeds from the IPO.

Note:

1. *Mainly utilised for employee related expenses (approximately S$1,996,000), professional fees (approximately S$112,000), and general office related expenses (approximately S$113,000).*

FINANCIAL CONTENTS

DIRECTORS' REPORT

The Directors are pleased to present their report to the members together with the audited consolidated financial statements of Figtree Holdings Limited (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 December 2014.

Directors

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

Siaw Ken Ket @ Danny Siaw	(Executive Chairman and Managing Director)
Tan Chew Joo	(Executive Director and Cost Director)
Thomas Woo Sai Meng	(Non-executive Director)
Lee Kim Huat	(Lead Independent Director)
Lee Choong Hiong	(Independent Director)
Pong Chen Yih	(Independent Director)

Arrangements to enable Directors to acquire shares and 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 objects 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 and 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, Cap. 50, an interest in shares of the Company and related corporations (other than wholly owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
Name of Director	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Ordinary shares				
Siaw Ken Ket @ Danny Siaw	63,424,059	65,114,059	230,000	230,000
Tan Chew Joo	26,016,741	26,016,741	11,150,000	13,340,000
Lee Kim Huat	–	1,240,000	–	–

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and on 21 January 2015, except that the deemed interest of Mr. Tan Chew Joo has increased by 52,000, bringing his total deemed interest to 13,392,000.

By virtue of Section 7 of the Singapore Companies Act, Cap. 50, Siaw Ken Ket @ Danny Siaw and Tan Chew Joo are deemed to have interests in the shares held by the Company in its subsidiaries.

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

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

The Company has a share option scheme under the Figtree Employee Share Option Scheme (the "ESOS") which was approved by the shareholders at an extraordinary general meeting held on 8 October 2013. The scheme is administered by the Remuneration Committee (the "RC"), comprising three independent non-executive Directors, one of whom is also the Chairman of the Committee. The members of the Remuneration Committee are:

Lee Choong Hiong (Chairman)
Lee Kim Huat
Pong Chen Yih

Under the rules of the ESOS, Executive Directors and Non-Executive Directors (including Independent Directors) and confirmed full time employees of the Group are eligible to participate in the ESOS. Executive Directors, Non-Executive Directors and confirmed full time employees of the Group who are also controlling shareholders or associates of a controlling shareholder are also eligible to participate in the ESOS, provided that (a) the participation of, and (b) the terms of any options to be granted and the actual number of shares to be granted under the ESOS, to a participant who is a controlling shareholder or an associate of a controlling shareholder shall be approved by the independent shareholders in separate resolutions for each such person.

The total number of new shares over which options may be granted pursuant to the ESOS, when added to the number of shares issued and issuable under such other share-based incentive plans (where applicable) of the Company, shall not exceed 15% of the issued share capital of the Company on the day preceding the relevant date of grant of the options.

The number of options to be offered to a participant shall be determined at the discretion of the RC which shall take into account criteria such as rank, responsibilities within the Group, past performance, years of service and potential for future development of that participant. However, in relation to controlling shareholders or associates of controlling shareholders, the aggregate number of shares which may be granted shall not exceed 25% of the total number of shares available under the ESOS and the aggregate number or shares which may be granted to any individual controlling shareholders or associate of a controlling shareholder shall not exceed 10% of the total number of shares available under the ESOS.

The options that are granted under the ESOS may have exercise prices that are, at the RC's discretion, set at a price (the "Market Price") equal to the average of the last dealt prices for the shares on the Official List of Catalist over the five consecutive Market Days immediately preceding the relevant date of grant of the relevant option; or at a discount to the Market Price (subject to a maximum discount of 20%). Options which are fixed at the Market Price may be exercised after the first anniversary of the date of grant of that option while options exercisable at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the ESOS will expire upon the tenth anniversary of the date of grant of that option.

The ESOS shall continue in operation for a maximum duration of 10 years and may be continued for any further period thereafter with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

No share options have been granted by the Company since its incorporation.

Since the commencement of the ESOS till the end of the financial year and up to the date of this report, no options were granted under the ESOS to Directors of the Company and/or employees of the Group. There were no outstanding options as at end of the financial year.

Audit committee

The Audit Committee ("AC") comprises the following three independent Directors:

Lee Kim Huat (Chairman)
Lee Choong Hiong
Pong Chen Yih

The AC carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act, Cap. 50, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's 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 external and internal auditors.
- Reviewed the quarterly and annual financial statements and the auditor's 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, information technology 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 considered appropriate.
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The AC has also conducted a review of interested person transactions.

The AC convened two meetings during the year with full attendance from all members. The AC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

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

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Siaw Ken Ket @ Danny Siaw
Director

Tan Chew Joo
Director

Singapore
31 March 2015

STATEMENT BY DIRECTORS

We, Siaw Ken Ket @ Danny Siaw and Tan Chew Joo, being two of the Directors of Figtree Holdings Limited, do hereby state that, in the opinion of the Directors,

(a) the accompanying balance sheets, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity and consolidated cash flow statement, together with the 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 December 2014 and the results of the business, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

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

On behalf of the Board of Directors,

Siaw Ken Ket @ Danny Siaw
Director

Tan Chew Joo
Director

Singapore
31 March 2015

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

To the members of Figtree Holdings Limited

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Figtree Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 44 to 98, which comprise the balance sheets of the Group and the Company as at 31 December 2014, the statements 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 (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; 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 the 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 December 2014 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

31 March 2015

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014
(Amounts in Singapore dollars)

	Note	Group	
		2014	2013
		S$	S$
Revenue	4	**98,537,966**	101,817,298
Cost of sales		**(85,343,414)**	(87,399,090)
Gross profit		**13,194,552**	14,418,208
Other income	5	**509,297**	42,393
Administrative costs		**(4,474,213)**	(3,802,986)
Finance costs	6	**–**	(11,069)
Share of results of an associate		**(460,394)**	(509)
Profit before taxation	7	**8,769,242**	10,646,037
Tax expense	8	**(1,542,919)**	(2,044,411)
Profit for the year		**7,226,323**	8,601,626
Attributable to:			
Owners of the Company		**7,220,177**	8,634,603
Non-controlling interests		**6,146**	(32,977)
		7,226,323	8,601,626
Earnings per share (cents)			
Basic and diluted	9	**2.60**	3.11

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 DECEMBER 2014
(Amounts in Singapore dollars)

	Note	Group	
		2014	2013
		S$	S$
Profit for the year		**7,226,323**	8,601,626
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
– Net effect of exchange differences arising from translation of financial statements of foreign operations	25	**254,201**	5,497
Other comprehensive income for the year, net of tax		**254,201**	5,497
Total comprehensive income for the year		**7,480,524**	8,607,123
Attributable to:			
Owners of the Company		**7,474,378**	8,640,100
Non-controlling interests		**6,146**	(32,977)
		7,480,524	8,607,123

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

BALANCE SHEETS

AS AT 31 DECEMBER 2014
(Amounts in Singapore dollars)

	Note	Group		Company	
		2014 S$	2013 S$	2014 S$	2013 S$
Non-current assets					
Property, plant and equipment	10	**3,766,895**	3,665,022	**1,297**	–
Loans to a subsidiary	11	**–**	–	**1,664,969**	–
Investments in subsidiaries	12	**–**	–	**9,152,597**	9,152,597
Interests in an associate	13	**210,371**	1,491	**–**	–
Loans to an associate	14	**6,880,573**	–	**–**	–
		10,857,839	3,666,513	**10,818,863**	9,152,597
Current assets					
Trade receivables	15	**35,111,307**	16,520,942	**–**	–
Other receivables	16	**2,791,149**	1,583,767	**3,362**	155,833
Prepayments		**31,112**	8,829	**3,981**	846
Amounts due from subsidiaries	17	**–**	–	**9,501,321**	6,702,491
Amount due from an associate	17	**39,030**	–	**39,030**	–
Loans to an associate	14	**1,613,073**	–	**–**	–
Cash and short term deposits	18	**37,027,247**	25,315,858	**5,237,974**	8,674,763
		76,612,918	43,429,396	**14,785,668**	15,533,933
Current liabilities					
Gross amount due to customers for contract work-in-progress	19	**25,659,782**	2,083,612	**–**	–
Trade and other payables	20	**32,649,394**	18,994,204	**1,226,646**	776,718
Rebates received in advance		**–**	176,431	**–**	–
Provision for warranty	21	**–**	332,836	**–**	–
Provision for taxation		**1,557,570**	2,035,051	**6,680**	1,793
		59,866,746	23,622,134	**1,233,326**	778,511
Net current assets		**16,746,172**	19,807,262	**13,552,342**	14,755,422
Non-current liability					
Deferred tax liabilities	22	**6,221**	18,269	**6,221**	–
Net assets		**27,597,790**	23,455,506	**24,364,984**	23,908,019
Equity attributable to owners of the Company					
Share capital	23	**20,511,462**	20,519,150	**20,511,462**	20,519,150
Accumulated profits		**14,941,164**	11,051,539	**3,853,522**	3,388,869
Merger deficit	24	**(8,152,595)**	(8,152,595)	**–**	–
Foreign currency translation reserve	25	**259,998**	5,797	**–**	–
		27,560,029	23,423,891	**24,364,984**	23,908,019
Non-controlling interests		**37,761**	31,615	**–**	–
Total equity		**27,597,790**	23,455,506	**24,364,984**	23,908,019

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

(Amounts in Singapore dollars)

Group 2014	Attributable to owners of the Company							
	Share capital (Note 23) S$	Accumulated profits S$	Merger deficit (Note 24) S$	Foreign currency translation reserve (Note 25) S$	Total reserves S$	Total equity attributable to owners of the Company S$	Non-controlling interests S$	Total equity S$
Opening balance at 1 January 2014	20,519,150	11,051,539	(8,152,595)	5,797	2,904,741	23,423,891	31,615	23,455,506
Profit for the year	**–**	**7,220,177**	**–**	**–**	**7,220,177**	**7,220,177**	**6,146**	**7,226,323**
Other comprehensive income								
Foreign currency translation	–	–	–	254,201	254,201	254,201	–	254,201
Total comprehensive income for the year	**–**	**7,220,177**	**–**	**254,201**	**7,474,378**	**7,474,378**	**6,146**	**7,480,524**
Contributions by and distributions to owners								
Dividends on ordinary shares (Note 26)	–	(3,330,552)	–	–	(3,330,552)	(3,330,552)	–	(3,330,552)
Issuance of new ordinary shares as scrip dividend	312	–	–	–	–	312	–	312
Share issuance expense	(8,000)	–	–	–	–	(8,000)	–	(8,000)
Total contributions by and distributions to owners	(7,688)	(3,330,552)	–	–	(3,330,552)	(3,338,240)	–	(3,338,240)
Total transactions with owners in their capacity as owners	**(7,688)**	**(3,330,552)**	**–**	**–**	**(3,330,552)**	**(3,338,240)**	**–**	**(3,338,240)**
Closing balance at 31 December 2014	**20,511,462**	**14,941,164**	**(8,152,595)**	**259,998**	**7,048,567**	**27,560,029**	**37,761**	**27,597,790**

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

(Amounts in Singapore dollars)

	Attributable to owners of the Company							
Group 2013	**Share capital (Note 23) S$**	**Accumulated profits S$**	**Merger deficit (Note 24) S$**	**Foreign currency translation reserve (Note 25) S$**	**Total reserves S$**	**Total equity attributable to owners of the Company S$**	**Non-controlling interests S$**	**Total equity S$**
Opening balance at 5 June 2013, date of incorporation	1,000,000	3,916,936	–	300	3,917,236	4,917,236	64,592	4,981,828
Profit for the year	**–**	**8,634,603**	**–**	**–**	**8,634,603**	**8,634,603**	**(32,977)**	**8,601,626**
Other comprehensive income								
Foreign currency translation	–	–	–	5,497	5,497	5,497	–	5,497
Total comprehensive income for the year	**–**	**8,634,603**	**–**	**5,497**	**8,640,100**	**8,640,100**	**(32,977)**	**8,607,123**
Contributions by and distributions to owners								
Dividends on ordinary shares (Note 26)	–	(1,500,000)	–	–	(1,500,000)	(1,500,000)	–	(1,500,000)
Adjustment arising from Restructuring Exercise	8,152,597	–	(8,152,595)	–	(8,152,595)	2	–	2
Issuance of ordinary shares pursuant to initial public offering ("IPO")	11,366,553	–	–	–	–	11,366,553	–	11,366,553
Total contributions by and distributions to owners	19,519,150	(1,500,000)	(8,152,595)	–	(9,652,595)	9,866,555	–	9,866,555
Total transactions with owners in their capacity as owners	**19,519,150**	**(1,500,000)**	**(8,152,595)**	**–**	**(9,652,595)**	**9,866,555**	**–**	**9,866,555**
Closing balance at 31 December 2013	**20,519,150**	**11,051,539**	**(8,152,595)**	**5,797**	**2,904,741**	**23,423,891**	**31,615**	**23,455,506**

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

(Amounts in Singapore dollars)

Company **2014**	**Share capital (Note 23)** **S$**	**Accumulated profits** **S$**	**Total equity** **S$**
Opening balance at 1 January 2014	20,519,150	3,388,869	23,908,019
Profit, representing total comprehensive income, for the year	–	3,795,205	3,795,205
Contributions by and distributions to owners			
Dividend on ordinary shares	–	(3,330,552)	(3,330,552)
Issuance of new ordinary shares as scrip dividend	312	–	312
Share issuance expense	(8,000)	–	(8,000)
Total transactions with owners in their capacity as owners	(7,688)	(3,330,552)	(3,338,240)
Closing balance at 31 December 2014	**20,511,462**	**3,853,522**	**24,364,984**
2013			
Opening balance at 5 June 2013, date of incorporation	2	–	2
Profit, representing total comprehensive income, for the period	–	3,388,869	3,388,869
Contributions by and distributions to owners			
Issuance of shares pursuant to the Restructuring Exercise	9,152,595	–	9,152,595
Issuance of ordinary shares pursuant to IPO	11,366,553	–	11,366,553
Total transactions with owners in their capacity as owners	20,519,148	–	20,519,148
Closing balance at 31 December 2013	20,519,150	3,388,869	23,908,019

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 DECEMBER 2014
(Amounts in Singapore dollars)

	Group	
	2014	2013
	S$	S$
Cash flows from operating activities		
Profit before taxation	**8,769,242**	10,646,037
Adjustments for:		
Depreciation of property, plant and equipment	**170,676**	84,529
Write off of property, plant and equipment	**37,570**	5,804
Share of results of an associate	**460,394**	509
IPO listing expenses	**–**	1,320,912
Interest income	**(451,816)**	(23,750)
Interest expense	**–**	11,069
(Write back of)/provision for warranty	**(332,836)**	332,836
Operating cash flows before changes in working capital	**8,653,230**	12,377,946
(Increase)/decrease in:		
Amount due from an associate	**(39,030)**	–
Trade receivables	**(18,590,365)**	894,352
Other receivables and prepayments	**668,397**	720,456
Increase/(decrease) in:		
Gross amount due to customers for contract work-in-progress	**23,576,170**	(7,822,946)
Trade and other payables	**13,478,758**	5,692,420
Cash flows generated from operations	**27,747,160**	11,862,228
Income tax paid	**(2,032,448)**	(640,878)
Net cash flows generated from operating activities	**25,714,712**	11,221,350
Cash flows from investing activities		
Purchases of property, plant and equipment (Note (a))	**(328,644)**	(3,259,669)
Proceeds from disposal of property, plant and equipment	**18,822**	–
Net cash outflow of acquisition of an associate	**(38,000)**	(2,000)
Loans to an associate	**(8,493,646)**	–
Deposits paid to purchase properties	**(1,898,062)**	–
Interest received	**57,942**	23,750
Net cash flows used in investing activities	**(10,681,588)**	(3,237,919)
Cash flows from financing activities		
Issuance of new shares, net of issuance expense	**(7,688)**	–
Net proceeds pursuant to net of issuance expense	**–**	10,045,643
Dividends paid on ordinary shares	**(3,330,552)**	(1,500,000)
Proceeds from/(placement of) pledged fixed deposits	**2,500,000**	(2,500,000)
Proceeds from bank borrowing	**–**	1,764,305
Repayment of bank borrowing	**–**	(1,764,305)
Interest paid	**–**	(11,069)
Net cash flows (used in)/generated from financing activities	**(838,240)**	6,034,574
Net increase in cash and cash equivalents	**14,194,884**	14,018,005
Cash and cash equivalents at the beginning of year	**22,815,858**	8,792,392
Effects of exchange rate changes on cash and cash equivalents	**16,505**	5,461
Cash and cash equivalents at the end of year (Note 18)	**37,027,247**	22,815,858

Note (a): Purchase of property, plant and equipment

During the financial year 2013, the Group acquired property, plant and equipment with an aggregate cost of S$3,612,530 of which S$3,259,669 has been paid and S$352,861 was payable as at 31 December 2013.

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

1. CORPORATE INFORMATION

Figtree Holdings Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on Catalist board of the Singapore Exchange. The Group was formed through a restructuring exercise in preparation for the Company's listing on Catalist during the financial year ended 31 December 2013 (the "Restructuring Exercise").

The registered office and the principal place of business of the Company is located at 8 Jalan Kilang Barat, #03-01, Central Link, Singapore 159351.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 12.

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 a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD" or "S$") unless otherwise stated.

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 January 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Improvements to FRSs (January 2014)	
(a) Amendments to FRS 103 *Business Combinations*	1 July 2014
(b) Amendments to FRS 108 *Operating Segment*	1 July 2014
(c) Amendments to FRS 113 *Fair Value Measurement*	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
Amendments to FRS 16 Property, Plant and Equipment and FRS 38 Intangible Assets	1 January 2016
Amendments to FRS 27 Equity Method in Separate Financial Statements	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2017
FRS 109 *Financial Instruments*	1 January 2018

Except for Amendments to FRS 27, FRS 109 and FRS 115, the Directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

Amendments to FRS 27 *Equity Method in Separate Financial Statements*

Amendments to FRS 27 are effective for financial periods beginning on or after 1 January 2016. These amendments allow the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. Upon adoption of Amendments to FRS 27, the dividend is recognised in profit or loss unless the entity elects to use the equity method, in which case the dividend is recognised as a reduction from the carrying amount of the investment.

FRS 109 *Financial Instruments*

FRS 109 is effective for financial periods beginning on or after 1 January 2018. FRS 109 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in FRS 39. The approach in FRS 109 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets, and enables companies to reflect their risk management activities better in their financial statements, and, in turn, help investors to understand the effect of those activities on future cash flows. FRS 109 is principle-based, and will more closely align hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

2.3 Standards issued but not yet effective (Continued)

FRS 115 *Revenue from Contracts with Customers*

FRS 115 is effective for financial periods beginning on or after 1 January 2017. FRS 115 establishes a five-step model that apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles).

Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgements and estimates.

The Group is currently evaluating the impact of the changes and assessing whether the adoption of Amendments to FRS 27, FRS 109 and FRS 115 will have an impact on the Group.

2.4 Foreign currency

The financial statements are presented in SGD, 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.

a) ***Transactions and balances***

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

2.4 Foreign currency (Continued)

b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the average exchange rates for the reporting period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates prevailing at the date of the transactions are used. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated in a separate component of equity under the header foreign currency translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposal of associate that include a foreign operation, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2.5 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. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

2.5 Basis of consolidation (Continued)

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 control 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.

2.6 Business combinations involving entities under common control

Business combinations involving entities under common control are accounted for by applying the pooling of interest method which involves the following:

– The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company.
– No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities.
– No additional goodwill is recognised as a result of the combination.
– Any difference between the consideration paid/transferred and the equity 'acquired' is reflected within the equity as merger reserve.

2.7 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Associate

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group account for its investment in an associate using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

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

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

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 associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associate 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.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, the assets 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 properties	–	Leasehold period of 47 years
Renovation	–	5 years
Motor vehicle	–	4 years
Computers	–	3-4 years
Office equipment	–	3-4 years
Furniture and fittings	–	5 years

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

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

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

2.10 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 such indication exists, or when annual impairment assessment 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 to sell 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 group 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 are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Impairment of non-financial assets (Continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. 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.

2.11 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

Loans and receivables

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, less impairment. Gains and losses are recognised in the profit or loss when the loans and receivables are de-recognised or impaired, and through the amortisation process.

De-recognition

A financial asset is de-recognised 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 had been recognised in other comprehensive income is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial instruments (Continued)

(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 and 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 de-recognised, 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.

(c) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Impairment of financial assets

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

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses 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. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current 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 the impaired financial asset 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.

To determine whether there is objective evidence that an impairment loss on financial assets has been 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Construction 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 multiplied surveys of work performed.

2.14 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 resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period 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. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty

The Group provides for warranty claims on contractual items with customers after the substantial completion of projects.

The provision for warranty represents the best estimate of the Group's contractual obligations at the balance sheet date. The provision is based on past experience of the level of maintenance and rectification work. The majority of the costs is expected to be incurred over the applicable warranty periods. The assumptions used to estimate warranty provision are reviewed periodically in light of actual experience.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

2.15 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grant related to income

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss or deducted in reporting the related expenses.

2.16 Employee benefits

(i) ***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.

(ii) ***Employee leave entitlement***

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.17 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 the 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and fixed deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.19 Leases

As lessee

The determination of whether an arrangement is, or contains a lease, is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 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. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

(i) Contract revenue

Accounting policy for recognising construction contract revenue is stated in Note 2.13.

(ii) Project management and consultancy fees

Project management and consultancy fees are recognised upon the rendering of project management and consultancy services to and acceptance by customers.

(iii) Interest income

Interest income is recognised using the effective interest method.

(iv) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

2.21 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current 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 at the end of the reporting period, in the countries 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 subject to interpretation and establishes provisions where appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Taxes (Continued)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period 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 and associate 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 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 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

– In respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred 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 the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Taxes (Continued)

(b) *Deferred tax* (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

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

(c) *Sales tax*

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

– Where the sales tax incurred on 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.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.22 Share capital and share issuance 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.24 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.

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.

2.25 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 30, including the factors used to identify the reportable segments and the measurement basis of segment information.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

2.26 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and the Company if that person:

(i) Has control or joint control over the Company,

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Group or the Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) Both entities are joint venture of the same third party;

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) The entity is controlled or jointly controlled by a person identified in (a); or

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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 disclosures of contingent liabilities at the end of each 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 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.

- ***Construction contracts***

  The Group recognises contract revenue based on the stage of completion method. The stage of completion is determined based on surveys of work performed.

  Judgement is required in determining the stage of completion, the estimated total revenues and costs, as well as the recoverability of the revenue from construction contract. In making the judgement, the Group evaluates the stage of completion by relying on past experience and the assessment of the project engineers.

  The carrying amount of liabilities arising from construction contracts at the end of each reporting period are disclosed in Note 19 to the financial statements. If the estimated total contract cost had been 5% higher than management estimate, the carrying amount of the liabilities arising from construction contracts would have been S$4,210,047 (2013: S$2,355,721) higher.

- ***Impairment of loans and receivables***

  The Group assesses at the end of the reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

  Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the end of the reporting period is disclosed in Note 33 to the financial statements. If the estimated recovery of the trade and other receivables decrease by 10% from management's estimates, the Group's allowance for impairment will increase by S$4,643,000 (2013: S$1,795,000).

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

3.1 Key sources of estimation uncertainty (Continued)

- ***Income taxes***

The Group has exposure to income taxes mainly in Singapore. Significant judgement 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 period in which such determination is made. The carrying amount of the Group's tax payable and deferred tax liabilities as at 31 December 2014 were S$1,557,570 (2013: S$2,035,051) and S$6,221 (2013: S$18,269) respectively.

4. REVENUE

	Group	
	2014	**2013**
	S$	**S$**
Contract revenue	**97,850,974**	101,682,552
Project management fees	**501,357**	134,746
Consultancy fees	**185,635**	–
	98,537,966	101,817,298

5. OTHER INCOME

	Group	
	2014	**2013**
	S$	**S$**
Government grants	**17,158**	18,643
Interest income from fixed deposits	**62,209**	23,750
Interest income from loans to an associate	**386,178**	–
Management fee charged to an associate	**36,476**	–
Others	**7,276**	–
	509,297	42,393

6. FINANCE COSTS

	Group 2014 S$	Group 2013 S$
Interest expense on:		
– Bank borrowing	–	11,069

7. PROFIT BEFORE TAXATION

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

	Group 2014 S$	Group 2013 S$
Depreciation of property, plant and equipment	**170,676**	84,529
Employee benefits expense (Note A)	**5,371,806**	4,132,624
Foreign exchange loss, net	**80,764**	694
IPO listing expenses	–	1,320,912
Legal and other professional fees	**118,805**	35,138
Operating lease expenses	**27,508**	63,753
Write off of property, plant and equipment	**37,570**	5,804
Audit fees:		
– Auditor of the Company	**84,500**	76,900
– Other auditors	**8,559**	593
Non-audit fee:		
– Auditor of the Company	–	188,000

Note A: Employee benefits expense

	Group 2014 S$	Group 2013 S$
Employee benefit expense (including directors):		
– Salaries, bonuses and other benefits	**5,204,967**	4,065,671
– Defined contribution plans	**166,839**	66,953
	5,371,806	4,132,624

8. TAX EXPENSE

Major components of tax expense

The major components of tax expense for the years ended 31 December 2014 and 2013 are:

	Group	
	2014	**2013**
	S$	**S$**
Consolidated income statement:		
Current taxation:		
– Current income taxation	**1,554,967**	2,035,275
– Under-provision in respect of prior years	**–**	4,568
Deferred taxation:		
– Movement in temporary differences	**(12,048)**	4,568
Tax expense recognised in profit or loss	**1,542,919**	2,044,411

Relationship between income tax expense and accounting profit

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2014 and 2013 are as follows:

	Group	
	2014	**2013**
	S$	**S$**
Profit before taxation	**8,769,242**	10,646,037
Tax at domestic rates applicable to profits in the countries where the Group operates	**1,490,771**	1,805,678
Adjustments:		
Expenses not deductible for tax purposes	**194,680**	297,804
Tax effect of income not taxable	**(20,859)**	–
Tax effect of Singapore statutory stepped income exemption	**(36,318)**	(29,336)
Tax incentives (productivity and innovation credit allowance)	**(67,113)**	(22,995)
Corporate income tax rebate	**(32,863)**	(30,768)
Benefits from previously unrecognised tax losses	**(2,719)**	–
Deferred tax assets not recognised	**–**	19,460
Under-provision in respect of prior years	**–**	4,568
Others	**17,340**	–
Tax expense recognised in profit or loss	**1,542,919**	2,044,411

The above reconciliation is prepared by aggregating separate reconciliation for each national jurisdiction.

9. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year that is attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing the profit for the year that is attributable to owners of the Company 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 were no potential dilutive ordinary shares existing during the respective financial years.

The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 December:

	Group	
	2014	**2013**
Profit for the year attributable to ordinary equity owners of the Company used in computation of basic and diluted earnings per share (S$)	**7,220,177**	8,634,603
Weighted average number of ordinary shares	**277,546,428**	277,546,000[1]
Basic and diluted earnings per share, based on weighted average number of ordinary shares (cents)	**2.60**	3.11

[1] For comparative purposes, basic and diluted earnings per share for the financial year ended 31 December 2013 has been calculated based on post-listing share capital of 277,546,000 shares.

10. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold properties S$	Renovation S$	Motor vehicle S$	Computers S$	Office equipment S$	Furniture and fittings S$	Total S$
Cost							
At 1 January 2013	–	–	–	101,247	6,270	113,802	221,319
Additions	3,528,610	–	32,693	45,089	1,965	4,173	3,612,530
Write off	–	–	–	–	–	(17,344)	(17,344)
Translation adjustment	–	–	–	–	299	–	299
At 31 December 2013 and 1 January 2014	3,528,610	–	32,693	146,336	8,534	100,631	3,816,804
Additions	–	96,068	88,988	82,578	27,980	33,029	328,643
Disposal	–	–	(33,461)	–	–	–	(33,461)
Write off	–	–	–	–	(340)	(83,920)	(84,260)
Translation adjustment	–	–	768	–	135	–	903
At 31 December 2014	3,528,610	96,068	88,988	228,914	36,309	49,740	4,028,629
Accumulated depreciation							
At 1 January 2013	–	–	–	33,241	2,134	43,155	78,530
Charge for the year	18,769	–	6,000	37,243	2,408	20,109	84,529
Write off	–	–	–	–	–	(11,540)	(11,540)
Translation adjustment	–	–	130	–	133	–	263
At 31 December 2013 and 1 January 2014	18,769	–	6,130	70,484	4,675	51,724	151,782
Charge for the year	75,077	13,764	8,071	55,877	6,668	11,219	170,676
Disposal	–	–	(14,639)	–	–	–	(14,639)
Write off	–	–	–	–	(263)	(46,427)	(46,690)
Translation adjustment	–	–	438	–	167	–	605
At 31 December 2014	93,846	13,764	–	126,361	11,247	16,516	261,734
Net carrying amount							
At 31 December 2014	3,434,764	82,304	88,988	102,553	25,062	33,224	3,766,895
At 31 December 2013	3,509,841	–	26,563	75,852	3,859	48,907	3,665,022

10. PROPERTY, PLANT AND EQUIPMENT (Continued)

Company	Computers S$
Cost	
At 31 December 2013 and 1 January 2014	–
Additions	1,868
At 31 December 2014	1,868
Accumulated depreciation	
At 31 December 2013 and 1 January 2014	–
Charge for the year	571
At 31 December 2014	571
Net carrying amount	
At 31 December 2014	1,297
At 31 December 2013	–

11. LOANS TO A SUBSIDIARY

	Company 2014 S$	2013 S$
Loan 1	**163,326**	–
Loan 2	**1,465,051**	–
Accrued interests	**36,592**	–
	1,664,969	–

Loan 1 and Loan 2 are dominated in Singapore dollars, unsecured, bear interests at 6% per annum, repayable on 10 August 2016 and 17 August 2016 (both principal and interests) respectively, and are to be settled in cash.

12. INVESTMENTS IN SUBSIDIARIES

	Company 2014 S$	2013 S$
Unquoted equity shares, at cost	**9,152,597**	9,152,597

12. INVESTMENTS IN SUBSIDIARIES (Continued)

Details of subsidiaries as at 31 December 2014 and 2013 are as follows:

Name of subsidiary	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2014	2013
Held by the Company				
Figtree Projects Pte. Ltd. ("FPPL")*	Singapore	General contractors (building construction including major upgrading works) and providers of general building engineering services	**100**	100
Figtree Developments Pte. Ltd. ("FDPL")*	Singapore	Property development	**100**	100
Held through FPPL				
Figtree Projects (Shanghai) Co., Ltd (Formerly known as Figtree Project Consulting (Shanghai) Co., Ltd)#	People's Republic of China ("PRC")	Project management service	**60**	60
Figtree Projects Sdn Bhd@	Malaysia	Project management service	**100**	100
Held through FDPL				
Figtree Real Estate Pty Ltd ("FREPL")^	Australia	Property development	**100**	–
Held through FREPL				
Figtree La Trobe Pty Ltd^	Australia	Property development	**100**	–

* Audited by Ernst & Young LLP, Singapore.
\# Audited by Shanghai Yuanzhi Certified Public Accountants, PRC.
@ Audited by Gow and Tan Chartered Accountants, Malaysia.
^ Audited by RSM Bird Cameron, Australia.

13. INTERESTS IN AN ASSOCIATE

	Group 2014 S$	Group 2013 S$
Unquoted equity, shares, at cost	**40,000**	2,000
Deemed capital contribution	**393,874**	–
Share of post-acquisition losses	**(460,903)**	(509)
	(27,029)	1,491
Share of translation reserve	**237,400**	–
Net carrying amount	**210,371**	1,491

The deemed capital contribution represents the fair value of an interest free loans given to an associate (Note 14 (c)).

Name of associate	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2014	Proportion (%) of ownership interest 2013
Held through FDPL				
Vibrant Properties Pte. Ltd. ("VPPL")*	Singapore	Real estate activities with own or leased property and real estate developers	**40**	20

* Audited by KPMG LLP, Singapore.

During the financial year ended 31 December 2014, VPPL has incorporated two subsidiaries:

– Investment of RMB43,700,000 (equivalent to S$8,918,000) in a subsidiary, Master Real Estate (Jiangyin) Co. Ltd ("Master"), representing 60% equity interest in the entity. The remaining 40% equity interest is held by 江阴德玛斯特投资有限公司 ; and

– Investment of RMB30,517,000 (equivalent to S$6,370,000) in a subsidiary, Fervent Industrial Development (Suzhou) Co. Ltd ("Fervent"), representing 50% equity interest in the entity. The remaining 50% shareholding is held by Brilliant Champ International Co. Ltd ("Brilliant Champ"). It is classified as a subsidiary in VPPL's financial statements as VPPL is able to govern the financial and operating policies and controls the board composition by virtue of shareholders' agreement.

13. INTERESTS IN AN ASSOCIATE (Continued)

The details of the subsidiaries of VPPL are as follows:

Name of entity	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest at VPPL level	
			2014	2013
Held through VPPL				
Master^	PRC	Engaged in real estate development and management, sales, leasing and property management business	**60**	–
Fervent^	PRC	Development of industrial facilities and storage facilities	**50**	–

^ Audited by Grant Thornton (致同会计师事务所) (特殊普通合伙), PRC.

The summarised financial information in respect of VPPL based on its FRS financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	Group	
	2014 S$'000	2013 S$'000
Non-current assets	**11,007**	–
Current assets	**34,164**	263
Total assets	**45,171**	263
Non-current liabilities	**17,000**	–
Current liabilities	**14,085**	257
Total liabilities	**31,085**	257
Net assets	**14,086**	6
Less: Non-controlling interests	**(14,545)**	–
Net (liabilities)/assets attributable to parent	**(459)**	6
Proportion of Group's ownership	**40%**	20%
Group's share of net (liabilities)/assets	**(184)**	1
Deemed capital contribution	**394**	–
Carrying amount of VPPL	**210**	1

13. INTERESTS IN AN ASSOCIATE (Continued)

Summarised statement of comprehensive income

	Group	
	2014	**2013**
	S$'000	**S$'000**
Revenue	**–**	–
Loss after tax, attributable to parent	**(1,153)**	(3)
Other comprehensive income	**594**	–
Total comprehensive income	**(559)**	(3)

14. LOANS TO AN ASSOCIATE

	Note	Group	
		2014	**2013**
		S$	**S$**
Loans to an associate:			
– Loan 1	(a)	**3,519,031**	–
– Loan 2	(b)	**1,613,073**	–
– Loan 3	(c)	**956,269**	–
– Loan 4	(c)	**2,405,273**	–
		8,493,646	–
Presented as:			
– Current		**1,613,073**	–
– Non-current		**6,880,573**	–
		8,493,646	–

(a) Loan 1

The loan is denominated in SGD, unsecured, bears interests at 6% per annum, repayable on 26 January 2016 (both principal and interests) and is to be settled in cash. The purpose of the loan is to finance the purchase of land in Jiangyin City, Jiangsu Province, PRC, via capital investment in Master by VPPL (Note 13).

(b) Loan 2

The loan is denominated in USD, unsecured, bears interests at 8% per annum, repayable on 23 April 2015 (both principal and interests) and is to be settled in cash.

This loan is further extended to the non-controlling shareholder of Fervent, Brilliant Champ, for the financing of the development project carried out by Fervent. Such loan is collateralised by Brilliant Champ's shares in Fervent.

14. LOANS TO AN ASSOCIATE (Continued)

(c) Loan 3 and Loan 4

Loan 3 and Loan 4 are both denominated in SGD, unsecured, interest-free, repayable on 26 January 2016 and are to be settled in cash.

15. TRADE RECEIVABLES

	Group 2014 S$	Group 2013 S$
Trade receivables	**5,219,415**	1,630,410
Accrued receivables	**13,544,923**	8,175,399
Retention receivables	**16,346,969**	6,715,133
	35,111,307	16,520,942

Trade receivables are non-interest bearing and are generally on 30 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to S$2,335,133 (2013: S$1,261,352) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their ageing at the end of the year is as follows:

	Group 2014 S$	Group 2013 S$
Trade receivables past due:		
Lesser than 30 days	**767,284**	791,731
30 to 60 days	**1,008,309**	419,987
60 to 90 days	**963**	–
90 to 120 days	**16,872**	–
More than 120 days	**541,705**	49,634
	2,335,133	1,261,352

The Group has no trade receivables that are impaired at the end of the reporting period.

16. OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
	S$	S$	S$	S$
Other receivables	**700,000**	1,400,000	**–**	–
GST receivables	**5,567**	155,834	**–**	139,672
Refundable deposits	**123,570**	20,212	**–**	–
Non-refundable deposits	**1,898,062**	–	**–**	–
Sundry receivables	**63,950**	7,721	**3,362**	16,161
	2,791,149	1,583,767	**3,362**	155,833

Other receivables relate to deposits given to an insurance company as cash collaterals for performance bonds issued for construction projects.

Non-refundable deposits relate to 10% deposits paid by a subsidiary to acquire land and buildings in Australia. On 16 February 2015, the Group has paid the remaining cash consideration of A$15,685,200 (equivalent to S$16,533,440) to complete the acquisition.

17. AMOUNTS DUE FROM SUBSIDIARIES AMOUNT DUE FROM AN ASSOCIATE

The amounts due from subsidiaries are non-trade related, unsecured, interest-free, repayable on demand and are to be settled in cash. Such amounts include dividend receivable of S$4,000,000 (2013: S$5,000,000); while the remaining balance relates to payments made on behalf of the subsidiaries.

The amount due from an associate is trade related, unsecured, repayable on demand and is to be settled in cash.

18. CASH AND SHORT TERM DEPOSITS

	Group		Company	
	2014	2013	2014	2013
	S$	S$	S$	S$
Cash at banks and on hand	**23,500,716**	15,315,858	**4,518,394**	8,674,763
Short term deposits	**13,526,531**	10,000,000	**719,580**	–
Cash and short term deposits	**37,027,247**	25,315,858	**5,237,974**	8,674,763

18. CASH AND SHORT TERM DEPOSITS (Continued)

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	Group	
	2014	2013
	S$	S$
Cash and short term deposits	**37,027,247**	25,315,858
Less: Fixed deposits, pledged	**–**	(2,500,000)
Cash and cash equivalents	**37,027,247**	22,815,858

Short-term deposits are made for varying periods of between one month to two months, depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposit rates. The weighted average effective interest rate as at 31 December 2014 for the Group and the Company is 1.10% (2013: ranging from 0.07% to 0.30%).

In 2013, fixed deposits amounted to S$2,500,000 were pledged to the banks to secure the performance guarantee facility for the Group's construction projects.

Cash and short term deposits denominated in foreign currencies at 31 December are as follows:

	Group		Company	
	2014	2013	2014	2013
	S$	S$	S$	S$
United States Dollar	**1,523**	1,451	**–**	–

19. GROSS AMOUNT DUE TO CUSTOMERS FOR CONTRACT WORK-IN-PROGRESS

	Group	
	2014	2013
	S$	S$
Aggregate amount of costs incurred and recognised profits to date	**273,672,933**	176,961,259
Less: Progress billings	**(299,332,715)**	(179,044,871)
	(25,659,782)	(2,083,612)
Presented as:		
Gross amount due to customers for contract work-in-progress	**(25,659,782)**	(2,083,612)
Retention sums on construction contract included in trade receivables (Note 15)	**16,346,969**	6,715,133

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	2013	2014	2013
	S$	S$	S$	S$
Trade payables	**3,868,897**	3,737,977	**–**	–
GST payables	**1,740,755**	99,454	**35,623**	–
Accrued operating expenses	**27,018,448**	15,135,489	**1,189,622**	776,718
Sundry payables	**21,294**	21,284	**1,401**	–
	32,649,394	18,994,204	**1,226,646**	776,718

Trade payables

Trade payables are non-interest bearing and are normally settled on 30-60 days' terms.

Sundry payables

Sundry payables are non-interest bearing and have an average term of 2 months.

21. PROVISION FOR WARRANTY

	Group	
	2014	2013
	S$	S$
At 1 January	**332,836**	–
Arose during the year	**–**	332,836
Write back during the year	**(332,836)**	–
At 31 December	**–**	332,836

The Group provides for warranty claims on contracted items with customers after the completion of projects. The amount of the provision for warranty is based on past experience of the level of maintenance and rectification work. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

In 2013, the Group has provided an amount of S$332,836 for maintenance and warranty claims relating to items of substantially completed projects. However, such provision was not utilised in 2014 and was written back during the year.

22. DEFERRED TAX LIABILITIES

Deferred tax as at 31 December relates to the following:

	Group			
	Consolidated balance sheet		Consolidated income statement	
	2014	2013	2014	2013
	S$	S$	S$	S$
Gross deferred tax assets				
Provisions	**–**	–	**–**	1,566
	–	–		
Gross deferred tax liabilities				
Excess of net carrying value of plant and equipment over tax written down value	**(6,221)**	(18,254)	**(12,033)**	2,987
Other items	**–**	(15)	**(15)**	15
	(6,221)	(18,269)		
Net deferred tax liabilities	**(6,221)**	(18,269)		
Deferred income tax (credit)/expense			**(12,048)**	4,568

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately S$107,830 (2013: S$91,837) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Unrecognised temporary differences relating to investment in a subsidiary

At the end of the reporting period, no deferred tax liability (2013: S$Nil) has been recognised for taxes that would be payable on the undistributed earnings of a Group's subsidiary as the Group has determined that the undistributed earnings of the subsidiary will not be distributed in the foreseeable future.

Tax consequences of proposed dividends

There are no income tax consequences (2013: S$Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements.

23. SHARE CAPITAL

	Group			
	2014 No. of shares	2014 S$	2013 No. of shares	2013 S$
Issued and fully paid ordinary shares				
At 1 January	**277,546,000**	**20,519,150**	1,000,000	1,000,000
Issuance of ordinary shares as scrip dividend	**822**	**312**	–	–
Share issuance expense	**–**	**(8,000)**	–	–
Adjustment arising from Restructuring Exercise	**–**	**–**	222,000,000	8,152,597
Issuance of ordinary shares pursuant to IPO	**–**	**–**	54,546,000	11,366,553
At 31 December	**277,546,822**	**20,511,462**	277,546,000	20,519,150

	Company			
	2014 No. of shares	2014 S$	2013 No. of shares	2013 S$
Issued and fully paid ordinary shares				
At 1 January 2014/5 June 2013 (date of incorporation)	**277,546,000**	**20,519,150**	2	2
Issuance of ordinary shares as scrip dividend	**822**	**312**	–	–
Share issuance expense	**–**	**(8,000)**	–	–
Issuance of shares pursuant to the Restructuring Exercise	**–**	**–**	999,998	9,152,595
Share Split	**–**	**–**	222,000,000	–
Issuance of ordinary shares pursuant to IPO	**–**	**–**	54,546,000	11,366,553
At 31 December	**277,546,822**	**20,511,462**	277,546,000	20,519,150

The Company was incorporated on 5 June 2013 with an issued share capital of S$2. The share capital and number of shares of the Group as at 1 January 2013 represents the aggregate paid-up capital and number of shares of its subsidiary, FPPL.

On 8 October 2013, the shareholders of the Company approved the sub-division of each ordinary share in the existing issued share capital of the Company into 223 ordinary shares ("Share Split").

On 16 April 2014, the Company issued 822 (2013: Nil) new ordinary shares for the value of S$312 (2013: S$NIL) to eligible shareholders who have elected to participate in the Scrip Dividend Scheme in respect of the dividend declared and paid for the financial year ended 31 December 2013.

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 restriction. The ordinary shares have no par value.

24. MERGER DEFICIT

The merger deficit records the difference between the purchase consideration and the share capital of the subsidiary restructured under common control.

25. FOREIGN CURRENCY TRANSLATION RESERVE

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

	Group	
	2014	**2013**
	S$	**S$**
At 1 January	**5,797**	300
Net effect of exchange differences arising from translation of financial statements of foreign operations	**254,201**	5,497
At 31 December	**259,998**	5,797

26. DIVIDENDS

	Group	
	2014	**2013**
	S$	**S$**
Declared and paid during the financial year:		
Dividends on ordinary shares:		
– Final exempt (one-tier) dividends for 2014: S$Nil (2013: S$1.50) per share	–	1,500,000
Proposed but not recognised as a liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
– Final tax-exempt (one-tier) dividends for 2014: S$0.010 (2013: S$0.012) per share	**2,775,468**	3,330,552

27. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Sales and purchases 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 at terms agreed between the parties during the financial year:

	Group	
	2014	2013
	S$	S$
Contract revenue from a related party	**8,573,496**	1,179,632
Management fees from an associate	**36,476**	–
Interest income from an associate	**386,178**	–

(b) Compensation of key management personnel

	Group	
	2014	2013
	S$	S$
Salaries and bonuses	**2,963,891**	2,882,217
Defined contributions plans	**46,200**	53,042
Directors' fees	**245,000**	34,233
Other short-term benefits	**28,423**	20,030
Total compensation paid to key management personnel	**3,283,514**	2,989,522
Comprise amounts paid to:		
– Directors of the Company	**1,756,587**	1,517,967
– Other key management personnel	**1,526,927**	1,471,555
Total compensation paid to key management personnel	**3,283,514**	2,989,522

The remuneration of key management personnel is determined by the Directors having regard to the performance of individuals and market trends.

28. OPERATING LEASE COMMITMENTS

The Group has entered into commercial property leases for its office premise and certain office equipment. Future minimum rentals payables under non-cancellable operating leases as at 31 December 2014 and 2013 are as follows:

	Group	
	2014	**2013**
	S$	**S$**
Not later than one year	**27,463**	22,492
Later than one year but not later than five years	**4,746**	7,604
	32,209	30,096

29. CONTINGENT LIABILITIES

Guarantees

The Company has provided the following guarantees at the end of the reporting period:

– It has provided financial guarantees to the banks in respect of the banking facilities of S$5,000,000 of a subsidiary; and

– It has guaranteed to a bank the performance of a contract for a subsidiary. No liability is expected to arise.

30. SEGMENT INFORMATION

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

- Design and build: Design and build commercial and industrial facilities. The scope of services covers the full spectrum of the project development process, including land search and authority liaison, feasibility studies, design and construction.
- Property development: Construct, develop, sell and/or lease out of residential, commercial and industrial properties.
- Corporate: Involved in Group-level corporate services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

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 profit margins of the products and services.

30. SEGMENT INFORMATION (Continued)

	Design and build		Property development		Corporate		Per consolidated financial statements	
	2014	2013	2014	2013	2014	2013	2014	2013
	S$	S$	S$	S$	S$	S$	S$	S$
Revenue:								
Sales to external customers, representing total revenue	**98,537,966**	101,817,298	**–**	–	**–**	–	**98,537,966**	101,817,298
Results:								
Interest income	**243,924**	23,750	**177,846**	–	**30,046**	–	**451,816**	23,750
Interest expense	**–**	11,069	**–**	–	**–**	–	**–**	11,069
Depreciation	**170,105**	84,529	**–**	–	**571**	–	**170,676**	84,529
Share of results of an associate	**–**	–	**(460,394)**	(509)	**–**	–	**(460,394)**	(509)
Segment profit/(loss)	**11,364,037**	12,905,476	**(483,382)**	(6,268)	**(2,111,413)**	(2,253,171)	**8,769,242**	10,646,037
Assets:								
Interests in an associate	**–**	–	**210,371**	1,491	**–**	–	**210,371**	1,491
Additions to non-current assets	**324,685**	3,612,530	**2,090**	–	**1,868**	–	**328,643**	3,612,530
Segment assets	**68,976,297**	38,253,467	**13,208,816**	11,000	**5,285,644**	8,831,442	**87,470,757**	47,095,909
Liabilities:								
Segment liabilities	**58,611,825**	22,901,681	**21,596**	4,300	**1,239,546**	734,422	**59,872,967**	23,640,403

Geographical information

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

	Revenues		Non-current assets	
	2014	2013	2014	2013
	S$	S$	S$	S$
Singapore	**98,036,609**	101,682,552	**10,760,069**	3,637,552
China	**501,357**	134,746	**95,680**	28,961
Australia	**–**	–	**2,090**	–
	98,537,966	101,817,298	**10,857,839**	3,666,513

Non-current assets information presented above consist of property, plant and equipment, interests in an associate and loans to an associate as presented in the consolidated balance sheet.

31. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

Trade receivables (Note 15), other receivables (Note 16), amounts due from subsidiaries (Note 17), amount due from an associate (Note 17), cash and short term deposits (Note 18) and trade and other payables (Note 20)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either 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 end of the reporting period.

(b) 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 assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not a reasonable approximation of fair value are as follows:

	2014 Carrying amount $	2014 Fair value $	2013 Carrying amount $	2013 Fair value $
Group				
Financial assets:				
Loans to an associate (Note 14)	**8,493,646**	**8,493,646**	–	–
Company				
Financial assets:				
Loans to a subsidiary (Note 11)	**1,664,969**	**1,664,969**	–	–

Determination of fair value

Loans to an associate (Note 14) and loans to a subsidiary (Note 11)

The fair value as disclosed in the table above are 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.

32. 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 interest rate risk, liquidity risk, credit risk and foreign exchange currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks.

It is, and has been throughout the current and previous financial year, the Group's policy not to engage in foreign exchange and/or derivatives speculation or trading for profit purpose. It is not in the interest of the Group to engage in trading for profit or to speculate or trade in treasury instruments.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

Interest rate risk is deemed not significant by the management as the Group does not have financial instruments which are on floating rates.

(b) 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.

To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and mitigate the effect of fluctuations in cash flows.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Liquidity risk (Continued)

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 end of the reporting period based on contractual undiscounted repayment obligations.

Group 2014	One year or less S$	One to five years S$	Total S$
Financial assets:			
Loans to an associate	**1,652,080**	**7,313,204**	**8,965,284**
Trade receivables	**35,111,307**	**–**	**35,111,307**
Other receivables (exclude GST receivables and non-refundable deposits)	**887,520**	**–**	**887,520**
Amount due from an associate	**39,030**	**–**	**39,030**
Cash and short term deposits	**37,027,247**	**–**	**37,027,247**
Total undiscounted financial assets	**74,717,184**	**7,313,204**	**82,030,388**
Financial liabilities:			
Trade and other payables (exclude GST payables)	**30,908,639**	**–**	**30,908,639**
Total undiscounted financial liabilities	**30,908,639**	**–**	**30,908,639**
Total net undiscounted financial assets	**43,808,545**	**7,313,204**	**51,121,749**
2013			
Financial assets:			
Trade receivables	16,520,942	–	16,520,942
Other receivables (exclude GST receivables)	1,427,933	–	1,427,933
Cash and short term deposits	25,315,858	–	25,315,858
Total undiscounted financial assets	43,264,733	–	43,264,733
Financial liabilities:			
Trade and other payables (exclude GST payables)	18,894,750	–	18,894,750
Total undiscounted financial liabilities	18,894,750	–	18,894,750
Total net undiscounted financial assets	24,369,983	–	24,369,983

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Liquidity risk (Continued)

Company 2014	One year or less S$	One to five years S$	Total S$
Financial assets:			
Loans to a subsidiary	–	1,823,782	1,823,782
Other receivables (exclude GST receivables)	3,362	–	3,362
Amounts due from subsidiaries	9,501,321	–	9,501,321
Amount due from an associate	39,030	–	39,030
Cash and short term deposits	5,237,974	–	5,237,974
Total undiscounted financial assets	14,781,687	1,823,782	16,605,469
Financial liabilities:			
Trade and other payables (exclude GST payables)	1,191,023	–	1,191,023
Total undiscounted financial liabilities	1,191,023	–	1,191,023
Total net undiscounted financial assets	13,590,664	1,823,782	15,414,446
2013			
Financial assets:			
Other receivables (exclude GST receivables)	16,161	–	16,161
Amounts due from subsidiaries	6,702,491	–	6,702,491
Cash and short term deposits	8,674,763	–	8,674,763
Total undiscounted financial assets	15,393,415	–	15,393,415
Financial liabilities:			
Trade and other payables (exclude GST payables)	776,718	–	776,718
Total undiscounted financial liabilities	776,718	–	776,718
Total net undiscounted financial assets	14,616,697	–	14,616,697

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

	As at 31 December 2014 and 2013		
	One year or less S$	One to five years S$	Total S$
Company			
Financial guarantees	–	5,000,000	5,000,000

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) 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, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Group's objective is to seek continual revenue growth while minimising losses incurred due to credit risk exposure. The Group trades only with recognised and creditworthy third parties. Receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

The carrying amounts of trade and other receivables, loans to an associate, amount due from an associate and cash and short term deposits represent the Group's maximum exposure to credit risk. Cash and short term deposits are placed with banks of good standing. The Group performs ongoing credit evaluation of its customers' financial conditions and maintains an allowance for doubtful trade receivables based upon expected collectability of all trade debts.

Credit risk concentration profile

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

	Group			
	2014		2013	
	S$	% of total	S$	% of total
By country:				
Singapore	**35,058,243**	**100**	16,468,806	100
China	**4,268**	**–**	2,502	–
Malaysia	**48,796**	**–**	49,634	–
	35,111,307	**100**	16,520,942	100
By industry sector:				
Design and build	**35,111,307**	**100**	16,520,942	100

At the balance sheet date, approximately:

– 99% (2013: 100%) of the Group's trade receivables were due from 4 (2013: 3) major customers who are multinational corporations and established developers located in Singapore.

– An amount of S$5,586,610 (2013: S$1,352,548) was due from a related party.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2014

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk (Continued)

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 15 (Trade receivables).

(d) Foreign exchange currency risk

Foreign exchange currency risk is deemed not significant by management as the Group's sales and purchases transactions are wholly denominated in the functional currency of the respective entities.

The Group holds certain level of cash and cash equivalents in foreign currencies for working capital purposes. The foreign currency balances are disclosed in Note 18 (cash and short term deposits).

33. FINANCIAL INSTRUMENTS BY CATEGORY

Set out below is the carrying amount of each of the categories of the Group's and the Company's financial instruments that are carried in the financial statements:

	Note	Loans and receivables S$	Liabilities at amortised cost S$
Group			
At 31 December 2014			
Assets			
Loans to an associate	14	**8,493,646**	**–**
Trade receivables	15	**35,111,307**	**–**
Other receivables (exclude GST receivable)	16	**2,785,582**	**–**
Amount due from an associate	17	**39,030**	**–**
Cash and short term deposits	18	**37,027,247**	**–**
Liabilities			
Trade and other payables (exclude GST payables)	20	**–**	**30,908,639**
		83,456,812	**30,908,639**
At 31 December 2013			
Assets			
Trade receivables	15	16,520,942	–
Other receivables (exclude GST receivable)	16	1,427,933	–
Cash and short term deposits	18	25,315,858	–
Liabilities			
Trade and other payables (exclude GST payables)	20	–	18,894,750
		43,264,733	18,894,750

33. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

	Note	Loans and receivables S$	Liabilities at amortised cost S$
Company			
At 31 December 2014			
Assets			
Other receivables (exclude GST receivables)	16	**3,362**	**–**
Amounts due from subsidiaries	17	**9,501,321**	**–**
Amount due from an associate	17	**39,030**	**–**
Cash and short term deposits	18	**5,237,974**	**–**
Liabilities			
Trade and other payables (exclude GST receivables)	20	**–**	**1,191,023**
		14,781,687	**1,191,023**
At 31 December 2013			
Assets			
Other receivables (exclude GST receivables)	16	16,161	–
Amounts due from subsidiaries	17	6,702,491	–
Cash and short term deposits	18	8,674,763	–
Liabilities			
Trade and other payables	20	–	776,718
		15,393,415	776,718

34. CAPITAL MANAGEMENT

Capital includes debt and equity items as disclosed in the table below.

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

The Group manages its capital structure and makes adjustment to it, in the 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 years ended 31 December 2014 and 2013.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. The Group regards total debt to comprise trade and other payables and total capital to comprise equity attributable to the owners of the Company. The Group's policy is to keep the gearing ratio below 3.00 times.

The following table reflects the Group's total debt and total capital:

	Note	Group	
		2014	2013
		S$	S$
Trade and other payables	20	**32,649,394**	18,994,204
Total debt		**32,649,394**	18,994,204
Equity attributable to owners of the Company		**27,560,029**	23,423,891
Total capital		**27,560,029**	23,423,891
Debt to equity (times)		**1.18**	0.81

The Group will continue to be guided by prudent financial policies of which gearing is an important aspect.

35. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2014 were authorised for issue in accordance with a resolution of the Directors on 31 March 2015.

SHAREHOLDING STATISTICS
AS AT 13 MARCH 2015

Class of shares	No. of shares	%
Ordinary	277,546,822	100.0
Treasury	Nil	0.0
Total Issued Shares	277,546,822	100.0

Voting Rights	On show of hands:	One vote for each member
	On a poll:	One vote for each ordinary share

Shareholding Held in Hands of Public

Based on information available to the Company as at 13 March 2015, 16.73% of the issued ordinary shares of the Company are 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.

Substantial Shareholders

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Siaw Ken Ket @ Danny Siaw	65,114,059	23.46	230,000[(1)]	0.08
Singapore Enterprises Private Limited [(2)]	57,011,200	20.54	–	–
Tan Chew Joo	26,016,741	9.37	13,392,000[(3)]	4.83
Fung Tze Ping	22,900,000	8.25	–	–
Teoh Hoon Song	22,700,000	8.18	–	–
Oei Tjhing Bo Robert	22,500,000	8.11	–	–

Notes:

(1) Mr Siaw Ken Ket @ Danny Siaw has a deemed interest in the shareholdings held by his wife, Ms Tay Guek Nah.
(2) Singapore Enterprises Private Limited is wholly owned by Vibrant Group Limited, a company listed on the Mainboard of SGX-ST.
(3) Mr Tan Chew Joo has a deemed interest in the shareholdings held by his daughter, Ms Eileen Tan.

Distribution of Shareholders as at 13 March 2015

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	0	0.00	0	0.00
100 – 1,000	8	1.35	5,658	0.00
1,001 – 10,000	137	23.18	1,088,432	0.39
10,001 – 1,000,000	429	72.59	31,933,932	11.51
1,000,001 and above	17	2.88	244,518,800	88.10
	591	100.00	277,546,822	100.00

SHAREHOLDING STATISTICS
AS AT 13 MARCH 2015

Twenty Largest Shareholders as at 13 March 2015

	SHAREHOLDER'S NAME	NO OF SHARES	%
1	SIAW KEN KET @ DANNY SIAW	65,114,059	23.46
2	SINGAPORE ENTERPRISES PTE LTD	57,011,200	20.54
3	TAN CHEW JOO	26,016,741	9.37
4	FUNG TZE PING	22,900,000	8.25
5	TEOH HOON SONG	22,700,000	8.18
6	OEI TJHING BO ROBERT	22,500,000	8.11
7	EILEEN TAN	11,870,000	4.28
8	LIM CHYE HAI (LIN CAIHAI)	2,900,000	1.04
9	HL BANK NOMINEES (S) PTE LTD	2,600,000	0.94
10	DBS NOMINEES PTE LTD	2,035,300	0.73
11	PHILLIP SECURITIES PTE LTD	1,735,200	0.63
12	LAU KOK SENG	1,337,000	0.48
13	MORGAN STANLEY ASIA (S) SECURITIES PTE LTD	1,298,600	0.47
14	CHONG CHOON LIM	1,245,700	0.45
15	OCBC SECURITIES PRIVATE LTD	1,172,000	0.42
16	UOB KAY HIAN PTE LTD	1,056,000	0.38
17	LAM CHIN SIEW	1,027,000	0.37
18	SET ENG TECK	910,000	0.33
19	MAYBANK KIM ENG SECURITIES PTE LTD	815,000	0.29
20	RAFFLES NOMINEES (PTE) LTD	703,100	0.25
	Total	246,946,900	88.97

NOTICE OF ANNUAL GENERAL MEETING

FIGTREE HOLDINGS LIMITED
Company Registration No. 201315211G
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Figtree Holdings Limited (the "Company") will be held at 8, Jalan Kilang Barat, #03-01, Central Link Singapore 159351 on 23 April 2015 at 10.00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited accounts for the financial year ended 31 December 2014 and the reports of the Directors and Auditors thereon. **[Resolution 1]**

2. To declare a one-tier tax exempt first and final dividend of S$0.01 per ordinary share for the financial year ended 31 December 2014. **[Resolution 2]**

3. To re-elect Mr Tan Chew Joo retiring pursuant to Article 98 of the Articles of Association of the Company. **[Resolution 3]**

   Mr Tan Chew Joo will, upon re-election as Director of the Company, remain as the Executive Director and Cost Director of the Company. Information of Mr Tan Chew Joo can be found on page 7 of the Annual Report.

4. To re-elect Mr Thomas Woo Sai Meng retiring pursuant to Article 98 of the Articles of Association of the Company. **[Resolution 4]**

   Mr Thomas Woo Sai Meng will, upon re-election as Director of the Company, remain as the Non-Executive Director of the Company. Information of Mr Thomas Woo Sai Meng can be found on page 8 of the Annual Report.

5. To approve Directors' fees of S$245,000 for the financial year ended 31 December 2014. (2013:S$34,232.88) **[Resolution 5]**

6. To re-appoint Messrs Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **[Resolution 6]**

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

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions, with or without any modifications:

8. Authority to allot and issue shares

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

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

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) 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) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuant of any Instruments made or granted by the Directors while this Resolution was in force,

Provided always that:

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

(ii) (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares (including shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) that may be issued under sub-paragraph (i) above, the percentage of issued Shares (excluding treasury shares) shall be based on the issued Shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for:

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

(b) new Shares arising from exercising of share options or vesting of share awards which are outstanding and/or subsisting at the time this Resolution is passed, provided the share options and share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares.

(iii) 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), all applicable legal requirements under the Act and the Articles of Association for the time being of the Company; and

(iv) unless revoked or varied by the Company in general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or by 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 1)* **[Resolution 7]**

9. Authority to offer and grant options and to issue shares pursuant to the Figtree Employee Share Option Scheme

"That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be authorised (i) to offer and grant options in accordance with the provisions of the Figtree Employee Share Option Scheme (the "Scheme"); and (ii) to allot and issue from time to time such number of shares in the capital of the Company ("Shares") as may be required to be issued pursuant to the exercise of the options under the Scheme, provided always that the aggregate number of new Shares to be allotted and issued pursuant to the Scheme (including options granted under the Scheme and all outstanding options or awards granted under such other share-based incentive schemes of the Company) shall not at any time exceed 15% of the issued Shares (including treasury shares) on the date preceding the grant of the option." *(See Explanatory Note 2)* **[Resolution 8]**

By Order of the Board

Lee Bee Fong
Company Secretary
Singapore, 8 April 2015

Notes:

(a) A member entitled to attend and vote at the Annual General Meeting may appoint not more than two proxies to attend and vote in his/her stead. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. A proxy need not be a member of the Company.

(b) If the appointer is a corporation, the proxy must be executed under its common seal or the hand of its duly authorised officer or attorney.

(c) The instrument appointing a proxy must be deposited at the registered office of the Company, 8, Jalan Kilang Barat, #03-01, Central Link Singapore 159351 not less than 48 hours before the time appointed for holding the 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 (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 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) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty hereof.

EXPLANATORY NOTES:

(1) **Resolution 7**, if passed, will empower the Directors of the Company from the date of this Annual General Meeting until the date of the next Annual General Meeting, to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities which the Directors may allot and issue under this Resolution would not exceed 100% of the issued Shares (excluding treasury shares) at the time of passing this Resolution. For issue of Shares other than on a pro-rata basis to all shareholders of the Company, the aggregate number of Shares and convertible securities to be issued shall not exceed 50% of the issued Shares (excluding treasury shares). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or by the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(2) **Resolution 8**, if passed, will empower the Directors of the Company from the date of this Annual General Meeting until the next Annual General Meeting, to grant options and to allot and issue Shares pursuant to the exercise of options granted under the Figtree Employee Share Option Scheme (the "Scheme"). The maximum number of new Shares to be issued under the Scheme (including options granted under the Scheme and all outstanding options or awards granted under such other share-based incentive schemes of the Company) shall not exceed 15% of the issued Shares (including treasury shares) from time to time. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or by the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

FIGTREE HOLDINGS LIMITED

Company Registration No. 201315211G
(Incorporated in the Republic of Singapore)

Annual General Meeting
Proxy Form

(Please see notes overleaf before completing this Proxy Form)

I/We ______________________________ NRIC/Passport No. ______________________________

of ____ (Address)

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

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

and/or (delete as appropriate)

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

or failing *him/her/them, the Chairman of the Annual General Meeting 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 Annual General Meeting of the Company to be held at 8, Jalan Kilang Barat, #03-01, Central Link Singapore 159351 on Thursday, 23 April 2015 at 10.00 a.m., and at any adjournment thereof.

Note: 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 Annual General Meeting**. In the absence of specific directions or in the event of any item arising not summarised below, the proxy/proxies may vote or abstain as he/she/they may think fit.

No.	Resolutions Relating To:	For	Against
	ORDINARY BUSINESS		
1	Adoption of Directors' Report, Auditors' Report and the Audited Financial Statements for the financial year ended 31 December 2014		
2	Declaration of a one-tier tax exempt first and final dividend of S$0.01 per ordinary share for the financial year ended 31 December 2014		
3	Re-election of Mr Tan Chew Joo as a Director of the Company		
4	Re-election of Mr Thomas Woo Sai Meng as a Director of the Company		
5	Approval of Directors' Fees of S$245,000 for the financial year ended 31 December 2014		
6	Re-appointment of Messrs Ernst & Young LLP as Auditors of the Company		
	SPECIAL BUSINESS		
7	Authority for Directors of the Company to allot and issue new shares		
8	Authority for Directors of the Company to grant options and to allot and issue new shares pursuant to the Figtree Employee Share Option Scheme		

Note: Please note that the short descriptions given above of the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. The short descriptions have been inserted for convenience only. Shareholders are encouraged to refer to the **Notice of Annual General Meeting** for the full purpose and intent of the Resolutions to be passed.

Dated this ________________ day of ________________ 2015

Register	Number of Shares Held
CDP Register	
Register of Members	

____

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

IMPORTANT NOTES TO PROXY FORM:

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

3. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 8, Jalan Kilang Barat, #03-01, Central Link Singapore 159351 not less than 48 hours before the time appointed for the Annual General Meeting.

4. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.

5. The instrument appointing a proxy or proxies must be under the hand of the appointer 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 attorney or a duly authorised officer.

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

7. A corporation that 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 against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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 8 April 2015.

Affix
postage
stamp here

FIGTREE HOLDINGS LIMITED
8, Jalan Kilang Barat,
#03-01, Central Link
Singapore 159351

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(65) 6578 6522

Figtree

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