A NEW PHASE OF GROWTH

ANNUAL REPORT 2019

Figtree

FIGTREE HOLDINGS LIMITED

CONTENTS

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

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

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

CORPORATE PROFILE

Founded in 2009, Figtree Holdings Limited ("Figtree" or the "Company", and together with its subsidiaries and associates, the "Group"), is a provider of commercial and industrial real estate solutions. 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.

The Group has established a strong presence in China in the property development sector with a diverse portfolio of residential, commercial and industrial properties. The Group continues to explore suitable property development and investment opportunities in Australia.

Figtree was listed on SGX Catalist on 11 November 2013.

NURTURING BUSINESS SUSTAINABILITY

Our cash resources of S$16.4 million as at 31 December 2019 holds us in good stead during this period and we are exercising greater prudence in assessing potential business opportunities.

JOINT STATEMENT FROM OUR CHAIRMAN AND MANAGING DIRECTOR

Lee Choong Hiong
Non-Executive Independent Chairman

Danny Siaw
Managing Director

Dear Shareholders,
On behalf of the Board of Directors, we are pleased to present our annual report for the financial year ended 31 December 2019 ("FY2019"). For Figtree, 2019 was very much focused on executing our strategy for the Group's next growth phase that we had articulated last year.

During the year, we completed the divestments of our mixed development, 303 La Trobe, in Australia for A$35 million, as well as our 24% effective interest in DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd in China. Having successfully unlocked value from these assets, the Group is now well cashed-up and well-positioned to expand and deepen our presence in our key markets.

To that end, we made our first capital reinvestment in a freehold property in Blackburn, Melbourne, Victoria, Australia ("Blackburn Property") for A$3.7 million, which we intend to redevelop into contemporary townhouses. Our Blackburn Property sits just on the outskirts of Melbourne's Central Business District and is close to the bustling Box Hill suburb, which is a major transport hub for Melbourne's thriving eastern suburbs and an area with a sizable Asian population and well-established amenities. Given its modern design, strategic location, and easy connectivity, we believe the Blackburn Property will have broad appeal to both local and foreign buyers.

When assessing our development options in Australia, we had elected to take on smaller-scale projects with a shorter construction period, such as this property, to minimise our risk exposure. With the addition of Blackburn Property, we have a pipeline of projects for delivery between 2020 and 2022 in Singapore, China and Australia.

UNPRECEDENTED TIMES

That said, we are mindful that these are unprecedented times due to the Covid-19 pandemic, which is expected to have a significant and prolonged impact on global economic growth. Our earnings capacity, ability to secure new projects this year as well as operating markets are not spared as governments look to stay-home protocols and massive stimulus measures to mitigate the socioeconomic impact of the Coronavirus.

Amid this landscape, our priority is to ensure that our employees and the Group's business sustainability are well protected. We are also exercising greater prudence in assessing potential business opportunities at home and overseas. Our cash resources of S$16.4 million as at 31 December 2019 holds us in good stead during this period of uncertainty.

There may be good deals that materialise amid the current market landscape. Our eyes are still on China, where our focus remains on the development and management of industrial properties, potentially in the Jiangsu and Zhejiang provinces. We continue to look for value propositions in Australia but will monitor the property market carefully. Lastly, in our home base of Singapore, we will continue to participate in tenders for suitable industrial projects, when opportunities arise.

PROJECT UPDATES

China – Property Development and Investment

In Chongqing, Vibrant Pucheng Logistics (Chongqing) Co., our 20%-owned associate, commenced Phase One construction of the state-of-the-art Multi-Modal Logistics Distribution Centre on 18 June 2019. Due to a longer than expected shutdown as a result of Covid-19, the scheduled completion date has moved to 1Q 2021.

JOINT STATEMENT FROM OUR CHAIRMAN AND MANAGING DIRECTOR

The Group's 32%-owned project, Changshu Fervent High Tech Industrial Park, continues to generate a stable and recurring income from its leases, including some on long-term basis, to multinational corporations.

Australia – Property Development

In Australia, construction of the townhouses on the Blackburn Property is expected to commence in 3Q 2020 and is estimated to be completed in 2022. The property currently comprises two existing single-storey residential buildings on a total land area of approximately 1,436 square metres ("sqm"), which will be redeveloped into 3-storey contemporary townhouses with attached car garages.

Singapore – Design and Build

Currently we are working on two ongoing Design & Build ("D&B") projects in Singapore, comprising a S$12.2 million contract for Tiong Lian Food Pte Ltd ("TLF"), one of the leading importers and distributors of quality pork and other meat products in Singapore and a S$43.5 million contract for OJJ Foods Pte Ltd ("OJJ"), one of the largest processors and distributors of chilled and frozen pork in Singapore.

We secured the OJJ contract in 3Q 2019 to design and build a 6-storey food processing facility with a gross floor area of approximately 18,000 sqm located at Chin Bee Avenue. The facility will comprise a fully automated refrigerated ASRS warehouse, chiller and freezer cold rooms, central kitchen and other production and ancillary offices. We started construction of the facility in 4Q 2019 and expect to complete this project in 3Q 2021.

Meanwhile, construction of the 5-storey single user general food processing and distribution centre for TLF is on track for completion in 2Q 2020.

PERFORMANCE REVIEW

For FY2019, we reported a net attributable loss of S$0.1 million on the back of revenue of S$10.8 million, against a net attributable loss of S$0.6 million and revenue of S$2.4 million a year ago. The increase in revenue was mainly due to the D&B project for TLF which commenced construction in 3Q 2018.

Although revenue increased, the Group's bottomline was impacted due to the loss on disposal of our indirect associate DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd, coupled with operational costs from ongoing development projects.

As at 31 December 2019, the Group's cash balance remains healthy with cash and cash equivalents at S$16.4 million. At the same time, our gearing levels remain low at 0.14 time.

IN APPRECIATION

There has been some Board rejuvenation in FY2020 which were adopted to better enhance corporate governance and transparency.

Mr Danny Siaw has been re-designated from Executive Chairman and Managing Director to Managing Director. With this, Mr Lee Choong Hiong has been appointed as Chairman and re-designated from Independent Director to Non-Executive Independent Chairman. Meanwhile Mr Lee Kim Huat has been re-designated from Lead Independent Director to Independent Director.

On behalf of the Board, we would like to extend our heartfelt thanks to Mr Thomas Woo, who has stepped down as Non-Executive Director, for his invaluable contributions over the years. At the same time, we would like to welcome Mr Francis Lee on board as our new Non-Executive Director and we look forward to his counsel and expertise.

We would also like to express our gratitude to our fellow directors on the Board for their guidance and contribution during the year. To our management team and staff, thank you for your commitment, hard work and contributions to the Company. Finally, we would like to convey our appreciation to our business partners, associates, customers and shareholders for their unwavering support and confidence in the Group.

As a gesture of appreciation and a signal of our continued confidence in the Group's future, our Board has proposed a first and final tax-exempt cash dividend of 0.3 Singapore cents per share, which is subject to shareholders' approval at the forthcoming Annual General Meeting.

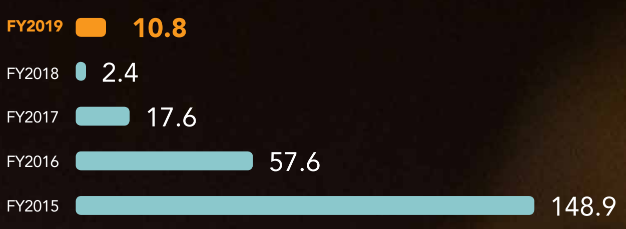
We look forward to your continued support as we ride through this current landscape to bring Figtree to greater heights in the years to come.

Lee Choong Hiong
Non-Executive Independent Chairman

Danny Siaw
Managing Director

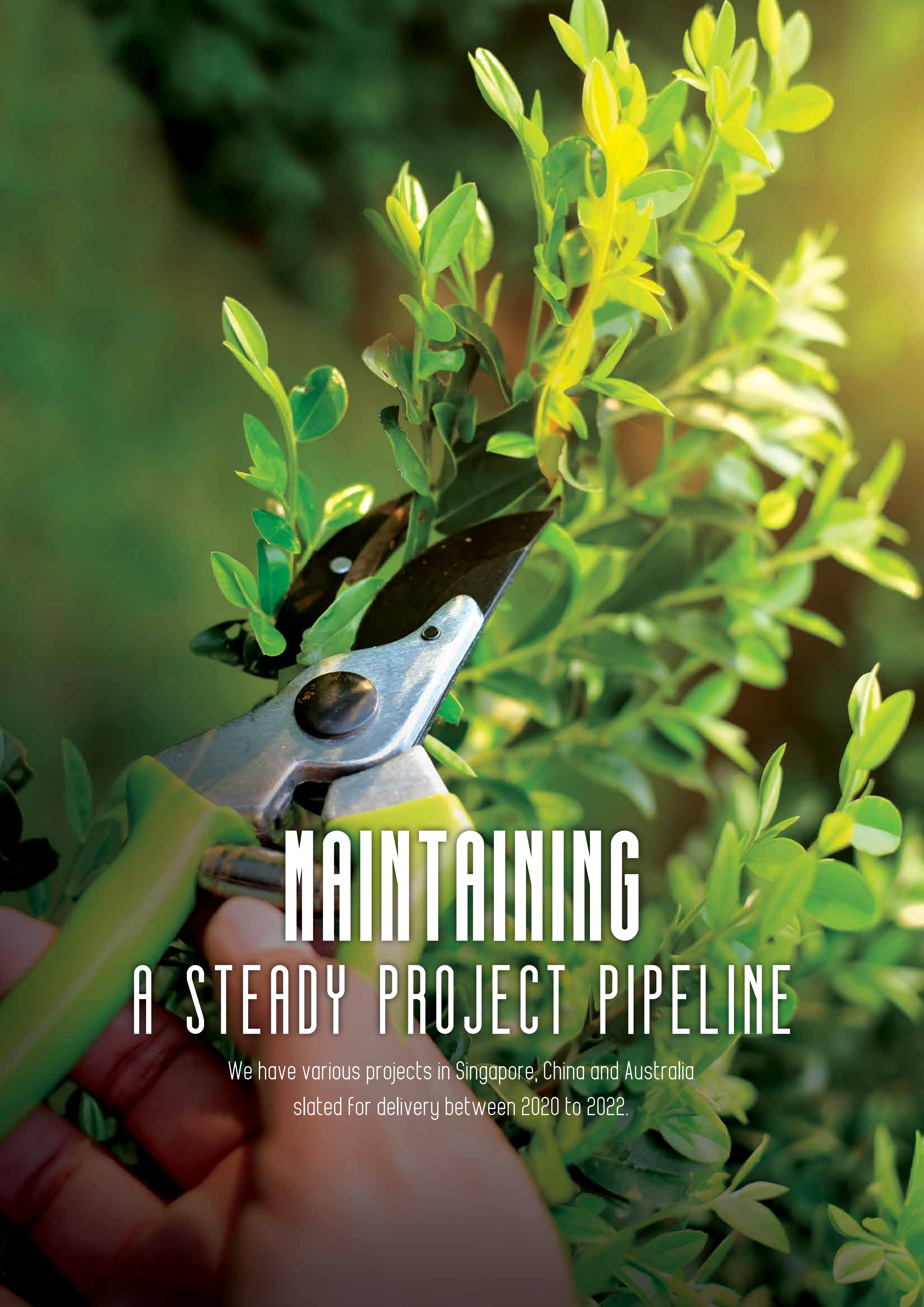
FINANCIAL HIGHLIGHTS

Revenue
(S$m)



Profit Before Taxation
(S$m)

	2019	2018	2017	2016	2015
Group Income Statements (S$'000)					
Revenue	**10,793**	2,375	17,563	57,562	148,896
(Loss)/profit before taxation	**(452)**	(629)	7,472	12,309	15,622
Net (loss)/profit attributable to owners of the Company	**(48)**	(599)	5,570	10,247	12,599
Group Balance Sheets (S$'000)					
Total assets	**61,400**	84,056	89,372	91,431	88,416
Total liabilities	**11,480**	33,171	36,363	42,942	48,957
Equity attributable to owners of the Company	**49,995**	50,910	53,045	48,476	39,440
Per Share Data (Cents)					
Earnings per share (basic)	**(0.01)**	(0.17)	1.70	3.37	4.42
Earnings per share (diluted)	**(0.01)**	(0.17)	1.70	3.35	4.41
Net asset value	**14.24**	14.63	15.72	15.36	13.48
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	**35,121**	37,234	55,335	53,030	49,159



MAINTAINING A STEADY PROJECT PIPELINE

We have various projects in Singapore, China and Australia slated for delivery between 2020 to 2022.

CORPORATE STRUCTURE

AS AT 31 DECEMBER 2019

CONSTRUCTION ARM

FIGTREE HOLDINGS LIMITED

- 100% Figtree Projects Pte. Ltd.
  - 100% Figtree Projects Sdn Bhd
  - 85% Figtree Projects (Chongqing) Co., Ltd.
    - 100% Figtree Construction (Chongqing) Co., Ltd.
    - 100% Figtree Construction (Jiangsu) Co., Ltd.
  - 60% Figtree Projects (Shanghai) Co., Ltd

DEVELOPMENT ARM

FIGTREE HOLDINGS LIMITED

- 100% Figtree Developments Pte. Ltd.
  - 40% Vibrant Properties Pte. Ltd.
    - 100% Fervent III Developments Pte Ltd
      - 100% Tengda Industrial Property (Suzhou) Co., Ltd
    - 80% Fervent Industrial Development (Suzhou) Co., Ltd
    - 100% Vibrant Investment & Management (Shanghai) Co., Ltd
      - 100% Vibrant Development (Changshu) Co., Ltd
      - 100% Fervent Property Management (Changshu) Co., Ltd
  - 20% Vibrant Pucheng Logistics (Chongqing) Co., Ltd
  - 40% Vibrant Land Pte Ltd
    - 100% Fervent IV Development Pte Ltd
  - 100% Figtree Real Estate Pty Ltd
    - 100% Figtree La Trobe Pty Ltd
    - 100% Figminna Pty Ltd
  - 39.2% Vibrant Pucheng Investment Pte Ltd
    - 100% Vibrant Pucheng Pte Ltd
  - 23.52% Vibrant Pucheng Holdings Pte Ltd
    - 85% Vibrant Pucheng Enterprise Management (Chongqing) Co., Ltd
      - 100% Vibrant Pucheng Property Management (Chongqing) Co., Ltd
      - 80% Vibrant International Freight Forwarding (Chongqing) Co., Ltd

OPERATIONS & FINANCIAL REVIEW

Blackburn Property

FY2019 dividend of

0.3

CENTS PER SHARE

Healthy increase in cash and cash equivalents to

S$16.4M

IN FY2019

Review of Income Statement

The Group recorded a revenue of S$10.8 million in FY2019, an improvement of over four-folds compared to S$2.4 million in FY2018. The higher revenue was mainly due to the Group's D&B project for TLF, which started construction in the third quarter of FY2018. Cost of sales also rose to S$10.4 million in FY2019 from S$2.5 million in FY2018, in line with the Group's revenue.

In FY2019, the Group recorded a gross profit of S$0.4 million, reversing a gross loss of S$0.1 million a year ago. It also posted a lower net attributable loss largely due to the sale of the Group's 303 La Trobe development project in Melbourne, Australia. The sale was completed on 15 April 2019, resulting in a substantial increase in other income to S$6.6 million in FY2019 from S$1.8 million in FY2018.

The Group's share of losses from associates, which amounted to S$1.7 million in FY2019, arose from the loss on disposal of the Group's indirect associate DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd in

February 2019. The Group also incurred operational costs for ongoing development projects by associates. Such projects include, among others, the Multi-Modal Logistics Distribution Centre in Chongqing, China, which is one of the largest projects undertaken by the Group to-date. In comparison, the Group's share of profits from associates was S$4.9 million in FY2018.

Finance costs also rose 6.0% to S$0.18 million in FY2019 from S$0.17 million in FY2018. At the same time, general and administrative expenses for the year declined by 19.5% to S$5.7 million, from S$7.0 million in FY2018, due to lower unrealised foreign exchange losses resulting from the repayment of intercompany loans.

As a result of these factors, the Group recorded a net attributable loss of S$0.05 million in FY2019 compared to a S$0.6 million loss in FY2018.

Review of Financial Position

As at 31 December 2019, the value of the Group's total assets was S$61.4 million compared to S$84.1 million as at 31 December 2018. The decline was due to the following:

- A 0.3% year-on-year decrease in interests in associates to S$11.0 million in FY2019, from S$11.1 million in FY2018, which was due to the Group's share of associates' losses for the year offset by an increase in capital contribution in Vibrant Pucheng Logistics (Chongqing) Co., Ltd during the year.
- Capitalised contract costs was nil in FY2019 due to the award of OJJ project in the fourth quarter of FY2019.

This was partially offset by the following:

- A marginal increase in total loans to an associate to S$21.5 million in FY2019, from S$21.3 million in FY2018, due to the translation of outstanding United States Dollar loan balances.
- A 6.9% increase in total contract assets to S$4.9 million in FY2019, from S$4.6 million in FY2018, mainly due to retention receivables relating to the TLF project.
- More than four-fold increase in trade receivables to S$3.8 million in FY2019, from S$0.9 million in FY2018, mainly due to billings relating to the TLF and OJJ projects.
- An increase in other receivables to S$0.5 million in FY2019, from S$0.3 million in FY2018, mainly due to deposits paid to purchase a property located at 1-3 Minna Street, Blackburn, Victoria, Australia.
- A substantial increase in cash and cash equivalents to S$16.4 million in FY2019, from S$0.5 million in FY2018, mainly due to proceeds received from the completion of the sale of 303 La Trobe and after repayments of bank and other borrowings and operating activities.
- Net assets directly associated with disposal group classified as held for sale was recorded at nil as at 31 December 2019 due to the completion of the sale of 303 La Trobe.

As at 31 December 2019, total liabilities of the Group declined by 65.4% to S$11.5 million from S$33.2 million as at 31 December 2018 due to the following:

- A 64.5% decrease in total trade and other payables to S$4.4 million in FY2019, from S$12.3 million in FY2018, mainly due to the payment of trade payables, accrued subcontractors' costs and accrued operating expenses as well as repayment of other borrowings.
- A 29.2% decrease in total borrowings to S$2.6 million in FY2019, from S$3.7 million in FY2018, due to partial repayment during the year.

This was partially offset by a substantial increase in contract liabilities to S$4.1 million in FY2019, from S$0.1 million in FY2018, which was mainly due to the TLF and OJJ projects which commenced construction in the third quarter of FY2018 and the fourth quarter of FY2019, respectively.

In view of the above, net assets value of the Group stood at S$49.9 million in FY2019, a decrease of 1.9% from S$50.9 million in FY2018.

OJJ Foods Pte Ltd

PROJECTS IN OUR PIPELINE

AUSTRALIA

BLACKBURN PROPERTY

Blackburn Property is on the outskirts of Melbourne's Central Business District close to Box Hill suburb, a major transport hub for Melbourne's eastern suburbs. This is an area with a sizable Asian population and well-established amenities. We will redevelop the property into 3-storey contemporary townhouses with attached car garages.

Land Area:
1,436 sqm

Expected Construction Comencement:
3Q 2020

Expected Completion:
2022

PROJECTS IN OUR PIPELINE

CHINA

MULTI-MODAL LOGISTICS DISTRIBUTION CENTRE
Vibrant Pucheng Phase 1 Chongqing

This distribution centre is one of our largest projects that we believe is well-positioned to benefit from PRC's Belt and Road Initiative and the Chongqing Connectivity Initiative between Singapore and the PRC. Located at Yufu Industrial Park, Liang Jiang New Area, the distribution centre will integrate land, sea, rail and air logistics services and comprise seven blocks of 2-storey ramp-up warehouse facilities with one block of 3-storey finance, IT Support Centre and General Administrative offices, as well as other amenities.

Land Area:
217,788 sqm

Expected Completion:
1Q 2021

PROJECTS IN OUR PIPELINE

SINGAPORE

OJJ FOODS PTE LTD

A 6-storey food processing facility with a gross floor area ("GFA") of approximately 18,000 sqm. The facility will comprise a fully automated refrigerated ASRS warehouse, chiller and freezer cold rooms, central kitchen and other production and ancillary offices.

Food Processing & Distribution Facilities @ Chin Bee Avenue

Gross Floor Area:
~18,000 sqm

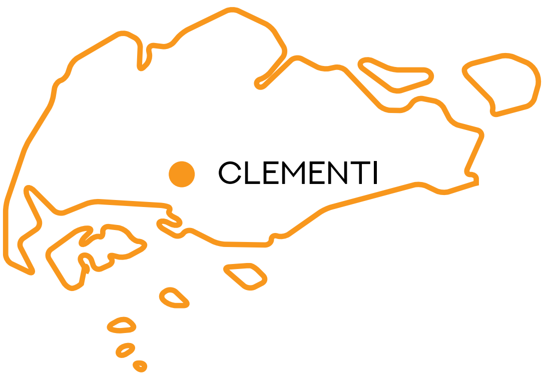
Expected Completion:
3Q 2021

PROJECTS IN OUR PIPELINE

SINGAPORE

TIONG LIAN FOOD PTE LTD

The facility will be a general food processing and distribution centre with a gross floor area of over 12,000 sqm, consisting of a 5-storey single user general industrial factory with fully automated refrigerated ASRS warehouse, fully automated refrigerated mini bin storage system, chiller and freezer cold rooms, central kitchen and other production and ancillary offices.



Food Processing & Distribution Centre @ 202 Pandan Loop

Gross Floor Area:
Over 12,000 sqm

Expected Completion:
2Q 2020

OUR INVESTMENTS

CHINA

CHANGSHU FERVENT HIGH TECH INDUSTRIAL PARK PHASE 1 AND 2

We have stable and recurring income from our 32%-interest in the Changshu Fervent High Tech Industrial Park.

Phase 1 was completed in 2015 and is fully-leased to multi-national corporations from the USA, Italy, France, Germany and Japan.

Phase 2 comprises two Build-to-Suit ("BTS") which are on long-term leases to Ingevity Corporation ("Ingevity") and Faurecia (Changshu) Automotive System Co., Ltd ("Faurecia").

OUR INVESTMENTS

CHINA

FAURECIA

Changshu Fervent High Tech Industrial Park Phase 2

Build-In Lease Area:
32,805 sqm

Completed:
2Q 2019

Lease Period:
7 Years

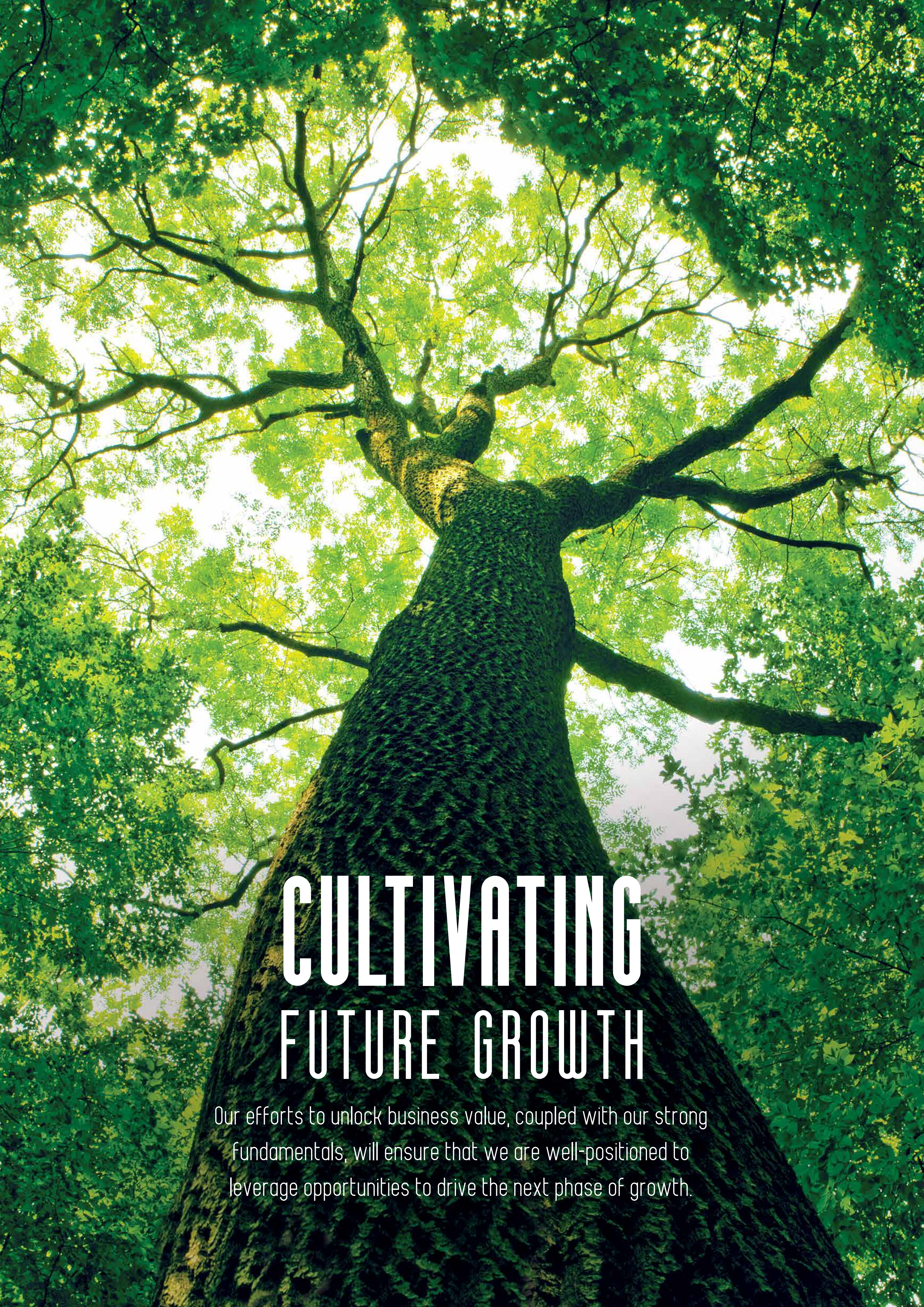
INGEVITY

Changshu Fervent High Tech Industrial Park Phase 2

Build-In Lease Area:
13,122 sqm

Completed:
3Q 2018

Lease Period:
10 Years



CULTIVATING FUTURE GROWTH

Our efforts to unlock business value, coupled with our strong fundamentals, will ensure that we are well-positioned to leverage opportunities to drive the next phase of growth.

BOARD OF DIRECTORS

LEE CHOONG HIONG
Non-Executive Independent Chairman

SIAW KEN KET @ DANNY SIAW
Managing Director

Mr Lee was appointed as Independent Director of the Company on 8 October 2013. On 22 January 2020, he was appointed as the Chairman and re-designated to Non-Executive Independent Chairman of the Company.

He is also currently the owner of LCH Quantity Surveying Pte. Ltd. which he started in 1986, that provides quantity surveying services, business and management consultancy 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.

Mr Siaw was appointed as Executive Chairman and Managing Director of the Company on 5 June 2013. On 22 January 2020, he was re-designated to Managing Director.

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 of 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. He is also the current Vice President of the Association of Catalist Companies.

BOARD OF DIRECTORS

TAN CHEW JOO
Executive Director & Cost Director

FRANCIS LEE FOOK WAH
Non-Executive 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.

Mr Francis Lee was appointed as Non-Executive Director of the Company on 22 January 2020.

Mr Lee began his career in 1990 in the Commercial Crime Division of the Criminal Investigation Department, where he served as a senior investigation officer until 1993. Between 1993 and 1994, he joined OCBC Bank as an assistant manager. Between 1994 and 2001, he worked at Deutsche Morgan Grenfell Securities as a dealer's representative. He served at the Singapore branch of the Bank of China between 2001 and 2004 as an assistant manager. Between 2004 and 2005, he worked at AP Oil International Ltd as an investment and project manager. Between 2005 and 2011, he served as an Executive Director, Finance Director and Chief Financial Officer of Man Wah Holdings Ltd, a company listed on the Hong Kong Stock Exchange. He also served as a Non-Independent, Non-Executive Director of Man Wah Holdings Ltd between January 2011 and February 2012.

He was Chief Financial Officer of OKH Global Ltd from March 2015 until December 2017. Currently Mr Lee is the Chief Financial Officer of Vibrant Group Ltd, a listed company on the Main Board of the Singapore Stock Exchange.

He is a director of his own investment firm, Wise Alliance Investments Ltd. and an Independent Director of Sheng Siong Group Ltd. Asiaphos Ltd, and Net Pacific Financial Holdings Ltd.

He was also an Independent Director of JES International Holdings Limited and Metech International Limited.

Mr Lee graduated from the National University of Singapore with a Bachelor of Business Administration (Accountancy) in 1990 and obtained a Master of Business Administration (Investment and Finance) from the University of Hull in 1993. He is a Chartered Accountant and a non-practising member of the Institute of Singapore Chartered Accountants. Mr Lee is also a member of the Singapore Institute of Directors.

LEE KIM HUAT
Non-Executive Independent Director

Mr Lee was appointed as Lead Independent Director of the Company on 8 October 2013. On 22 January 2020, he was re-designated to Independent Director.

He is currently the Chairman and Director of Lee Global Capital Pte. Ltd. and its subsidiary, Enzo Global Brand Pte. Ltd, involved in the wholesale of parts and accessories for automobiles, including imports and exports of merchandise products, as well as that of investment holding. Between 2012 and 2019, Mr Lee was the chief operating officer and finance director of Nordic Global Holdings Pte. Ltd. and its subsidiaries that 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.

PONG CHEN YIH
Non-Executive Independent Director

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

Mr Pong is currently the chief operating officer of Novus Corporate Finance Pte. Ltd., a corporate finance firm licenced by both SGX-ST and the Monetary Authority of Singapore. Prior to joining Novus Corporate Finance Pte. Ltd., Mr Pong was the lead partner for the Singapore Capital Markets Group of Baker Mckenzie. Wong & Leow where he practiced law in the main areas of capital markets work, compliance, investments and mergers and acquisitions. Mr Pong has been in practice since May 2002 when he started his legal practice as an associate in Shook Lin & Bok LLP. He joined WongPartnership LLP as an associate in 2003 before becoming a partner in 2008. Mr Pong subsequently joined Baker Mckenzie. Wong & Leow in 2014 prior to taking up his current position in Novus Corporate Finance Pte. Ltd.

Mr Pong is also an independent director of Grand Venture Technology Limited which is listed on the SGX-ST.

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.

SENIOR MANAGEMENT

Ling Liong Kiong Audrea | Teoh Hoon Song | Fung Tze Ping | Oei Tjhing Bo Robert

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. 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.

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 joined Hart Engineering Pte Ltd in 1995 as an engineer. In 2000, 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. 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. He was promoted to project manager in 2004, where he started managing various projects involving utilities pipework hook-up for Hermes-Epitek as well as managing the design and 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 foundation and structural designs.

From 1971 to 1977, Mr Oei joined HDB and set up the civil structural engineering section of URA. From 1978 to 1998, Mr Oei took on various roles within the L&M group of companies, a specialist engineering contractor in Singapore, where he was 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. Mr Oei joined Yongnam Engineering & Construction Pte Ltd as a technical manager for projects in Singapore, Hong Kong and India in 1999. Subsequently, he joined various other engineering and construction companies as technical director/consultant from 2003, before joining the Group in 2011.

Mr Oei holds a Bachelor of Engineering in Civil Engineering from the University of Sydney. He is a certified Professional Engineer, a registered Accredited Checker with the BCA in Singapore, and a member of the Institution of Engineers of Singapore and American Society of Civil Engineers.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

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 2019 ("**FY2019**"), with specific reference made to the principles of the Code of Corporate Governance 2018 (the "**Code**"), its related practice guidance ("**PG**"), guidances from Code of Corporate Governance 2012 ("**Code 2012**") which are still in effect as well as 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 provisions 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 provisions as set out in the Code, Code 2012 and the Guide, where applicable. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code, Code 2012 and/or the Guide. (b) **In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the provisions of the Code?** Not applicable. The Company did not adopt any alternative corporate governance practices in FY2019.
BOARD MATTERS	
The Board's Conduct of Affairs	
1.1 1204(10B)	**What is the role of the Board?** At the date of this report, the Board has six (6) members and comprises the following:

Table 1.1 – Composition of the Board

Name of Director	Designation
Lee Choong Hiong[1]	Non-Executive Independent Chairman and Director
Siaw Ken Ket @ Danny Siaw[2]	Executive Director and Managing Director
Tan Chew Joo	Executive Director and Cost Director
Lee Kim Huat[3]	Non-Executive Independent Director
Pong Chen Yih	Non-Executive Independent Director
Francis Lee Fook Wah[4]	Non-Executive Director

Notes:

(1) Mr Lee Choong Hiong has been appointed as the Chairman of the Company and has been re-designated from Independent Director to Non-Executive Independent Chairman of the Company on 22 January 2020.

(2) Mr Siaw Ken Ket @ Danny Siaw has been re-designated from Executive Chairman and Managing Director to Executive Director and Managing Director of the Company on 22 January 2020.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

1.1 cont'd

(3) Mr Lee Kim Huat has been re-designated from Lead Independent Director to Non-Executive Independent Director of the Company on 22 January 2020.

(4) Mr Francis Lee Fook Wah has been appointed as the Non-Executive Director of the Company in place of the resignation of Non-Executive Director of the Company, Mr Thomas Woo Sai Meng on 22 January 2020.

The Board is entrusted to lead and oversee the Group, with the fundamental principle to act in the best interests of the Group and hold management accountable for performance. 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.

The Company has in place practices to address potential conflicts of interest. All Directors are required to notify the Company promptly of all conflicts of interest as soon as it is practicable after the relevant facts have been come to his knowledge as well as when required and refresh the required declaration annually. Directors are required to recuse themselves from all deliberations/voting in relation to the matters which he has a conflict of interest in, unless the Board is of the opinion that the participation of the conflicted Director is of the best interest to the Company. Nonetheless, he is abstain from voting in relation to the conflict-related matters.

1.2
406(3)(a)

(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 Director 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 at the Company's expense.

(b) What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date?

Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. Briefings, updates and trainings for the Directors in FY2019 include:

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

1.2 cont'd	• the external auditors ("**EA**") briefed the Audit Committee ("**AC**") and the Board on changes or amendments to accounting standards and governance standards; • the Sponsors and Company Secretary briefed the Board on the regulatory updates; and • the Directors are regularly briefed by the Executive Director and Managing Director on the business activities of the Group.
1.3	**What are the types of material transactions which require approval from the Board?** Matters that require the Board's approval are clearly communicate with the Management in writing. 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 reports and audited financial statements; and • material interested person transactions.
1.4 4.2 6.2 10.2 Catalist Rule 406(3)(e)	**Has the Board delegated certain responsibilities to committees? If yes, please provide details.** The Board has delegated certain responsibilities to 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

Notes:

(1) *The AC comprises 3 members, all of whom, including the Chairman, are independent. All the members of the AC are non-executive Directors.*

(2) *The NC comprises 3 members, majority of them, including the Chairman, are independent. Majority members of the NC are non-executive Directors.*

(3) *The RC comprises 3 members, all of whom, including the Chairman, are independent. All the members of the RC are non-executive Directors.*

The terms of reference of the AC, NC and RC are set out in Sections 4.1, 6.1 and 10.1 respectively.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

1.5 **Have the Board and Board Committees met in the last financial year?**

The Board meets on a quarterly basis, and as and when circumstances require. Directors with multiple Board representations ensure that sufficient time and attention are given to the affairs of each company. In FY2019, 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	4	4	1	1
Name of Director	**Number of Meetings Attended**			
Lee Choong Hiong	4	4	1*	1
Siaw Ken Ket @ Danny Siaw	4	4*	1*	1*
Tan Chew Joo	4	4*	1	1*
Lee Kim Huat	4	4	1	1
Pong Chen Yih	4	4	1	1
Thomas Woo Sai Meng(1)	4	4*	1*	1*

* By invitation

Note:

(1) Mr Thomas Woo Sai Meng has resigned as the Non-Executive Director of the Company on 22 January 2020.

The Company's Constitution allow for meetings to be held through audio-visual communication equipment.

1.6 **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 1.6 - 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	Quarterly
3.	Budgets and forecasts (with variance analysis)	Quarterly
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 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.

Board papers prepared for each meeting are normally circulated 4 to 5 days prior to each meeting to allow sufficient time for review by the Directors.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

1.7	**Do the Directors have separate and independent access to Management, the company secretary and professional advisers?** Directors have separate and independent access to Management and the company secretary at all times. Individually or collectively, in order to execute their duties, Directors can obtain independent professional advices from the Company Secretary and external advisers (where necessary) at the Company's expense where required. The appointment of such independent professional advisors is subject to approval of the Board. The appointment and removal of the company secretary is a matter for the Board as a whole.
Board Composition and Guidance	
2.1 2.2 2.3 Code 2012 - Guideline 2.2	**Does the Company comply with the provisions 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.** As at the date of this Annual Report, the Board comprises two Executive Directors, a Non-Executive Director and three Non-Executive Independent Directors. In view that the Chairman of the Company is a Non-Executive Independent Director and the independent directors make up more than one-third of the Board, there is a strong and independent element on the Board which provide independence of thought when making decision which are in the best interest of the Company. The Company has complied with the relevant provisions as a majority of the Board members are non-executive directors. Mr Lee Choong Hiong is the Non-Executive Independent Chairman of the Company and as such there is currently no Lead Independent Director appointed in the Company. Mr Lee Chong Hiong makes himself available to shareholders if they have concerns relating to matters that contact through the Managing Director or the Chief Financial Officer ("**CFO**") has failed to resolve, or where such contact is inappropriate, as well as at the Company's general meetings.
2.1 4.4 Catalist Rule 406(3)(d)	**Has the independence of the Independent Directors been reviewed in the last financial year?** In determining the independence of the Independent Directors, the Board takes into account the existence of relationships or circumstances, including those identified by the Code, that are relevant in its determination as to whether a Director is independent. The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the Code, PG and Catalist Rules. The Independent Directors have also confirmed their independence in accordance with the Code, PG and Catalist Rules. (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.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

Code 2012 - Guideline 2.4	**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.
2.4	(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 to avoid groupthink and foster constructive debate. The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:

	Number of Directors
Core Competencies	
- Accounting or finance	3
- Legal or corporate governance	1
- Relevant industry knowledge or experience	4
Gender	
- Male	6
- Female	0

(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.

2.5 **Have the Non-Executive Directors and/or Independent Directors met in the absence of management in the last financial year?**

The Non-Executive Directors and/or Independent Directors, led by the Non-Executive Independent Chairman, held ad-hoc discussions to discuss concerns or matters such as the effectiveness of Management. Such discussions are concluded in the absence of management.

For FY2019, the Non-Executive Directors and/or Independent Directors have met in the absence of Management. The Chairman of such meetings provide feedback to the Board and/or Chairman as appropriate.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

Chairman and Chief Executive Officer	
3.1 3.2 3.3	**Are the duties between Chairman and CEO segregated?** On 22 January 2020, following a review of the board composition by the NC, Mr Lee Choong Hiong was re-designated as Non-Executive Independent Chairman while Mr Siaw Ken Ket @ Danny Siaw has been re-designated from Executive Chairman and Managing Director to Managing Director. The Non-Executive Independent Chairman and Managing Director are not related to each other. There is a clear division of responsibilities between the Non-Executive Independent Chairman and the Managing Director to ensure that there is an appropriate balance of power, increased accountability and sufficient capacity of the Board for independent decision-making. The Non-Executive Independent Chairman is responsible for the workings of the Board, ensuring the integrity and effectiveness of its governance process. The Non-Executive Independent Chairman ensures that Board meetings are held as and when necessary and set the meeting agenda in consultation with the Managing Director and Executive Director. The Non-Executive Independent Chairman, with the assistance of the Managing Director, the Executive Director and Company Secretary, ensures that Board members are provided with adequate and timely information. The Non-Executive Independent Chairman assists to ensure procedures are introduced to comply with the Company's provisions on corporate governance. The Managing Director is responsible for the business and operational decisions of the Group. The Board is satisfied that there is sufficient transparency and accountability in view of the distinction of responsibilities. Mr Lee Choong Hiong is an independent Director and is also the Chairman of the Board. Hence, the Board is of the view that there is no need to appoint a lead independent director as there is a sufficiently strong independent element on the Board which enables the exercise of judgement with regards to the corporate affairs of the Group.
Board Membership	
4.1	**What are the duties of the NC?** The NC is guided by key terms of reference as follows: • Determine the criteria for the appointment and re-appointment of directors (including alternate directors, if any); • 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 the process and appraisal criteria for evaluation of Board's, Board Committee's and Directors' performances; • Review of the training and professional development programs for the Board; • Assess whether or not a Director is able to and has been adequately carrying out his duties; • Review and approve any new employment of related persons and the proposed terms of their employment; and • Review and recommend the succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

4.3
Catalist Rule 720(4)

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 4.3(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 (tap on their personal contacts for recommendations), key management personnel or search companies / external help (for example, Singapore Institute of Directors), 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 4.3(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.

Pursuant to the Constitution, at least one third of the Board (including the 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. The Company's Constitution and Catalist Rules provide that all Directors shall submit themselves for re-nomination and re-election at regular intervals of at least once every three years.

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 the respective sections of the Company's Constitution, to be nominated for re-election:

Table 4.3(c) – Re-election of Directors retiring at the forthcoming AGM

Name	Designation	Pursuant to Article
Siaw Ken Ket @ Danny Siaw	Executive Director and Managing Director	98
Pong Chen Yih	Independent Director	98
Francis Lee Fook Wah	Non-Executive Director	102

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

4.3 Catalist Rule 720(4) cont'd	The above Directors have offered themselves for re-election and the Board has accepted the recommendation. Further details on the Directors are set out on pages 132 to 140 of the Annual Report.
4.5	(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 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 Pong Chen Yih & Mr Francis Lee Fook Wah who each having other board representations, the other Directors have no other 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 FY2019. The NC ensures that new directors are aware of their duties and obligations.
PG 4	**Are there alternate Directors?** The Company does not have any alternate directors.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

Board Performance

5.1
5.2 **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 the Chairman and 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 7. Succession planning 8. Board Committees' performance in relation to discharging their responsibilities set out in their respective terms of reference	1. Commitment of time 2. Knowledge and abilities 3. Teamwork 4. Independence and objectivity 5. Integrity 6. Overall effectiveness 7. Track record in good decision making
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 FY2019, the review process was as follows:

1. The NC completed a board evaluation questionnaire on the effectiveness of the Board, the Board Committees, and all Directors individually completed a self-evaluation performance questionnaire based on criteria disclosed in Table 5;
2. The Company Secretary collated and submitted the questionnaire results to the NC Chairman;
3. The NC discussed the report, addressing concerns that arose and concluded the performance results during the NC meeting; and
4. The results of the performance was submitted to the Board for discussion and determining area for improvement and enhancement of the Board's effectiveness.

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

No external facilitator was used in the evaluation process.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

5.1 5.2 cont'd	(b) **Has the Board met its performance objectives?** Yes, the Board Committees and the Directors have met their performance objectives.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

6.1
6.3

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;
- Review all aspect of remunerations, including termination clauses in the contracts of service for the executive directors and key management personnel (in the case of termination) to ensure they are fair and reasonable;
- Administer the Figtree Employee Share Option Scheme; and
- Investigate any matter within its terms of reference with expert advice within and/or outside the Company, where necessary.

Termination Clause

There is currently no amount for termination, retirement and post-employment benefits granted to Executive Directors, Managing Director, and the top key management personnel (who are not Executive Directors or Managing Director).

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 avails itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

6.4

Were remuneration consultants engaged in the last financial year?

No remuneration consultants were engaged by the Company in FY2019.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

Level and Mix of Remuneration

7.1
7.3

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 long term 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.

(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 FY2019. 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. To align the interests of the Directors and key management personnel of the Group with interests of shareholders, the Group also has adopted the Figtree Employee Share Option Scheme.

The remuneration package of the Managing Director, Mr Siaw Ken Ket @ Danny Siaw ("**Mr 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. For the current financial year, Mr Siaw's service agreement was automatically renewed and all terms and conditions remain the same.

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 financial statements 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. Based on the terms as set out in the service agreement, Mr Siaw was not entitled to an incentive bonus for FY2019.

(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:

Table 7 – Incentive Performance Conditions

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 Company's offer document dated 29 October 2013 ("**Offer Document**") for more detailed information.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

7.1
7.3
cont'd

Share options may also be granted to all employees, including Executive Directors and key management personnel under the Figtree Employee Share Option Scheme (the "**ESOS**"). Details of the ESOS is set out in Section 8.3. 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 FY2019.

7.2

Please describe how the remuneration received by Non-Executive Directors has been determined by the performance criteria.

The Non-Executive Directors do not have any service agreements with the Company. Except for directors' fees, which have to be approved by shareholders at AGMs, the Non-Executive Directors do not receive any other forms of remuneration from the Company.

The fees for the financial year in review are determined in the current financial year, proposed by the Management, submitted to the RC for review and thereafter recommended to the Board for approval.

The RC has reviewed and assessed that the remuneration of the Non-Executive Directors for FY2019 is appropriate, considering the effort, time spent and responsibilities of the said Directors.

Disclosure on Remuneration

8.1

(a) **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 FY2019 is as follows:

Table 8.1 – Directors' Remuneration

Name	Remuneration (S$'000)	Directors Fees[1] (%)	Salary (%)	Bonus[2] (%)	Benefits-in-kind[3] (%)	Total (%)
Siaw Ken Ket @ Danny Siaw	557	7.2	79.5	6.6	6.7	100
Tan Chew Joo	298	13.4	70.0	5.8	10.8	100
Thomas Woo Sai Meng	40	100	–	–	–	100
Lee Kim Huat	45	100	–	–	–	100
Lee Choong Hiong	40	100	–	–	–	100
Pong Chen Yih	40	100	–	–	–	100

1. Fees are subject to approval by shareholders as a lump sum at the AGM.
2. Bonus relates to annual wage supplement paid for FY2019.
3. Benefits-in-kind refer to benefits such as fixed allowances, share-based payments and payments in respect of Company's statutory contributions to the Singapore Central Provident Fund.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

8.1 cont'd

(b) **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 FY2019 is as follows:

Table 8.2 – Remuneration of Key Management Personnel

Name	Salary (%)	Bonus[1] (%)	Benefits-in-kind[2] (%)	Total (%)
Above S$250,000 to S$500,000				
Oei Tjhing Bo Robert	80.8	6.7	12.5	100
Teoh Hoon Song	76.6	6.4	17.0	100
Fung Tze Ping	76.6	6.4	17.0	100
Below S$250,000				
Ling Liong Kiong Audrea	75.4	6.3	18.3	100

1. Bonus relates to annual wage supplement paid for FY2019.
2. Benefits-in-kind refer to benefits such as fixed allowances, share-based payments and payments in respect of Company's statutory contributions to the Singapore Central Provident Fund.

(c) **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 for FY2019 was S$917,218.

8.2

Is there any employee who is an immediate family member of a Director or the CEO, and whose remuneration exceeds S$100,000 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 Real Estate Pty Ltd and Figtree La Trobe Pty Ltd in Australia. He is the son of Mr Tan Chew Joo, the Executive Director and Cost Director of the Company, and his remuneration was between S$100,000 and S$150,000.

Save as disclosed above, there are no other employees who are substantial shareholders of the Company and are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S$100,000 during FY2019.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

8.3 **Please provide details of the employee share scheme(s).**

Figtree Share Option Scheme

The Company has a share option scheme under 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.

In FY2019, the Company did not grant any options to eligible participants to the ESOS.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

8.3 cont'd

In accordance with Rule 851(l)(b) of the Catalist Rules, the following table sets out the options granted to the following Director:

Name of Director	Options granted in FY2019	Aggregate options granted since the commencement of the ESOS till the end of FY2019	Aggregate options exercised since the commencement of the ESOS till the end of FY2019	Aggregate options outstanding as at the end of FY2019
Tan Chew Joo	–	880,000	230,000	650,000

Further details of the ESOS are set out in the Offer Document.

ACCOUNTABLITY AND AUDIT

Risk Management and Internal Controls

9.1
9.2
Catalist Rule 1204 (10)

(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 FY2019.

The bases for the Board's view are as follows:

1. Assurance has been received from the Executive Chairman and Managing Director and CFO;
2. An internal audit has been done by the internal auditor ("**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 has 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 FY2019.

(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 FY2019.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

Audit Committee

10.1 **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 and risk management, 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 Catalist Rules, 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;
- Review the assurance from the Chief Executive Officer and Chief Financial Officer on the financial records and financial statements; and
- Undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

Does the Company have a whistle-blowing policy?

Yes. The Company's staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle-blowing report through the Company's website https://www.figtreeasia.com/ or directly to https://whistleblowing.figtreeasia.com/.

The AC, upon receipt of complaints or allegations from any employee, determines if an investigation is necessary. If an investigation should be carried out, it will direct an independent investigation to be conducted on the complaint received. The AC and the Board will receive a report on that complaint and findings of any investigations as well as a follow-up report on actions taken.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

Catalist Rules 1204(6)(a) 1204(6)(b)

Has the AC reviewed the independence of the EA?

The AC has reviewed and is satisfied that the EA is independent, and has recommended the re-appointment of the EA at the forthcoming AGM.

(a) **Please provide a breakdown of the fees paid in total to the EA for audit and non-audit services for the financial year.**

There were no non-audit fees incurred for FY2019.

Table 10.1 – Fees Paid to the EA for FY2019

	S$	% of total
Audit fees		
- Auditor of the Company	115,000	65
- Other auditors	62,218	35
Total	177,218	100

(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 FY2019.

10.2 **Qualification of the AC members**

The Board considers Mr Lee Kim Huat, who has extensive and practical accounting and financial management knowledge and experience, well qualified to chair the AC. Mr Pong Chen Yih of the AC has relevant experience in corporate finance and law.

Further details on the key information and profile of the AC members, including academic and professional qualifications, are presented under the Director's Profiles section of this annual report.

The members of the AC collectively have strong accounting and related financial management expertise and experiences and are appropriately qualified to discharge their responsibilities.

10.3 **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 within the last two years and none of the AC members hold any financial interest in the external audit firm.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

10.4 Catalist Rules 719(3) 1204(10C)	**Please provide details of the Company's internal audit function, if any.** The Company's internal audit function is outsourced to TRS Forensics Pte Ltd that reports directly to the AC Chairman and administratively to the Managing Director. The AC is responsible for the hiring, removal, evaluation and compensation of the accounting or audit firm or corporation which the internal audit function of the Company is outsourced to. 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 function is independent, effective (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and adequately resourced, has unfettered access to all of the Company's documents, records, properties and personnel, including to the AC and has the appropriate standing in the Company to discharge its duties effectively.
10.5	**Has the AC met with the External Auditors and Internal 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 FY2019.
SHAREHOLDER RIGHTS AND ENGAGEMENT	
Shareholder Rights and Conduct Of General Meetings	
11.1	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 meetings of the Company. To facilitate participation by the shareholders, the Constitution allows the shareholders to attend and vote at general meetings of the Company or to appoint not more than two proxies, other than a relevant intermediary (as defined in section 181(6) of the Companies Act) to attend and vote on their behalf. A relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the general meetings. At the forthcoming AGM, all resolutions will be put to vote by way of a poll, and their detailed results will be announced via SGXnet after the conclusion of the AGM.
11.2	Separate resolutions on each distinct issue are requisite unless they are closely related and are more appropriately tabled together. Reasons, and implications of why resolutions are bundled will be set out in the circulars sent out.
11.3	At the AGM, the EA as well as all Directors (including the respective chairman of the Board Committee) are present to attend and 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. All the Directors attended the AGM for the financial year 2018 held in 2019. 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.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

11.4	Voting in absentia such as voting via mails, electronic mails or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of shareholders through the web is not compromised.
11.5	The Company prepares minutes of general meetings which include substantial and relevant comments and queries from shareholders relating to the agenda of the general meetings together with responses from the Board and Management. During FY2019, all minutes of general meeting were made available to shareholders upon their request. For the financial year ending 31 December 2020, minutes of such meetings will be published on the Company's corporate website as soon as practicable after each meeting.
11.6	**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. **Is the Company paying dividends for the financial year? If not, please explain why.** The Board has proposed a first and final dividend of 0.3 Singapore cents per ordinary share for FY2019 which will be subject to shareholders' approval at the forthcoming AGM.
ENGAGEMENT WITH SHAREHOLDERS	
12.1 12.2 12.3	**Please disclose if the Company has an investor policy in place.** In line with continuous disclosure obligations, the Company is committed to regular and proactive communication with its shareholders. All announcements are released via SGXNET including the quarterly and full year financial results, distribution of notices, press releases and other major developments. Price sensitive information to shareholders is publicly released on an immediate basis where required under the Catalist Rules. All shareholders will receive the annual report which is made available on the SGXNET. The Company solicits feedback from and addresses the concerns of shareholders via the following: • general meetings held; and • a dedicated external investor relations team (a) **Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?** The Company strives to communicate regularly with its shareholders and meets shareholders, investors and media who wish to seek a better understanding of the Group's operations as and when necessary and appropriate.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

12.1 12.2 12.3 cont'd	(b) **Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?** The Company outsources its investor relations function to a team of investor relations specialists at August Consulting who focuses on facilitating communications with and by all shareholders and other stakeholders as well as analysts and the media. To enable ease of contact, the details of the investor relations personnel are set out in this Annual Report: **August Consulting** Tel: +65 6733 8873 Silvia Heng, silviaheng@august.com.sg Avril Lim, avrillim@august.com.sg (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.
MANAGING STAKEHOLDERS RELATIONSHIP	
Engagement with Stakeholders	
13.1 13.2 13.3	The Company undertakes an annual review in identifying its material stakeholders through various medium and channels to understand their needs and expectations, address their concerns so as to improve services and product's standards, as well as to align the business interest with those of the stakeholders and ultimately to generate sustainable value in the long-run. It assesses the material environmental, social and governance factors that affects the Group. Please refer to the Company's latest sustainability report for the assessment process and how such relationships with stakeholders are managed. The sustainability report will be released by the end of May 2020 and will be publicly accessible through the Company's website as well as on SGXNET.
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), if any, 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 FY2019 or if not then subsisting, entered into since the end of the previous financial year.

CORPORATE GOVERNANCE

Disclosure Table For Compliance To The Code Of Corporate Governance 2018 And Catalist Rules

1204(10)	**Confirmation of adequacy of internal controls** The Board and the AC are of the opinion that the internal controls are adequate and effective to address the financial, operational and compliance and information technology control and risks management systems 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. There were no other IPTs with value more than S$100,000 transacted during FY2019.
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 two weeks before the announcement of the Company's quarterly financial statements and one month before the announcement of the Company's 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 with securities within the permitted trading period.
1204(21)	**Non-sponsor fees** No non-sponsor fees were paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2019.
Practice Note 7F	**Update on Sustainability Report** The Group recognises the importance of sustainability that creates long-term value to our stakeholders by embracing opportunities and managing risks derived from the environment, social developments and governance. The Group is committed towards implementing sustainable practices in order to achieve the right balance between the needs of the wider community and the requirements of stakeholders and business growth. The Group's third sustainability report will be prepared in accordance with the Global Reporting Initiative Standards, Core Option and in line with the requirements of the Catalist Rules on sustainability reporting. The report will highlight the economic, environmental and social factors such as economic performance, environmental compliance, employment and training and education. The Company's Sustainability Report and will be released by the end of May 2020. The Sustainability Report will be publicly accessible through the Company's website as well as on SGXNET.

FINANCIAL CONTENTS

DIRECTORS' STATEMENT

The directors present their statement 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 2019.

OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2019 and the financial performance, 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.

DIRECTORS

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

Lee Choong Hiong	(Non-Executive Independent Chairman)
Siaw Ken Ket @ Danny Siaw	(Executive Director and Managing Director)
Tan Chew Joo	(Executive Director and Cost Director)
Francis Lee Fook Wah	(Non-Executive Director, appointed on 22 January 2020)
Lee Kim Huat	(Non-Executive Independent Director)
Pong Chen Yih	(Non-Executive Independent Director)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as described in this statement, 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' STATEMENT

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, Chapter 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 of the Company				
Siaw Ken Ket @ Danny Siaw	87,000,633	87,000,633	285,804	292,809
Tan Chew Joo	35,021,111	35,879,472	14,399,675	14,399,675
Lee Kim Huat	1,799,775	1,799,775	–	–
Share options of the Company				
Tan Chew Joo	650,000	650,000	–	–

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 2020.

By virtue of Section 7 of the Singapore Companies Act, Chapter 50, Siaw Ken Ket @ Danny Siaw is deemed to have interests in the shares held by the Company in its subsidiaries.

Except as disclosed in this statement, 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.

SHARE OPTIONS

The Company has a share option scheme under the Figtree Employee Share Option Scheme (the "2013 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 ("RC"), comprising three Independent Non-Executive Directors, one of whom is also the Chairman of the Committee. The members of the RC are:

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

DIRECTORS' STATEMENT

SHARE OPTIONS (CONT'D)

Under the rules of the 2013 ESOS:

- Executive Directors and Non-Executive Directors (including Independent Directors) and confirmed full time employees of the Group are eligible to participate in the 2013 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 2013 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 2013 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 2013 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 2013 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 2013 ESOS.

- The options that are granted under the 2013 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 2013 ESOS will expire upon the tenth anniversary of the date of grant of that option.

- The 2013 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.

Further details of the 2013 ESOS are set out in the Company's offer document dated 29 October 2013.

During the financial year, there were no share options granted under the 2013 ESOS.

DIRECTORS' STATEMENT

SHARE OPTIONS (CONT'D)

Details of all the options to subscribe for ordinary shares of the Company pursuant to the 2013 ESOS as at 31 December 2019 are as follows:

Expiry date	Exercise price (cents)	Number of options
27 August 2021	13.06	545,000
29 August 2023	12.00	2,210,000
29 August 2023	14.00	2,220,000
29 August 2024	11.00	2,350,000
Total		7,325,000

Details of the options to subscribe for ordinary shares of the Company granted to (a) participants who are also the Directors of the Company; and (b) participants who receive 5% or more of the total number of options available, pursuant to the 2013 ESOS are as follows:

Name of participant	Options granted during financial year	Aggregate options granted since commencement of plan to end of financial year	Aggregate options exercised since commencement of plan to end of financial year	Aggregate options outstanding as at end of financial year
Director:				
Tan Chew Joo	–	880,000	230,000	650,000
Participants who receive 5% or more of the total number of options:				
Teoh Hoon Song	–	880,000	230,000	650,000
Fung Tze Ping	–	880,000	230,000	650,000
Oei Tjhing Bo Robert	–	880,000	–	880,000
	–	2,640,000	460,000	2,180,000

Since the commencement of the 2013 ESOS till the end of the financial year:

- No options have been granted to the controlling shareholders of the Company and their associates.
- No participant other than the participants mentioned in the table above has received 5% or more of the total options available under the 2013 ESOS.
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted.
- No options were granted at a discount to the market price of the shares at the time of the grant, except for those granted during the financial year in 2016, 2017 and 2018.

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option, except as described in the preceding paragraphs.

DIRECTORS' STATEMENT

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, Chapter 50, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal 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, 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 four 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 the Corporate Governance Report.

DIRECTORS' STATEMENT

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
12 May 2020

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2019
To the Members of Figtree Holdings Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Figtree Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and Company as at 31 December 2019, statements of changes in equity of the Group and 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2019
To the Members of Figtree Holdings Limited

Key Audit Matters (cont'd)

Accounting for construction contracts

The Group's revenue is derived mainly from the design and building of commercial and industrial facilities, where revenue is recognised over time by reference to the stage of completion of the contract activity at the end of the reporting period. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the total estimated costs. The amount of revenue recognised and the corresponding profit or loss on contracts are affected by a variety of uncertainties that depend on the outcome of future events and precision of the cost estimation during the budgeting process, where management is required to exercise significant judgement and use estimates to:

- determine the total estimated contract costs, including estimating contingencies and costs to complete the project up to delivery;
- determine the stage of completion of the contract;
- forecast the profit margin after consideration of variation orders and claims; and
- assess the provision for onerous contracts, if any.

As such, we have identified this as a key audit matter. As part of our audit, we obtained an understanding of the key processes and controls regarding the Group's accounting for construction contracts, including revenue recognition. We also examined project documentation and traced project revenues and costs incurred to underlying documents for a sample of on-going projects. The audit procedures that we performed included the following:

- we traced the total contract revenue to signed contracts, customers' payment certificates and approved variation orders;
- we traced the total estimated costs to project budgets approved by management and reviewed the reasonableness of management's cost to complete analysis for the Group's major on-going projects;
- we traced the total project costs to sub-contractors' invoices and other supporting documents, on a sampling basis; and
- we recomputed management's percentage of completion computations for a sample of the projects.

In addition, we also discussed the status of major projects under construction with management, finance personnel and project managers for any potential issues, technical complexity or other significant events that could impact the total estimated contract costs or recognition of onerous contracts, if any. We analysed changes in management's estimates of forecasted profit margins, total estimated contract costs and costs to complete from the prior periods and assessed the consistency of these changes with the progress of the projects during the year.

The Group's accounting policies and disclosures on revenue recognition and contract assets/contract liabilities are included in Note 2.22, Note 3.2 and Note 4 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2019
To the Members of Figtree Holdings Limited

Key Audit Matters (cont'd)

Expected credit losses of loans to an associate

As at 31 December 2019, the carrying amounts of loans to an associate amounted to S$21,450,581. The balance is significant to the Group as it represents 34.93% of the total assets of the consolidated balance sheet.

The Group's shareholder loans to an associate, Vibrant Properties Pte Ltd, were used to fund the associate's partially-owned subsidiaries carrying out property development and industrial property leasing business in the People's Republic of China ("PRC"). The Group provided for expected credit loss ("ECL") on the loans to the associate based on the general approach, as detailed in Note 36(a) and the extent of loss allowance is dependent on the extent of credit deterioration since initial recognition. The determination of expected credit losses requires management to exercise significant judgement and the use of estimates. As such, we have determined this to be a key audit matter.

As part of our audit procedures, we performed the following:

- we obtained an understanding of management's impairment process relating to loans to associate, including the process in determining whether a loan is credit-impaired.

- we assessed the appropriateness of the Group's assumptions in determination of significant increase in credit risk and the resultant basis for classification of loan exposures into various stages under the ECL general approach, and

- we assessed the reasonableness of key data sources and assumptions such as default rate and the application of forward looking adjustment used in the ECL computation.

The Group's accounting policies and disclosures on loans to an associate are included in Note 2.13, Note 2.14, Note 3.2 and Note 14 to the financial statements respectively.

Other Information

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

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

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

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2019
To the Members of Figtree Holdings Limited

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2019
To the Members of Figtree Holdings Limited

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Ang Chuen Beng.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

12 May 2020

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2019

	Note	Group 2019 S$	Group 2018 S$
Revenue	4	10,792,597	2,374,538
Cost of sales		(10,388,802)	(2,479,394)
Gross profit/(loss)		403,795	(104,856)
Other income	5	6,648,543	1,773,915
General and administrative expenses		(5,669,092)	(7,039,507)
Finance costs	6	(175,404)	(165,499)
Share of results of associates		(1,659,836)	4,906,594
Loss before taxation	7	(451,994)	(629,353)
Tax credit	8	354,039	11,568
Loss for the year		(97,955)	(617,785)
Attributable to:			
Owners of the Company		(48,265)	(599,127)
Non-controlling interests		(49,690)	(18,658)
		(97,955)	(617,785)
Loss per share (cents)			
Basic	9	(0.01)	(0.17)
Diluted	9	(0.01)	(0.17)

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 2019

	Note	Group 2019 S$	Group 2018 S$
Loss for the year		(97,955)	(617,785)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(263,907)	(1,012,232)
Other comprehensive income for the year, net of tax		(263,907)	(1,012,232)
Total comprehensive income for the year		(361,862)	(1,630,017)
Attributable to:			
Owners of the Company		(312,172)	(1,611,359)
Non-controlling interests		(49,690)	(18,658)
		(361,862)	(1,630,017)

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

BALANCE SHEETS

As at 31 December 2019

	Note	Group 2019 S$	Group 2018 S$	Company 2019 S$	Company 2018 S$
Non-current assets					
Property, plant and equipment	10	3,155,020	3,273,984	–	–
Right of use assets	31	114,016	–	–	–
Investments in subsidiaries	11	–	–	9,152,597	9,152,597
Interests in associates	12	11,035,005	11,065,065	–	–
Loans to a subsidiary	13	–	–	–	2,013,280
Loans to an associate	14	–	4,992,266	–	–
		14,304,041	19,331,315	9,152,597	11,165,877
Current assets					
Capitalised contract costs	4	–	412,254	–	–
Loans to an associate	14	21,450,581	16,329,152	–	–
Amounts due from subsidiaries	15	–	–	24,285,512	23,063,740
Amounts due from an associate	16	–	11,289	–	11,289
Prepayments		81,385	54,853	4,192	4,163
Contract assets	4	4,914,155	4,596,710	–	–
Trade receivables	17	3,758,138	889,354	–	–
Other receivables	18	454,283	273,082	–	–
Cash and cash equivalents	19	16,437,570	468,702	330,756	9,688
		47,096,112	23,035,396	24,620,460	23,088,880
Assets of disposal group classified as held for sale	20	–	41,689,441	–	–
		47,096,112	64,724,837	24,620,460	23,088,880
Current liabilities					
Contract liabilities	4	4,127,991	121,007	–	–
Trade and other payables	21	4,373,847	12,315,679	485,082	1,790,344
Borrowings	22	2,571,591	3,700,000	–	–
Provision for taxation		62,708	112,584	4,779	4,065
		11,136,137	16,249,270	489,861	1,794,409
Liabilities directly associated with disposal group classified as held for sale	20	–	16,197,756	–	–
		11,136,137	32,447,026	489,861	1,794,409
Net current assets		35,959,975	32,277,811	24,130,599	21,294,471
Non-current liabilities					
Deferred tax liabilities	23	294,636	723,849	79,136	72,704
Borrowings	22	49,152	–	–	–
		343,788	723,849	79,136	72,704
Net assets		49,920,228	50,885,277	33,204,060	32,387,644

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

BALANCE SHEETS

As at 31 December 2019

	Note	Group 2019 S$	Group 2018 S$	Company 2019 S$	Company 2018 S$
Equity attributable to owners of the Company					
Share capital	24	31,286,466	30,911,972	31,286,466	30,911,972
Accumulated profits		27,783,623	28,880,660	1,627,367	1,257,389
Merger deficit	25	(8,152,595)	(8,152,595)	–	–
Share option reserve	26	290,227	218,283	290,227	218,283
Foreign currency translation reserve	27	(1,700,252)	(1,436,345)	–	–
Other reserve	28	488,000	488,000	–	–
		49,995,469	50,909,975	33,204,060	32,387,644
Non-controlling interests		(75,241)	(24,698)	–	–
Total equity		49,920,228	50,885,277	33,204,060	32,387,644

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 2019

	Attributable to owners of the Company									
	Share capital (Note 24) S$	**Accumulated profits S$**	**Merger deficit (Note 25) S$**	**Share option reserve (Note 26) S$**	**Foreign currency translation reserve (Note 27) S$**	**Other reserve (Note 28) S$**	**Total reserves S$**	**Total equity attributable to owners of the Company S$**	**Non-controlling interests S$**	**Total equity S$**
Group										
2019										
Opening balance at 1 January 2019	30,911,972	28,880,660	(8,152,595)	218,283	(1,436,345)	488,000	19,998,003	50,909,975	(24,698)	50,885,277
Effect of adoption of SFRS(I)16 *Leases* (Note 2.3)	–	(4,831)	–	–	–	–	(4,831)	(4,831)	(853)	(5,684)
At 1 January 2019 (restated)	30,911,972	28,875,829	(8,152,595)	218,283	(1,436,345)	488,000	19,993,172	50,905,144	(25,551)	50,879,593
Loss for the year	–	(48,265)	–	–	–	–	(48,265)	(48,265)	(49,690)	(97,955)
Other comprehensive income										
Foreign currency translation	–	–	–	–	(263,907)	–	(263,907)	(263,907)	–	(263,907)
Total comprehensive income for the year	–	(48,265)	–	–	(263,907)	–	(312,172)	(312,172)	(49,690)	(361,862)
Contributions by and distributions to owners										
Dividends on ordinary shares (Note 29)	395,737	(1,043,941)	–	–	–	–	(1,043,941)	(648,204)	–	(648,204)
Share issuance expense	(21,243)	–	–	–	–	–	–	(21,243)	–	(21,243)
Share-based expense	–	–	–	71,944	–	–	71,944	71,944	–	71,944
Total transactions with owners in their capacity as owners	374,494	(1,043,941)	–	71,944	–	–	(971,997)	(597,503)	–	(597,503)
Closing balance at 31 December 2019	31,286,466	27,783,623	(8,152,595)	290,227	(1,700,252)	488,000	18,709,003	49,995,469	(75,241)	49,920,228

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 2019

	Attributable to owners of the Company									
	Share capital (Note 24) S$	**Accumulated profits S$**	**Merger deficit (Note 25) S$**	**Share option reserve (Note 26) S$**	**Foreign currency translation reserve (Note 27) S$**	**Other reserve (Note 28) S$**	**Total reserves S$**	**Total equity attributable to owners of the Company S$**	**Non-controlling interests S$**	**Total equity S$**
Group										
2018										
Opening balance at 1 January 2018	29,418,521	31,605,446	(8,152,595)	110,181	(424,113)	488,000	23,626,919	53,045,440	(36,537)	53,008,903
Loss for the year	–	(599,127)	–	–	–	–	(599,127)	(599,127)	(18,658)	(617,785)
Other comprehensive income										
Foreign currency translation	–	–	–	–	(1,012,232)	–	(1,012,232)	(1,012,232)	–	(1,012,232)
Total comprehensive income for the year	–	(599,127)	–	–	(1,012,232)	–	(1,611,359)	(1,611,359)	(18,658)	(1,630,017)
Contributions by and distributions to owners										
Dividends on ordinary shares (Note 29)	1,522,664	(2,125,659)	–	–	–	–	(2,125,659)	(602,995)	–	(602,995)
Share issuance expense	(29,213)	–	–	–	–	–	–	(29,213)	–	(29,213)
Share-based expense	–	–	–	108,102	–	–	108,102	108,102	–	108,102
Total contributions by and distributions to owners	1,493,451	(2,125,659)	–	108,102	–	–	(2,017,557)	(524,106)	–	(524,106)
Changes in ownership interests in subsidiary										
Contributions from non-controlling interest of a subsidiary	–	–	–	–	–	–	–	–	30,497	30,497
Total changes in ownership interests in subsidiary	–	–	–	–	–	–	–	–	30,497	30,497
Total transactions with owners in their capacity as owners	1,493,451	(2,125,659)	–	108,102	–	–	(2,017,557)	(524,106)	30,497	(493,609)
Closing balance at 31 December 2018	30,911,972	28,880,660	(8,152,595)	218,283	(1,436,345)	488,000	19,998,003	50,909,975	(24,698)	50,885,277

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 2019

	Share capital (Note 24) S$	Accumulated profits S$	Share option reserve (Note 26) S$	Total equity S$
Company				
2019				
Opening balance at 1 January 2019	30,911,972	1,257,389	218,283	32,387,644
Profit, representing total comprehensive income for the year	–	1,413,919	–	1,413,919
<u>Contributions by and distributions to owners</u>				
Dividends on ordinary shares (Note 29)	395,737	(1,043,941)	–	(648,204)
Share issuance expense	(21,243)	–	–	(21,243)
Share-based expense	–	–	71,944	71,944
Total transactions with owners in their capacity as owners	374,494	(1,043,941)	71,944	(597,503)
Closing balance at 31 December 2019	31,286,466	1,627,367	290,227	33,204,060
2018				
Opening balance at 1 January 2018	29,418,521	2,525,948	110,181	32,054,650
Profit, representing total comprehensive income for the year	–	857,100	–	857,100
<u>Contributions by and distributions to owners</u>				
Dividends on ordinary shares (Note 29)	1,522,664	(2,125,659)	–	(602,995)
Share issuance expense	(29,213)	–	–	(29,213)
Share-based expense	–	–	108,102	108,102
Total transactions with owners in their capacity as owners	1,493,451	(2,125,659)	108,102	(524,106)
Closing balance at 31 December 2018	30,911,972	1,257,389	218,283	32,387,644

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 2019

	Note	Group 2019 S$	Group 2018 S$
Cash flows from operating activities			
Loss before taxation		(451,994)	(629,353)
Adjustments for:			
Write back of allowance for expected credit losses	17	–	(1,125,000)
Bad debts written off		26,374	–
Depreciation of property, plant and equipment	10	145,407	189,609
Depreciation of right-of-use assets	31	75,718	–
Gain on disposal property, plant and equipment		(750)	–
Write off of property, plant and equipment		40	–
Gain on sale of disposal group classified as held for sale, net	5	(6,263,065)	–
Finance costs	6	175,404	165,499
Share of results of associates		1,659,836	(4,906,594)
Share-based expense	7	71,944	108,102
Interest income	5	(380,529)	(637,779)
Unrealised exchange loss		148,561	2,495,645
Operating cash flows before changes in working capital		(4,793,054)	(4,339,871)
(Increase)/decrease in:			
Development properties		–	(680,338)
Capitalised contract costs		412,254	(294,495)
Amounts due from an associate		11,289	(11,289)
Trade receivables and contract assets		(3,212,603)	7,256,526
Other receivables and prepayments		142,028	(64,150)
Increase/(decrease) in:			
Contract liabilities		4,006,984	121,007
Trade and other payables		(5,328,906)	(4,058,286)
Cash flows used in operations		(8,762,008)	(2,070,896)
Income tax paid		(125,050)	(1,574,452)
Interest received		169,399	1,039
Net cash flows used in operating activities		(8,717,659)	(3,644,309)
Cash flows from investing activities			
Purchases of property, plant and equipment	10	(27,955)	(20,476)
Proceeds from disposal of property, plant and equipment		750	–
Proceeds from sale of disposal group classified as held for sale, net		31,394,640	–
Capital contribution of an associate	12	(1,903,936)	–
Deposits paid to purchase of property	18	(349,761)	–
Net cash flows generated from/(used) in investing activities		29,113,738	(20,476)

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 2019

	Note	Group 2019 S$	2018 S$
Cash flows from financing activities			
Dividends paid on ordinary shares	29	(648,204)	(602,995)
Share issuance expense	24	(21,243)	(29,213)
Contributions from non-controlling interest for a newly incorporated subsidiary		–	30,497
Proceeds from bank borrowings	22	1,550,000	4,200,000
Repayment of bank borrowings	22	(2,750,000)	(3,800,000)
Repayment of lease liabilities	22	(79,016)	–
Proceeds from other borrowings	22	482,750	2,746,310
Repayment of other borrowings	22	(2,746,310)	–
Interest paid		(169,740)	(165,499)
Net cash flows (used in)/generated from financing activities		(4,381,763)	2,379,100
Net increase/(decrease) in cash and cash equivalents		16,014,316	(1,285,685)
Cash and cash equivalents at beginning of the year		468,702	1,754,387
Effects of exchange rates on cash and cash equivalents		(45,448)	–
Cash and cash equivalents at end of the year	19	16,437,570	468,702

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

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 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 and associates are disclosed in Note 11 and Note 12 respectively.

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 (International) ("SFRS(I)").

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 Standards issued but not yet effective

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

Description	**Effective for annual periods beginning on or after**
Amendments to SFRS(I) 3 *Definition of a Business*	1 January 2020
Amendments to SFRS(I) 1-1 and SFRS(I) 1-8 *Definition of Material*	1 January 2020
Amendments to SFRS(I) 10 and SFRS(I) 1-28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Date to be determined

The directors expect that the adoption of the other standards above will have no material impact on the financial statements in the year of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Changes in accounting policies and disclosures

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 period beginning on 1 January 2019. Except for the impact arising from the adoption of SFRS(I) 16 *Leases* described below, the adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

<u>SFRS(I) 16 *Leases*</u>

SFRS(I) 16 supersedes IAS 17 Leases and the standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under SFRS(I) 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, SFRS(I) 16 does not have an impact for leases where the Group is the lessor.

The Group adopted SFRS(I) 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying FRS 17 at the date of initial application.

The Group has lease contracts for various items of leasehold property and office equipment. Before the adoption of SFRS(I) 16, the Group classified its lease (as lessee) at the inception date as an operating lease, where the operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Upon adoption of SFRS(I) 16, the Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The accounting policy for leases beginning 1 January 2019 is set out in Note 2.21. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Changes in accounting policies and disclosures (cont'd)

SFRS(I) 16 *Leases* (cont'd)

Leases previously accounted for as operating leases (cont'd)

The Group also applied the available practical expedients wherein it:

– Used a single discount rate to a portfolio of leases with reasonably similar characteristics

– Relied on its assessment of whether leases are onerous immediately before the date of initial application

– Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application

– Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

– Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above as at 1 January 2019, the effect of adoption of SFRS(I) 16 is as follows:

	S$
Assets	
Right-of-use assets	38,529
Equity	
Accumulated profits	4,831
Non-controlling interests	853
Liabilities	
Borrowings	(44,213)

An explanation of the differences between the operating lease commitments previously disclosed in the Group's financial statements as at 31 December 2018 and the lease liabilities recognised in the balance sheet as at 1 January 2019 are as follows:

	S$
Operating lease commitment disclosed as at 31 December 2018	54,044
Less:	
Short-term leases	(6,688)
Low-value leases	(1,235)
Discounting effect using incremental borrowing rate of 6%	(1,908)
Lease liabilities recognised as at 1 January 2019	44,213

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Foreign currency

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

(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.

(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 year. The exchange differences arising on the translation are recognised in other comprehensive income. 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 disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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. 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.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

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 combination 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

2.8 Associates

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 accounts for its investment in associates 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 associates are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operation of the associates. Distributions received from the associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associates 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 associates 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 the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Associates (cont'd)

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

The Group accounts for its share of the change of interest in the net assets of the associate as a result of the associate's equity transaction by reflecting it under "Other reserve" in the consolidated statement of changes in equity.

2.9 Property, plant and equipment

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

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

Leasehold properties	–	Leasehold period of 47 years
Leasehold improvements	–	5 years
Motor vehicles	–	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 de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Investment properties

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

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

2.11 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 testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Development properties

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

Development properties are held as inventories and are measured at the lower of cost and net realisable value. Cost includes cost of land and building, amounts paid to contractors for construction, and other direct and related expenditure such as planning and design costs, costs of site preparation, professional fees for legal services and interest on borrowings incurred in developing the properties (if any). Interest and other related expenditure are capitalised as and when the activities that are necessary to get the asset ready for its intended development are in progress. Commissions paid to sales or marketing agents on the sale of real estate units are capitalised as part of the cost of development properties when incurred, and amortised to profit or loss as the Group expects to recognise the related revenue. Net realisable value of development properties is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

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

Sales of development properties under construction in respect of sale and purchase agreements entered into prior to completion of construction are recognised when the properties are delivered to the buyers, except for in cases where the control and risk and rewards of the property are transferred to the buyers as construction progresses.

Refer to Note 2.22(b) for revenue recognition of properties for sale under development.

2.13 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.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are de-recognised or impaired, and through amortisation process.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Financial instruments (cont'd)

(a) Financial assets (cont'd)

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.

(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. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.14 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Impairment of financial assets (cont'd)

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when the contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.15 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. When 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 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 grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognise as expense 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.

2.17 Employee benefits

(a) 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.

(b) 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.

(c) Employee share option plan

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market condition or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied. The share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

2.18 Cash and cash equivalents

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 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 measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.14 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.20 Borrowing costs

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

2.21 Leases

Policy applicable from 1 January 2019

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

– Office equipment : 5 years
– Office premises : 2 to 3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 Leases (cont'd)

Policy applicable from 1 January 2019 (cont'd)

Group as a lessee (cont'd)

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 22).

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 Leases (cont'd)

Policy applicable before 1 January 2019

Group as a lessee

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 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 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.

Group as a lessor

The accounting policy applicable to the Group as lessor in the comparative period was the same as under SFRS(I) 16.

2.22 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Contract revenue

The Group recognises revenue from the provision of design and construction of warehouse and related installations over time as the Group's performance creates or enhances asset that the customer controls as the asset is created and enhanced.

Contract revenue is recognised over time by reference to the Group's progress towards completing the performance obligation in the contract. The measure of progress is generally determined based on the proportion of contract costs incurred to date to the estimated total contract costs (the input method).

Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Revenue (cont'd)

(a) Contract revenue (cont'd)

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I), these shall be accounted for in accordance with those other SFRS(I)s. If these are not within the scope of another SFRS(I), the Group will recognise these as contract assets only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Significant financing component

In determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money for contracts with customers that include a significant financing component. In adjusting for the significant financing component, the Group uses a discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception, such that it reflects the credit characteristics of the party receiving financing in the contract.

The Group has applied the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of goods or services to a customer and the payment date is one year or less.

Contract modifications

The Group accounts for contract modifications arising from change orders to modify the scope or price of the contract as separate contracts if the modification adds distinct goods or services at their standalone selling prices. For contract modifications that add distinct goods or services but not at their standalone selling prices, the Group combines the remaining consideration in the original contract with the consideration promised in the modification to create a new transaction price that is then allocated to all remaining performance obligations. For contract modifications that do not add distinct goods or services, the Group accounts for the modification as continuation of the original contract and is recognised as a cumulative adjustment to revenue at the date of modification.

(b) Sales of development properties under construction

The Group develops and sells residential and commercial properties before completion of construction of the properties.

Revenue is recognised when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Revenue (cont'd)

(b) Sales of development properties under construction (cont'd)

For development properties whereby the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs primarily relate to cost incurred in fulfilling a specifically anticipated contract. Such costs generate or enhance resources of the entity that will be used to satisfy the Group's performance obligation in the future and are expected to be recovered. Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

<u>Significant financing component</u>

In determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money for contracts with customers that include a significant financing component. In adjusting for the significant financing component, the Group uses a discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception, such that it reflects the credit characteristics of the party receiving financing in the contract.

The Group has applied the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of goods or services to a customer and the payment date is one year or less.

(c) Project management and consultancy services

Revenue from project management and consultancy services are recognised upon the rendering of project management and consultancy services to and acceptance by customers. It is recognised over the period in which the service is provided based on the time elapsed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 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.

(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 associates 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 associates, 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Taxes (cont'd)

(b) Deferred tax (cont'd)

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.

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.

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.

2.24 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 34, including the factors used to identify the reportable segments and the measurement basis of segment information.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.25 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.

2.26 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.

2.27 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

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 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management makes judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements. Management is of the opinion that the instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

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

- *Construction contracts*

  The Group recognises contract revenue based recognised over time by reference to the stage of completion of the contract activity at the end of the reporting period. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the total estimated costs. The amount of revenue recognised and the corresponding profit or loss on contracts are affected by a variety of uncertainties that depend on the outcome of future events and precision of the cost estimation during the budgeting process. As such, significant judgement and use of estimates are required to determine the stage of completion, estimated contract costs and budgeted margin for the respective projects. The carrying amount of liabilities recognised from construction contracts at the end of each of the reporting periods are disclosed in Note 4 to the financial statements.

- *Expected credit losses (ECL) on loans to associates*

  The Group uses the general approach to calculate loss allowance provision on loans to associates. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The determination of expected credit losses requires management to exercise significant judgement and the use of estimates.

  The carrying amount of loans to associates as at 31 December 2019 is S$21,450,581 (2018: S$21,321,418). The information about the ECL on the Group's loans to associates is disclosed in Note 36(a).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

4. REVENUE

(a) *Disaggregation of revenue*

	Design and build	
	2019	**2018**
	S$	**S$**
Primary geographical markets:		
Singapore	9,637,140	1,366,364
People's Republic of China	1,155,457	1,008,174
	10,792,597	2,374,538
Major product or service lines:		
Commercial and industrial properties	10,207,348	1,366,364
Project management and consultancy services	585,249	1,008,174
	10,792,597	2,374,538
Timing of transfer of goods or services:		
Over time	10,792,597	2,374,538

(b) *Contract balances*

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

		Group		
	Note	**31 December 2019**	**31 December 2018**	**1 January 2018**
		S$	**S$**	**S$**
Receivables from contracts with customers	17	3,758,138	889,354	754,544
Contract assets		4,914,155	4,596,710	10,863,046
– Accrued receivables		1,735,720	1,636,292	2,313,893
– Retention receivables		3,178,435	2,960,418	8,549,153
Contract liabilities		4,127,991	121,007	–

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for design and build contracts. Contract assets are transferred to receivables when the right to payment become unconditional.

The changes in contract assets are due to the differences between certified work completed and revenue recognised on the construction contracts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

4. REVENUE (CONT'D)

(b) Contract balances (cont'd)

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers from the design and build contracts. Contract liabilities are recognised as revenue as the Group performs under the contract.

The significant changes in the contract liabilities are explained as below:

	Group	
	2019	**2018**
	S$	**S$**
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	121,007	–

(c) Capitalised contract costs

	Group	
	2019	**2018**
	S$	**S$**
Capitalised fulfilment costs relating to design and build contracts		
At 1 January	412,254	117,759
Additions	–	294,495
Charge to profit or loss	(412,254)	–
At 31 December	–	412,254

(d) Transaction price allocate to remaining performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	Group	
	2019	**2018**
	S$	**S$**
Within 1 year	28,847,547	10,903,198
One to five years	15,948,511	–
	44,796,058	10,903,198

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

5. OTHER INCOME

	Note	Group 2019 S$	2018 S$
Income from government grants		4,199	10,857
Interest income from fixed deposits and bank balances		169,399	196,489
Interest income from loans to an associate			
– Accretion of interests on interest free loans		11,226	241,387
– Interest bearing loans		199,904	199,903
Write back of allowance for expected credit losses	17	–	1,125,000
Gain on sale of disposal group classified as held for sale, net	20	6,263,065	–
Gain on disposal of property, plant and equipment		750	–
Others		–	279
		6,648,543	1,773,915

6. FINANCE COSTS

	Note	Group 2019 S$	2018 S$
Interest expense on:			
– Bank and other borrowings		169,740	165,499
– Lease liabilities	22	5,664	–
		175,404	165,499

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

7. LOSS BEFORE TAXATION

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

	Note	Group 2019 S$	Group 2018 S$
Audit fees:			
– Auditor of the Company		115,000	120,000
– Other auditors		62,218	54,000
Depreciation of:			
– Property, plant and equipment	10	145,407	189,609
– Right-of-use assets	31	75,718	–
Employee benefits expense	A	4,631,268	4,822,124
Foreign exchange loss, net		237,389	2,186,304
Legal and professional fees		293,485	216,622
Marketing expenses, net		–	17,333
Lease expense	31	15,018	82,768
Travelling and transport expense		144,361	94,490
Write off of property, plant and equipment		40	–
Note A: Employee benefits expense			
Employee benefit expense (including directors):			
– Salaries, bonuses and other benefits		4,339,786	4,510,170
– Defined contribution plans		219,538	203,852
– Share-based expense		71,944	108,102
		4,631,268	4,822,124
Presented in the consolidated income statement as:			
– Cost of sales		582,904	1,333,157
– General and administrative expenses		4,048,364	3,488,967
		4,631,268	4,822,124

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

8. TAX CREDIT

Major component of income tax credit

The major components of tax credit for the years ended 31 December 2019 and 2018 are:

	Group	
	2019	2018
	S$	S$
Consolidated income statement:		
Current taxation:		
– Current income taxation	9,336	28,281
– Under/(over) provision in respect of prior years	90	(3)
	9,426	28,278
Withholding tax on foreign sourced interest income	65,748	97,825
Deferred taxation (Note 23):		
– Origination and reversal of temporary differences	(429,213)	(137,671)
Tax credit recognised in profit or loss	(354,039)	(11,568)

Relationship between tax credit and accounting loss

A reconciliation between income tax credit and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 December 2019 and 2018 are as follows:

	Group	
	2019	2018
	S$	S$
Loss before taxation	(451,994)	(629,353)
Tax at the domestic rates applicable to profits or loss in the countries where the Group operates	(426,922)	74,718
Adjustments:		
Expenses not deductible for tax purposes	42,189	69,558
Tax effect of income not taxable	(3,858)	(51,888)
Deferred tax assets not recognised	115,110	993,944
Benefits from previously unrecognised tax losses	(524,711)	–
Tax effect of Singapore statutory stepped income exemption and corporate income tax rebate	(5,631)	(6,905)
Under/(over)provision in respect of prior years	90	(3)
Withholding tax on foreign sourced interest income	65,748	97,825
Share of results of associates	414,959	(1,226,649)
Others	(31,013)	37,832
Tax credit recognised in profit or loss	(354,039)	(11,568)

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

9. LOSS PER SHARE

Basic loss per share amounts are calculated by dividing loss 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 loss per share amounts are calculated by dividing the loss 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.

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

	Group	
	2019	**2018**
Loss for the year attributable to owners of the Company used in computation of basic and diluted earnings per share (S$)	(48,265)	(599,127)
Weighted average number of ordinary shares for basic earnings per share computation	349,565,867	342,620,837
Effects of dilution:		
– Share options	–	–
Weighted average number of ordinary shares for diluted earnings per share computation	349,565,867	342,620,837
Basic loss per share (cents)	(0.01)	(0.17)
Diluted loss per share (cents)	(0.01)	(0.17)

7,325,000 (2018: 7,755,000) share options granted to employees under the existing employee share option plans have not been included in the calculation of diluted loss per share as they are anti-dilutive.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

10. PROPERTY, PLANT AND EQUIPMENT

	Leasehold properties S$	Leasehold improvements S$	Motor vehicles S$	Computers S$	Office equipment S$	Furniture and fittings S$	Total S$
Group							
Cost							
At 1 January 2018	3,528,610	148,706	143,738	342,655	52,278	54,968	4,270,955
Additions	–	–	9,231	9,530	1,236	479	20,476
Write-offs	–	–	–	(1,617)	(710)	(1,904)	(4,231)
Translation adjustment	–	(1,734)	(5,313)	(426)	(618)	–	(8,091)
At 31 December 2018 and 1 January 2019	3,528,610	146,972	147,656	350,142	52,186	53,543	4,279,109
Additions	–	8,425	–	15,431	3,441	658	27,955
Disposals	–	–	–	–	(11,000)	–	(11,000)
Write-offs	–	–	–	(1,590)	(14,577)	(218)	(16,385)
Translation adjustment	–	(1,118)	(3,654)	(276)	(425)	–	(5,473)
At 31 December 2019	3,528,610	154,279	144,002	363,707	29,625	53,983	4,274,206
Accumulated depreciation							
At 1 January 2018	319,077	73,441	69,135	276,765	43,598	42,366	824,382
Charge for the year	75,077	29,650	36,300	35,183	5,642	7,757	189,609
Write-offs	–	–	–	(1,617)	(710)	(1,904)	(4,231)
Translation adjustment	–	(310)	(3,554)	(237)	(534)	–	(4,635)
At 31 December 2018 and 1 January 2019	394,154	102,781	101,881	310,094	47,996	48,219	1,005,125
Charge for the year	75,077	16,688	16,133	30,086	3,603	3,820	145,407
Disposals	–	–	–	–	(11,000)	–	(11,000)
Write-offs	–	–	–	(1,590)	(14,577)	(178)	(16,345)
Translation adjustment	–	(494)	(2,897)	(200)	(410)	–	(4,001)
At 31 December 2019	469,231	118,975	115,117	338,390	25,612	51,861	1,119,186
Net carrying amount							
At 31 December 2019	3,059,379	35,304	28,885	25,317	4,013	2,122	3,155,020
At 31 December 2018	3,134,456	44,191	45,775	40,048	4,190	5,324	3,273,984

Assets pledged as security

The Group's leasehold property with a carrying amount of S$3,059,379 (2018: S$3,134,456) is mortgaged to secure the Group's bank borrowings (Note 22).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

11. INVESTMENTS IN SUBSIDIARIES

	Company 2019 S$	Company 2018 S$
Unquoted equity shares, at cost	9,152,597	9,152,597

The details of the Group's investments in subsidiaries are as follows:

Name	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2019	Proportion (%) of ownership interest 2018
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#	People's Republic of China ("PRC")	Project management service	60	60
Figtree Projects (Chongqing) Co., Ltd ("FPCQ")+	PRC	Project management service	85	85
Figtree Projects Sdn Bhd@	Malaysia	Project management service	100	100
Held through FPCQ				
Figtree Construction (Chongqing) Co., Ltd+	PRC	Project management service	100	100
Figtree Construction (Jiangsu) Co., Ltd+	PRC	Project management service	100	100
Held through FDPL				
Figtree Real Estate Pty Ltd ("FREPL")+	Australia	Property development	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

11. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2019	2018
Held through FREPL				
Figtree La Trobe Pty Ltd+	Australia	Property development	100	100
Figminna 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.
+ Not required to be audited.
~ Incorporated during the year

12. INTERESTS IN ASSOCIATES

	Group 2019 S$	2018 S$
Unquoted equity shares, at cost	6,038,033	4,123,353
Deemed capital contribution(1)	1,842,397	1,842,397
Accumulated share of profits	4,549,037	6,208,873
Accumulated share of translation and other reserves	(1,394,462)	(1,109,558)
Net carrying amount	11,035,005	11,065,065
Comprising of:		
Vibrant Properties Pte Ltd ("VPPL")	6,219,207	7,705,361
Vibrant Pucheng Logistics (Chongqing) Co., Ltd ("Vibrant Pucheng Logistics")	4,808,415	3,359,704
Others	7,383	–
Net carrying amount	11,035,005	11,065,065

(1) Relates to the fair value of interest-free loans granted to an associate (Note 14).

During the current financial year ended 31 December 2019, the Group increased its capital contribution in Vibrant Pucheng Logistics by approximately S$1,903,936.

<u>Incorporation of associate companies</u>

During the current financial year ended 31 December 2019, the Group, through its wholly owned subsidiary incorporated the following associated companies in Singapore.

– Vibrant Pucheng Investment Pte. Ltd.
– Vibrant Land Pte. Ltd.
– Vibrant Pucheng Holdings Pte. Ltd.

The total capital contribution of these associates is S$10,744.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

12. INTERESTS IN ASSOCIATES (CONT'D)

The details of the Group's interests in associates are as follows:

Name	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2019	2018
Held through FDPL				
Vibrant Properties Pte. Ltd. ("VPPL")*	Singapore	Investment holding	40	40
Vibrant Land Pte. Ltd.*~	Singapore	Investment holding	40	–
Vibrant Pucheng Logistics (Chongqing) Co., Ltd. ("Vibrant Pucheng Logistics")^	PRC	Logistics services	20	20
Vibrant Pucheng Holdings Pte. Ltd.*~	Singapore	Investment holding	23.52	–
Vibrant Pucheng Investment Pte. Ltd.*~	Singapore	Investment holding	39.2	–
Held through VPPL				
Fervent Industrial Development (Suzhou) Co., Ltd^	PRC	Development of industrial and storage facilities	80	80
DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd&	PRC	Real estate development	–	60
Vibrant Investment & Management (Shanghai) Co., Ltd ("VIM")+	PRC	Investment holding	100	100
Fervent III Developments Pte Ltd *	Singapore	Development of industrial and storage facilities	100	100
Held through VIM				
Vibrant Development (Changshu) Co., Ltd+	PRC	Investment holding	100	100
Fervent Property Management (Changshu) Co., Ltd~	PRC	Property investment and management	100	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

12. INTERESTS IN ASSOCIATES (CONT'D)

Name	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2019	2018
Held through Fervent III Developments Pte Ltd				
Tengda Industrial Property (Suzhou) Co., Ltd~+	PRC	Investment holding	100	–
Held through Vibrant Land Pte. Ltd.				
Fervent IV Development Pte. Ltd.*~	Singapore	Investment holding	100	–
Held through Vibrant Pucheng Holdings Pte. Ltd.				
Vibrant Pucheng Enterprise Management (Chongqing) Co., Ltd~^	PRC	Corporate and logistic operation management, warehousing service provider and IT development	85	–
Held through Vibrant Pucheng Enterprise Management (Chongqing) Co., Ltd				
Vibrant International Freight Forwarding (Chongqing) Co., Ltd~^	PRC	Freight and logistics management, warehousing service provider and logistics data management	80	–
Vibrant Pucheng Property Management (Chongqing) Co., Ltd~^	PRC	Property management and leasing, machinery repair and facility management services	100	–
Held through Vibrant Pucheng Investment Pte. Ltd.				
Vibrant Pucheng Pte. Ltd. *~	Singapore	Investment holding	100	–

* Audited by Foo Kon Tan LLP, Singapore.
^ Audited by RSM China CPA LLP, China.
\+ Not required to be audited.
~ Incorporated during the year.
& Disposed during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

12. INTERESTS IN ASSOCIATES (CONT'D)

The summarised financial information in respect of VPPL and its subsidiaries ("VPPL Group") and Vibrant Pucheng Logistics based on its IFRS financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet:

	VPPL Group		Vibrant Pucheng Logistics	
	2019	**2018**	**2019**	**2018**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Non-current assets	88,727	75,558	37,440	38,161
Current assets (including cash and cash equivalents of S$5,897,743; 2018: S$6,539,763)	9,800	30,474	6,481	2,792
Total assets	98,527	106,032	43,921	40,953
Non-current liabilities	36,639	36,856	1,931	–
Current liabilities	44,613	28,473	32,724	38,928
Total liabilities	81,252	65,329	34,655	38,928
Net assets	17,275	40,703	9,266	2,025
Less: Non-controlling interests	(6,333)	(26,046)	–	–
Net assets attributable to parent	10,942	14,657	9,266	2,025
Proportion of the Group's ownership	40%	40%	20%	20%
Group's share of net assets	4,377	5,863	1,853	405
Deemed capital contribution	1,842	1,842	–	–
Goodwill	–	–	2,955	2,955
Carrying amount of the investments	6,219	7,705	4,808	3,360

Summarised statement of comprehensive income:

	VPPL Group		Vibrant Pucheng Logistics	
	2019	**2018**	**2019**	**2018**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Revenue	4,890	123,511	4,069	5,938
(Loss)/profit after tax, attributable to parent	(3,082)	13,491	(2,078)	(2,449)
Other comprehensive income	(633)	(2,056)	(353)	(263)
Total comprehensive income, attributable to parent	(3,715)	11,435	(2,431)	(2,712)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

13. LOANS TO A SUBSIDIARY

	Company	
	2019	2018
	S$	S$
Loans to a subsidiary	–	1,628,377
Accrued interests on loans to a subsidiary	–	384,903
	–	2,013,280

Loans to a subsidiary as at 31 December 2018 were denominated in Singapore dollars, unsecured and bore interests at 6% per annum. The loans and interests were fully repaid in 2019.

14. LOANS TO AN ASSOCIATE

	Group	
	2019	2018
	S$	S$
Loans to an associate:		
– Interest-free loans	16,267,107	16,329,152
– Interest-bearing loans	5,183,474	4,992,266
	21,450,581	21,321,418
Presented as:		
Current	21,450,581	16,329,152
Non-current	–	4,992,266
	21,450,581	21,321,418

Interest-free loans

Interest-free loans are unsecured and repayable between September 2020 and December 2020 (2018: between December 2018 and May 2019). The loans are denominated in Singapore dollars, except for an amount of S$5,631,604 (2018: S$5,705,312) which are denominated in United States dollars.

Interest-bearing loans

The loans are unsecured, bear fixed interest at 6% (2018: 6%) per annum, repayable in December 2020 (2018: January 2021) and are to be settled in cash. The loans are denominated in Singapore dollars.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

15. AMOUNTS DUE FROM SUBSIDIARIES

Amounts due from subsidiaries are unsecured, non-interest bearing, repayable on demand and are to be settled in cash. Such amounts include dividend receivable of S$Nil (2018: S$1,000,000) and management fees charged to the subsidiaries of S$565,187 (2018: S$1,509,981); while the remaining balance relates to payments made on behalf of the subsidiaries.

16. AMOUNTS DUE FROM AN ASSOCIATE

Amounts due from an associate as at 31 December 2018 were unsecured, non-interest bearing and repayable on demand. Such amounts relate to payments made on behalf of the associate and were fully repaid during the year.

17. TRADE RECEIVABLES

	Group	
	2019	**2018**
	S$	**S$**
Trade receivables	3,758,138	889,354
Less: Allowance for expected credit losses	–	–
	3,758,138	889,354

Trade receivables

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

Related party balances

Included in trade receivables and contract assets are amounts due from related parties amounting to S$1,283,075 (2018: S$1,518,109).

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Group	
	2019	**2018**
	S$	**S$**
At 1 January	–	1,125,000
Write back	–	(1,125,000)
At 31 December	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

18. OTHER RECEIVABLES

	Group 2019 S$	Group 2018 S$
Refundable deposits	27,226	95,718
Deposits on purchase of property	349,761	–
GST receivables	–	8,954
Sundry receivables	77,296	168,410
	454,283	273,082

Deposits on purchase of property pertain to deposits paid to acquire a freehold property in Blackburn, Victoria, Australia (Note 39).

19. CASH AND CASH EQUIVALENTS

	Group 2019 S$	Group 2018 S$	Company 2019 S$	Company 2018 S$
Cash at banks and on hand	12,183,720	468,702	330,756	9,688
Short-term fixed deposits	4,253,850	–	–	–
Cash and cash equivalents in the consolidated cash flow statement	16,437,570	468,702	330,756	9,688

Short-term deposits are made for varying periods of less than 3 months, depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates. The weighted average effective interest rate of the short-term fixed deposits is 1% (2018: Nil%) per annum.

Cash and cash equivalents denominated in foreign currencies at 31 December are as follows:

	Group 2019 S$	Group 2018 S$	Company 2019 S$	Company 2018 S$
United States dollars	56,517	242	–	–
Australian dollars	5,866,030	–	323,971	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

20. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 29 October 2018, the Group entered into an agreement to sell the development project, 303 La Trobe held under an indirect subsidiary, Figtree La Trobe Pty Ltd, to an independent third-party purchaser, for a consideration of AUD35,000,000 (equivalent to approximately S$33,084,244), subject to relevant authority's approval in Australia. As at 31 December 2018, the assets and liabilities comprising mainly of development properties, deposits held in trust and other payables related to the development project have been presented in the balance sheet as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale". The sale was subsequently completed in April 2019 and the Group recognised a net gain on sale amounted to S$6,263,065.

Balance sheet disclosures:

	Group 2018 S$
Assets:	
Development properties	28,702,621
Deposits held in trust	12,986,820
Assets of disposal group classified as held for sale	41,689,441
Liabilities:	
Deposits received from customers	12,698,518
Accrued operating expenses	3,499,238
Liabilities directly associated with disposal group classified as held for sale	16,197,756
Net assets directly associated with disposal group classified as held for sale	25,491,685

Deposits held in trust

Deposits held in trust relate to cash deposits held in trust by the conveyancing lawyer. Included in the deposits are interest receivables of $288,302 at prevailing bank rates. Such cash deposits are correspondingly recognised as "deposits received from customers" and are denominated in Australian Dollars.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

21. TRADE AND OTHER PAYABLES

	Group		Company	
	2019	2018	2019	2018
	S$	S$	S$	S$
Trade payables	1,081,693	2,544,896	23,599	216,121
Accrued subcontractors' costs	1,615,709	3,877,115	–	–
Accrued operating expenses	921,488	2,952,186	453,697	1,574,223
GST payables	168,523	–	7,786	–
Sundry payables	92,940	195,172	–	–
Amount due to associate	10,744	–	–	–
Other borrowings	482,750	2,746,310	–	–
	4,373,847	12,315,679	485,082	1,790,344

Trade payables/sundry payables

These amounts are non-interest bearing. Trade payables are normally settled on 30-60 days' terms while sundry payables have an average term of 2 months.

Other borrowings

In 2018, other borrowings relate to advances from related parties for working capital purpose, that bear interest at 2.2% to 3.8% per annum and unsecured. They were repayable on demand and was fully repaid in 2019.

In 2019, other borrowings relate to loans provided to a wholly owned subsidiary in China for working capital purpose. The loan is interest-free and to be settled in cash from January 2020 to July 2020.

22. BORROWINGS

		Group	
	Maturity	2019	2018
		S$	S$
Current:			
Lease liabilities		71,591	–
SGD loans at 2.5% p.a. + bank's cost of funds for one month	2020	2,500,000	2,500,000
SGD loan at floating interest rate	2019	–	1,200,000
		2,571,591	3,700,000
Non-current:			
Lease liabilities		49,152	–
		2,620,743	3,700,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

22. BORROWINGS (CONT'D)

SGD loans at 2.5% per annum + bank's cost of funds for one month.

The loan is secured by a legal mortgage of the Group's leasehold property, 8 Central Link Jalan Kilang Barat #03-01/02/09 (Note 10) and a corporate guarantee provided by the Company (Note 32) and is repayable in January 2020. The loan has been further renewed to May 2020 at 4.35% p.a.

The loan includes financial covenants which require the Group to maintain a minimum tangible net worth of at least $25,000,000 throughout the tenure of the loan and the total facilities limit and/or outstanding shall not exceed 80% of the estimated market value ("EMV") of the leasehold property at all times.

SGD loan at floating interest rate

The loan as at 31 December 2018 was secured by a corporate guarantee provided by the Company (Note 32) and was fully repaid in 2019.

A reconciliation of liabilities arising from financing activities is as follows:

			Non-cash changes				
	2018 S$	Cash flows S$	Accretion of interests S$	Adoption of SFRS(I) 16 S$	New leases S$	Other S$	2019 S$
Lease liabilities							
– Current	–	(79,016)	5,664	29,035	44,562	71,346	71,591
– Non-current	–	–	–	15,178	106,643	(72,669)	49,152
Bank borrowings	3,700,000	(1,200,000)	–	–	–	–	2,500,000
Other borrowings (Note 21)	2,746,310	(2,263,560)	–	–	–	–	482,750
	6,446,310	(3,542,576)	5,664	44,213	151,205	(1,323)	3,103,493

The 'Other' column includes the effect of reclassification of non-current portion of bank borrowings and lease liabilities to current due the passage of time and the effects of foreign exchanges differences.

	2017 S$	Cash flows S$	2018 S$
Bank borrowings	3,300,000	400,000	3,700,000
Other borrowings (Note 21)	–	2,746,310	2,746,310
	3,300,000	3,146,310	6,446,310

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

23. DEFERRED TAX LIABILITIES

Deferred tax as at 31 December relates to the following:

	Group				Company	
	Consolidated balance sheet		Consolidated income statement		Balance sheet	
	2019 S$	2018 S$	2019 S$	2018 S$	2019 S$	2018 S$
Gross deferred tax liabilities:						
Differences in depreciation for tax purpose	(293)	(6,770)	6,477	10,340	–	–
Undistributed earnings of overseas subsidiaries held by an associate	(215,500)	(215,500)	–	–	–	–
Unremitted interest income	(691,535)	(872,864)	181,329	(223,954)	(79,136)	(72,704)
	(907,328)	(1,095,134)			(79,136)	(72,704)
Gross deferred tax assets:						
Unutilised tax losses	595,692	354,471	241,221	334,471	–	–
Provisions	17,000	16,814	186	16,814	–	–
	612,692	371,285			–	–
Net deferred tax liabilities	(294,636)	(723,849)			(79,136)	(72,704)
Deferred income tax expense (Note 8)			429,213	137,671		

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately S$7,602,464 (2018: S$8,891,059) 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.

Tax consequences of proposed dividends

There are no income tax consequences (2018: S$Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 29).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

24. SHARE CAPITAL

	Group and Company			
	2019		2018	
	No. of shares	S$	No. of shares	S$
Issued and fully paid ordinary shares:				
At 1 January	347,980,292	30,911,972	337,406,232	29,418,521
Issuance of ordinary shares as scrip dividend	3,233,156	395,737	10,574,060	1,522,664
Share issuance expense	–	(21,243)	–	(29,213)
At 31 December	351,213,448	31,286,466	347,980,292	30,911,972

During the financial year 31 December 2019, the Company issued 3,233,156 (2018: 10,574,060) new ordinary shares for the value of S$395,737 (2018: S$1,522,664) 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 2018 (2018: 31 December 2017).

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.

The Company has an employee share option plan under which options to subscribe for the Company's ordinary shares have been granted to employees of the Group.

25. MERGER DEFICIT

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

26. SHARE OPTION RESERVE

Employee share option reserve represents the equity-settled share options granted to employees under Figtree Employee Share Option Scheme (the "2013 ESOS"). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these awards. There were no cancellations or modifications to the 2013 ESOS in both 2019 and 2018. Details of the 2013 ESOS are included in the Directors' Statement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

26. SHARE OPTION RESERVE (CONT'D)

Movement of share options during the financial year

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year:

	2019		2018	
	Number '000	WAEP cents	Number '000	WAEP cents
Outstanding at 1 January	7,755	12.38	5,525	13.01
Granted and accepted	–	–	2,420	11.00
Forfeited	(430)	12.55	(190)	13.09
Exercised	–	–	–	–
Outstanding at 31 December	7,325	12.37	7,755	12.38

– During the financial year ended 31 December 2019, there are no share options granted. In the financial year ended 31 December 2018, the weighted average fair value of options granted was 49.80 cents.

– The range of exercise prices for the share options outstanding at the end of the year was between 11.00 and 14.00 (2018: 11.00 and 14.00) cents.

– The weighted average remaining contractual life for these options is 3.83 years (2018: 4.83 years).

Fair value of share options granted

The fair value of the share options granted is estimated at the date of the grant using Black-Scholes Pricing model, taking into account the terms and conditions upon which the options were granted. The model takes into account historic dividends, share price fluctuation covariance of the Company and each entity of the group of competitors to predict the distribution of relative share performance. The following table lists the inputs to the Black-Scholes Pricing model for the financial year ended 31 December 2018.

	2018
Dividend yield (%)	4.6%
Expected volatility (%)	46% – 49%
Risk-free interest rate (% per annum)	1.30%
Expected life of option (years)	6.00
Weighted average share price (cents)	13.70

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

There were no share options granted for the financial year ended 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

27. 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.

28. OTHER RESERVE

This reserve represents the difference between the amount by which non-controlling interest is adjusted and the fair value of consideration paid or received arising from a change in the ownership interest of a subsidiary held by an associate, without a loss of control.

29. DIVIDENDS

	Group and Company	
	2019	**2018**
	S$	**S$**
Declared and paid during the financial year:		
Dividends on ordinary shares:		
Final exempt (one-tier) dividends for 2018: 0.30 (2017: 0.63) cents per share		
– Cash payment	648,204	602,995
– Issue of scrip dividend (Note 24)	395,737	1,522,664
	1,043,941	2,125,659
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 2019: 0.30 (2018: 0.30) cents per share	1,053,640	1,043,941

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

30. 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	
	2019	**2018**
	S$	**S$**
Contract revenue from related parties	–	2,677
Interest income from loans to an associate	211,130	441,290

(b) *Compensation of key management personnel*

	Group	
	2019	**2018**
	S$	**S$**
Salaries and bonuses	1,587,460	1,587,460
Defined contributions plans	62,928	61,320
Directors' fees	245,000	245,000
Other short-term benefits	9,630	9,630
Share-based payments	32,880	43,913
Total compensation paid to key management personnel	1,937,898	1,947,323
Comprise amounts paid to:		
– Directors of the Company	1,020,679	1,023,226
– Other key management personnel	917,219	924,097
Total compensation paid to key management personnel	1,937,898	1,947,323

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

Directors' interests in the 2013 ESOS

During the financial year, there were no share options granted to a Company's Executive Director under the 2013 ESOS (Note 26).

At the end of the reporting period, the total number of outstanding share options granted by the Company to the abovementioned director under the 2013 ESOS amounted to 650,000 (2018: 650,000). No share options have been granted to the Company's Non-Executive Directors.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

31. LEASES

The Group has lease contracts for various items of office equipment and office premises. Leases of office equipment generally have lease terms of 5 years, while office premises generally have lease terms between 2 and 3 years. These lease contracts do not include extension and termination options and variable lease payments.

The Group also has certain leases of office equipment and office premises with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Carrying amount of right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office premises S$	Other equipment S$	Total S$
As at 1 January 2019 (On adoption of SFRS(I) 16)	38,529	–	38,529
Additions	119,205	32,000	151,205
Depreciation	(69,085)	(6,633)	(75,718)
As at 31 December 2019	88,649	25,367	114,016

Lease liabilities

The carrying amount of lease liabilities (included under borrowings) and the movements during the year are disclosed in Note 22. The maturity analysis of lease liability is disclosed in Note 36(b).

Amounts recognised in profit or loss

The following are the amounts recognised in profit or loss:

	2019 S$
Depreciation of right-of-use assets	(75,718)
Interest expense on lease liabilities	(5,664)
Lease expense not capitalised in lease liabilities:	
– Expense relating to short-term leases	13,890
– Expense relating to low-value assets	1,128
	15,018

Total cash outflow

The Group had total cash outflows for leases of S$79,016 and non-cash additions to right-of-use assets and lease liabilities of S$151,205 in 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

32. COMMITMENTS AND CONTINGENCIES LIABILITIES

(a) *Operating lease commitments – as lessee*

The Group entered into commercial property leases for its office premise and certain office equipment under non-cancellable operating lease agreements.

As at 31 December 2018, the future minimum lease payables under non-cancellable operating leases contracted for but not recognised as liabilities are as follows:

	Group 2018 S$
Not later than one year	38,576
Later than one year but not later than five years	15,468
	54,044

(b) *Contingent liabilities*

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

– It has provided corporate guarantees to certain banks in respect of banking facilities of S$37,500,000 (2018: S$32,500,000) offered to a subsidiary; and

– It has provided a corporate guarantee to a bank for the performance of a contract for a subsidiary. No liability is expected to arise (2018: S$Nil).

33. FINANCIAL SUPPORT TO A SUBSIDIARY

The Company has undertaken to provide continuing financial support to a subsidiary to enable them to continue its day-to-day business operations and to pay its debts as and when they fall due at least through twelve months from the date of the Directors' statement of the subsidiary.

34. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

34. SEGMENT INFORMATION (CONT'D)

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.

	Design and build		Property development		Corporate		Per consolidated financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018
	S$	S$	S$	S$	S$	S$	S$	S$
Revenue:								
Sales to external customers and a related party, representing total revenue	10,792,597	2,374,538	–	–	–	–	10,792,597	2,374,538
Results:								
Write back of allowance for expected credit losses	–	(1,125,000)	–	–	–	–	–	(1,125,000)
Interest income	–	–	–	–	(380,529)	(637,779)	(380,529)	(637,779)
Interest expense	–	–	–	–	175,404	165,499	175,404	165,499
Gain on sale of disposal group classified as held for sale, net	–	–	6,263,065	–	–	–	6,263,065	–
Depreciation of property, plant and equipment	145,407	189,126	–	483	–	–	145,407	189,609
Depreciation of right-of-use assets	46,480	–	29,238	–	–	–	75,718	–
Share of results of associates	–	–	(1,659,836)	4,906,594	–	–	(1,659,836)	4,906,594
Income tax (credit)/expense	(371,609)	–	–	–	17,570	(11,568)	(354,039)	(11,568)
Segment (loss)/profit, before tax	(3,084,793)	(1,683,003)	4,275,049	2,776,218	(1,642,250)	(1,722,568)	(451,994)	(629,353)
Assets:								
Interests in associates	–	–	11,035,005	11,065,065	–	–	11,035,005	11,065,065
Additions to property, plant and equipment	27,955	20,476	–	–	–	–	27,955	20,476
Segment assets	23,704,657	14,897,779	37,360,549	69,140,486	334,947	17,887	61,400,153	84,056,152
Liabilities:								
Segment liabilities	10,620,955	14,794,653	289,974	16,516,361	568,996	1,859,861	11,479,925	33,170,875

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

34. SEGMENT INFORMATION (CONT'D)

Geographical information

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

	Revenue		Non-current assets	
	2019	2018	2019	2018
	S$	S$	S$	S$
Singapore	9,637,140	1,366,364	14,138,800	19,241,080
China	1,155,457	1,008,174	130,297	90,235
Australia	–	–	34,944	–
	10,792,597	2,374,538	14,304,041	19,331,315

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

35. 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. The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

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

– Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

– Level 3 – Unobservable inputs for the asset or liability.

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

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 17), other receivables (Note 18), loans to a subsidiary (Note 13), loans to an associate (Note 14), amounts due from subsidiaries (Note 15), amounts due from an associate (Note 16), cash and cash equivalents (Note 19), trade and other payables (Note 21) and borrowings (Note 22)

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. 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 liquidity risk, credit risk and foreign 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) 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, loans to an associate, loans to a subsidiary, amounts due from subsidiaries and an associate and cash and cash equivalents. 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.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 60 days when they fall due, which are derived based on the Group's historical information.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

(i) Debt instruments at amortised cost

The Group uses three categories of internal credit risk ratings for debt instruments and loans which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are determined through incorporating both qualitative and quantitative information that builds on information from external credit rating companies, such as Standard and Poor, Moody's and Fitch, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour.

The Group computes expected credit loss for this group of financial assets using the probability of default approach. In calculating the expected credit loss rates, the Group considers implied probability of default from external rating agencies where available and historical loss rates for each category of counterparty, and adjusts for forward looking macroeconomic data such as GDP growth and central bank base rates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

(i) Debt instruments at amortised cost (cont'd)

A summary of the Group's internal grading category in the computation of the Group's expected credit loss model for the debt instruments and loans is as follows:

Category	Definition of category	Basis of recognition of expected credit loss provision	Basis for calculating interest revenue
Grade I	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit losses	Gross carrying amount
Grade II	Loans for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due.	Lifetime expected credit losses	Gross carrying amount
Grade III	Interest and/or principal repayments are 60 days past due.	Lifetime expected credit losses	Amortised cost of carrying amount (net of credit allowance)

There are no significant changes to estimation techniques or assumptions made during the reporting period.

The Group assessed the qualitative and quantitative factors that are indicative of the risk of default based on experienced credit judgement. These exposures are considered to have low risk. Therefore, impairment on these balances has been measured on the 12-month expected credit loss basis. There was no loss allowance provision made on debt instruments carried at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

(ii) Trade receivables and contract assets

The Group provides for lifetime expected credit losses for all trade receivables, and contract assets using a provision matrix. The provision rates are determined based on the Group's historical observed default rates, adjusted for factors that are specific to the debtors, as well as forward looking information as at the reporting date.

Summarised below is the information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix:

	Contract assets S$	**Current S$**	**1 to 30 days past due S$**	**More than 30 days past due S$**	**More than 60 days past due S$**	**More than 90 days past due S$**	**Total S$**
2019							
Gross carrying amount	4,914,155	1,930,034	–	518,679	–	1,309,425	3,758,138
Loss allowance provision	–	–	–	–	–	–	–
2018							
Gross carrying amount	4,596,710	483,694	–	155,450	–	250,210	889,354
Loss allowance provision	–	–	–	–	–	–	–

Information regarding loss allowance movement of trade receivables is disclosed in Note 17.

During the year, there was no loss allowance provision made on trade receivables and contract assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

(ii) Trade receivables and contract assets (cont'd)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the balance sheet.

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 and contract assets at the balance sheet date is as follows:

	Group			
	2019		2018	
	S$	% of total	S$	% of total
By country:				
Singapore	8,513,583	98	5,391,955	98
China	158,710	2	94,109	2
	8,672,293	100	5,486,064	100

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less S$	One to five years S$	Total S$
Group			
2019			
Financial assets:			
Loans to an associate	21,651,033	–	21,651,033
Trade receivables	3,758,138	–	3,758,138
Other receivables	454,283	–	454,283
Cash and cash equivalents	16,437,570	–	16,437,570
Total undiscounted financial assets	42,301,024	–	42,301,024
Financial liabilities:			
Trade and other payables (exclude GST payables)	4,205,324	–	4,205,324
Borrowings (excluding lease liabilities)	2,509,201	–	2,509,201
Lease liabilities	75,694	52,721	128,415
Total undiscounted financial liabilities	6,790,219	52,721	6,842,940
Total net undiscounted financial assets	35,510,805	(52,721)	35,458,084
2018			
Financial assets:			
Loans to an associate	16,495,873	5,405,765	21,901,638
Amounts due from an associate	11,289	–	11,289
Trade receivables	889,354	–	889,354
Other receivables (excluding GST receivables)	264,128	–	264,128
Cash and cash equivalents	468,702	–	468,702
Total undiscounted financial assets	18,129,346	5,405,765	23,535,111
Financial liabilities:			
Trade and other payables	12,315,679	–	12,315,679
Borrowings	3,721,700	–	3,721,700
Total undiscounted financial liabilities	16,037,379	–	16,037,379
Total net undiscounted financial assets	2,091,967	5,405,765	7,497,732

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk (cont'd)

	One year or less S$	One to five years S$	Total S$
Company			
2019			
Financial assets:			
Amounts due from subsidiaries	24,285,512	–	24,285,512
Cash and cash equivalents	330,756	–	330,756
Total undiscounted financial assets	24,616,268	–	24,616,268
Financial liabilities:			
Trade and other payables (exclude GST payables), representing total undiscounted financial liabilities	477,296	–	477,296
Total net undiscounted financial assets	24,138,972	–	24,138,972
2018			
Financial assets:			
Loans to a subsidiary	–	2,173,039	2,173,039
Amounts due from subsidiaries	23,063,740	–	23,063,740
Amounts due from an associate	11,289	–	11,289
Cash and cash equivalents	9,688	–	9,688
Total undiscounted financial assets	23,084,717	2,173,039	25,257,756
Financial liabilities:			
Trade and other payables, representing total undiscounted financial liabilities	1,790,344	–	1,790,344
Total net undiscounted financial assets	21,294,373	2,173,039	23,467,412

The table below shows the contractual expiry by maturity of the Company's contingent liabilities (Note 32). The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantees could be called.

	One year or less S$	One to five years S$	Total S$
Company			
2019			
Corporate guarantees	–	37,500,000	37,500,000
2018			
Corporate guarantees	–	32,500,000	32,500,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Foreign currency risk

The Group has transactional currency exposures arising from loans to an associate that are denominated in a currency other than the respective functional currencies of Group entities, primarily SGD and Renminbi (RMB). The foreign currencies in which these transactions are denominated are mainly United States Dollars (USD).

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances are mainly in USD and Australian Dollar (AUD).

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD and AUD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		Group	
		2019 S$ Profit before tax	**2018 S$ Profit before tax**
USD/SGD	– strengthened 5% (2018: 5%)	284,406	285,278
	– weakened 5% (2018: 5%)	(284,406)	(285,278)
AUD/SGD	– strengthened 5% (2018: Nil%)	293,302	–
	– weakened 5% (2018: Nil%)	(293,302)	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

37. 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	Group		Company	
		Financial assets carried at amortised cost S$	Financial liabilities carried at amortised cost S$	Financial assets carried at amortised cost S$	Financial liabilities carried at amortised cost S$
2019					
Assets					
Loans to an associate	14	21,450,581	–	–	–
Amounts due from subsidiaries	15	–	–	24,285,512	–
Trade receivables	17	3,758,138	–	–	–
Other receivables	18	454,283	–	–	–
Cash and cash equivalents	19	16,437,570	–	330,756	–
Liabilities					
Trade and other payables[(1)]	21	–	4,205,324	–	477,296
Borrowings	22	–	2,620,743	–	–
		42,100,572	6,826,067	24,616,268	477,296
2018					
Assets					
Loans to a subsidiary	13	–	–	2,013,280	–
Loans to an associate	14	21,321,418	–	–	–
Amounts due from subsidiaries	15	–	–	23,063,740	–
Amounts due from an associate	16	11,289	–	11,289	–
Trade receivables	17	889,354	–	–	–
Other receivables[(1)]	18	264,128	–	–	–
Cash and cash equivalents	19	468,702	–	9,688	–
Liabilities					
Trade and other payables	21	–	12,315,679	–	1,790,344
Borrowings	22	–	3,700,000	–	–
		22,954,891	16,015,679	25,097,997	1,790,344

(1) Exclude GST receivables/payables

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

38. CAPITAL MANAGEMENT

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 2019 and 2018.

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 borrowings 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 2019 S$	Group 2018 S$
Trade and other payables	21	4,373,847	12,315,679
Borrowings	22	2,620,743	3,700,000
Total debt		6,994,590	16,015,679
Equity attributable to owners of the Company		49,920,228	50,885,277
Debt to equity (times)		0.14	0.31

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

39. SUBSEQUENT EVENTS

Acquisition of property in Australia

On 5 August 2019, the Group was awarded a contract by an independent third-party vendor ("the Vendor") to acquire a freehold property ("the Property") in Blackburn, Victoria, Australia at a purchase consideration of AUD3,700,000 (approximately S$3,480,000). The Property is a freehold land parcel area approved to be developed into modern contemporary townhouses with attached car garages. This acquisition was completed on 3 February 2020 and the Property is held by the Group's wholly owned subsidiary, Figtree Real Estate Pty Ltd.

Coronavirus disease 2019 ("COVID-2019") outbreak

With widespread concerns about the ongoing COVID-2019 outbreak, the progress of building construction in Singapore, China and Australia were impacted subsequent to the year ended 31 December 2019. This may affect the financial performance of the Group and on the fair value of its investment properties held by its indirect associates after the reporting period. An estimate of the financial impact cannot be reasonably determined at this juncture.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

40. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2019 were authorised for issue in accordance with a resolution of the Directors on 12 May 2020.

SHAREHOLDING STATISTICS

As at 22 April 2020

Class of shares	No. of shares	%
Ordinary	351,213,448	100.0
Treasury	Nil	0.0
Total Issued Shares	351,213,448	100.0
Subsidiary Holdings	Nil	0.0

Voting Rights	On a poll	:	One vote for each ordinary share

SHAREHOLDING HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 22 April 2020, 15.19% 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 No. of Shares	%	Deemed Interest No. of Shares	%
Siaw Ken Ket @ Danny Siaw	87,000,633	24.77	292,809[(1)]	0.08
Singapore Enterprises Private Limited	78,041,200[(2)]	22.22	–	–
Tan Chew Joo	35,879,472	10.22	14,399,675[(3)]	4.10
Fung Tze Ping	30,800,347	8.77	–	–
Teoh Hoon Song	27,165,750	7.73	–	–
Oei Tjhing Bo Robert	22,500,000	6.41	–	–

Notes:

(1) Mr Siaw Ken Ket @ Danny Siaw has a deemed interest in the shareholdings held by his wife, Ms Tay Guek Nah.

(2) Vibrant Group Limited is deemed to be interested in 78,041,200 shares held by Singapore Enterprises Private Limited ("SEPL") by virtue of its shareholding interest in SEPL.

(3) Mr Tan Chew Joo has a deemed interest in the shareholdings held by his daughter, Ms Eileen Tan.

SHAREHOLDING STATISTICS

As at 22 April 2020

DISTRIBUTION OF SHAREHOLDERS AS AT 22 APRIL 2020

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	26	5.11	1,183	0.00
100 – 1,000	27	5.30	14,712	0.01
1,001 – 10,000	97	19.06	674,507	0.19
10,001 – 1,000,000	343	67.39	30,316,258	8.63
1,000,001 and above	16	3.14	320,206,788	91.17
Total	**509**	**100.00**	**351,213,448**	**100.00**

TWENTY LARGEST SHAREHOLDERS AS AT 22 APRIL 2020

	Shareholder's Name	No of Shares	%
1	SIAW KEN KET @ DANNY SIAW	87,000,633	24.77
2	SINGAPORE ENTERPRISES PTE LTD	78,041,200	22.22
3	TAN CHEW JOO	35,879,472	10.22
4	FUNG TZE PING	30,800,347	8.77
5	TEOH HOON SONG	27,165,750	7.73
6	OEI TJHING BO ROBERT	22,500,000	6.41
7	EILEEN TAN	12,763,153	3.63
8	DBS NOMINEES PTE LTD	8,128,052	2.31
9	CHONG CHOON LIM	5,018,000	1.43
10	RAFFLES NOMINEES (PTE) LIMITED	3,524,642	1.00
11	PHILLIP SECURITIES PTE LTD	1,995,687	0.57
12	CITIBANK NOMINEES SINGAPORE PTE LTD	1,889,438	0.54
13	RAMESH S/O PRITAMDAS CHANDIRAMANI	1,686,107	0.48
14	LAU KOK SENG (LIU GUOCHENG)	1,337,000	0.38
15	LIM CHYE HAI (LIN CAIHAI)	1,268,506	0.36
16	YEOW TIK HONG	1,208,801	0.34
17	LIEW YANN MIN	911,000	0.26
18	MAYBANK KIM ENG SECURITIES PTE. LTD	901,481	0.26
19	LAM CHIN SIEW	802,450	0.23
20	NG HOCK KON	705,400	0.20
	Total	**323,527,119**	**92.11**

NOTICE OF ANNUAL GENERAL MEETING

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

This Notice has been made available on SGXNet and the Company's website and may be accessed at the URL https://www.sgx.com/securities/company-announcements and http://www.figtreeasia.com. A printed copy of this Notice will NOT be despatched to members.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Figtree Holdings Limited (the "Company") will be convened and held by way of electronic means on Friday, 29 May 2020 at 10.00 a.m. for the following purposes:-

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the audited financial statements for the financial year ended 31 December 2019 together with the Independent Auditor's Report thereon. **[Resolution 1]**

2. To declare a one-tier tax exempt first and final dividend of S$0.003 per ordinary share for the financial year ended 31 December 2019. **[Resolution 2]**

3. To re-elect Mr Siaw Ken Ket @ Danny Siaw retiring pursuant to Article 98 of the Constitution of the Company. **[Resolution 3]**

   Mr Siaw Ken Ket @ Danny Siaw will, upon re-election as Director of the Company, remain as the Executive Director and Managing Director of the Company. Information of Mr Siaw Ken Ket @ Danny Siaw can be found on pages 132 to 140 of the Annual Report. There are no relationships including immediate family relationships between Mr Siaw Ken Ket @ Danny Siaw and other Directors or its 10% shareholders.

4. To re-elect Mr Pong Chen Yih retiring pursuant to Article 98 of the Constitution of the Company. **[Resolution 4]**

   Mr Pong Chen Yih will, upon re-election as Director of the Company, remain as the Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees. He will be considered independent for the purpose of Rule 704(7) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "Catalist Rules"). Information of Mr Pong Chen Yih can be found on pages 132 to 140 of the Annual Report. There are no relationships including immediate family relationships between Mr Pong Chen Yih and other Directors or its 10% shareholders.

5. To re-elect Mr Francis Lee Fook Wah retiring pursuant to Article 102 of the Constitution of the Company. **[Resolution 5]**

   Mr Francis Lee Fook Wah will, upon re-election as Director of the Company, remain as the Non-Executive Director of the Company. Information of Mr Francis Lee Fook Wah can be found on pages 132 to 140 of the Annual Report. Mr Francis Lee Fook Wah is the Chief Financial Officer of Vibrant Group Limited, which wholly-owns Singapore Enterprises Private Limited. Singapore Enterprises Private Limited is a controlling shareholder that has a shareholding interest of 22.22% in the Company. Save for as disclosed, there are no relationships including immediate family relationships between Mr Francis Lee Fook Wah and other Directors or its 10% shareholders.

NOTICE OF ANNUAL GENERAL MEETING

6. To approve Directors' fees of S$245,000 for the financial year ended 31 December 2019. [2018 :S$245,000] **[Resolution 6]**

7. To re-appoint Messrs Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **[Resolution 7]**

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

SPECIAL BUSINESS

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

9. 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 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 and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares (including Shares to be issued in pursuance 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 and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below);

NOTICE OF ANNUAL GENERAL MEETING

(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 that may be issued under sub-paragraph (i) above, the percentage of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the issued Shares (excluding treasury shares and subsidiary holdings) 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.

Any adjustments made in accordance with sub-paragraphs (ii)(a) or (ii)(b) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of the passing of this Resolution.

(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 Constitution 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 8]**

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

"That pursuant to Section 161 of the Act, 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 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 and subsidiary holdings) on the date preceding the grant of the option." (See Explanatory Note 2) **[Resolution 9]**

By Order of the Board
Lee Bee Fong
Company Secretary
Singapore, 14 May 2020

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

(1) **Resolution 8,** 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 and subsidiary holdings) 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 and subsidiary holdings). 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 9,** if passed, will empower the Directors of the Company from the date of this Annual General Meeting until the next Annual General Meeting, to offer and 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 and subsidiary holdings) 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.

Important Notes:

1. **<u>Pre-Registration:</u>**

The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in this Notice of AGM which has been uploaded on SGXNet and the Company's website on the same day. The announcement and this Notice of AGM may also be accessed at the URLs https://www.sgx.com/securities/company-announcements and http://www.figtreeasia.com.

A member will be able to participate at the AGM by watching the AGM proceedings via a "live" audio-visual webcast via mobile phones, tablets or computers. In order to do so, a member must pre-register by **10.00 a.m. on 24 May 2020**, at the URL https://www.willdylan.live/agm6/register/?lid=3 for the Company to authenticate his/her/its status as members. Authenticated members will receive email instructions on how to access the "live" audio-visual webcast of the proceedings of the AGM by **10.00 a.m. on 28 May 2020**. Members who do not receive an email by **12.00 p.m. (noon) on 28 May 2020**, but have registered by the **24 May 2020** deadline, may contact the Company at agm@figtreeasia.com.

Investors who hold Shares through depository agents (as defined in Section 81SF of the Securities and Futures Act, Chapter 289) and wish to watch the "live" audio-visual webcast of the AGM must approach their respective depository agents to pre-register by **5.00 p.m. on 18 May 2020** in order to allow sufficient time for their respective depository agents to in turn pre-register their interest with the Company.

NOTICE OF ANNUAL GENERAL MEETING

2. Submission of Questions:

Members will not be able to ask questions during the "live" audio-visual webcast of the AGM. A member who pre-registers to watch the "live" audio-visual webcast may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by **10.00 a.m. on 24 May 2020** by email to agm@figtreeasia.com.

The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the AGM via SGXNet and on the Company's website at the URLs https://www.sgx.com/securities/company-announcements and http://www.figtreeasia.com.

3. Submission of Proxy Form:

A member will not be able to vote through the "live" audio-visual webcast and voting is only through submission of proxy form. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. The proxy form for the AGM can be accessed at the Company's website at the URL http://www.figtreeasia.com, and is made available with this Notice of AGM on SGXNet at the URL https://www.sgx.com/securities/company-announcements on the same day.

Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the Meeting as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their voting instructions by **5.00 p.m. on 18 May 2020** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by **10.00 a.m. on 27 May 2020**.

In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

The Chairman of the Meeting, as a proxy, need not be a member of the Company.

The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

(a) if in hard copy by post, be lodged at the registered office of the Company, at 8 Jalan Kilang Barat, #03-01 Central-Link, Singapore 159351; or

(b) if by email, be received by agm@figtreeasia.com

in either case, no later than **10.00 a.m. on 27 May 2020**.

A member who wishes to submit an instrument of proxy must first **download, complete and sign the proxy form**, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

NOTICE OF ANNUAL GENERAL MEETING

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

The instrument appointing the Chairman of the Meeting as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman of the Meeting as proxy).

In the case of a member whose Shares are entered against his/her name in the depository register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if such member is not shown to have Shares entered against his/ her/ its name in the depository register as at 72 hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company.

4. <u>**Annual Report and other documents:**</u>

The Annual Report for the financial year ended 31 December 2019 ("**FY2019 Annual Report**") which was issued on 14 May 2020 can be accessed at SGXNet at the URL https://www.sgx.com/securities/company-announcements and at the Company's website at the URL http://www.figtreeasia.com.

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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over 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 or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, 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.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Siaw Ken Ket @ Danny Siaw, Mr Pong Chen Yih and Mr Francis Lee Fook Wah are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 May 2020 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the information relating to the retiring Directors as set out in Appendix 7F of the Catalist Rules of the SGX-ST is disclosed below:

	Mr Siaw Ken Ket @ Danny Siaw	**Mr Pong Chen Yih**	**Mr Francis Lee Fook Wah**
Date of Appointment	5 June 2013	8 October 2013	22 January 2020
Date of last re-appointment	27 April 2017	27 April 2017	N.A.
Age	55	44	54
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Siaw Ken Ket @ Danny Siaw as the Executive Director and Managing Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Pong Chen Yih as the Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company. Mr Pong Chen Yih is considered independent for the purposes of Catalist Rule 704(7).	The re-election of Mr Francis Lee Fook Wah as the Non-Executive Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive. Primarily responsible for the business development and overall management of the Group.	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Managing Director.	Independent Director, Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees.	Non-Executive Director

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	**Mr Pong Chen Yih**	**Mr Francis Lee Fook Wah**
Professional qualifications	• Bachelor of Planning and Design, University of Melbourne, Australia • Bachelor of Building, University of Melbourne, Australia	• Bachelor of Law from the National University of Singapore • Member of The Singapore Academy of Law and the Law Society of Singapore	• Bachelor of Accountancy, National University of Singapore • MBA (Finance & Investment), University of Hull, United Kingdom • Chartered Accountant and non-practising member, Institute of Singapore Chartered Accountants
Working experience and occupation(s) during the past 10 years	2011 to Present: Figtree Projects Pte. Ltd., Managing Director Figtree Projects Sdn Bhd, Director Figtree Projects (Shanghai) Co., Ltd, Director 2013 to Present: Figtree Developments Pte. Ltd., Director Figtree Holdings Limited, Managing Director	2008 to 2014 Wong Partnership LLP, Partner 2014 to 2017 Baker McKenzie. Wong & Leow, Partner 2017 to Present: Novus Corporate Finance Pte. Ltd., Chief Operating Officer Grand Venture Technology Limited, Independent Director	July 2005 to January 2011: Man Wah Holdings Ltd, Chief Financial Officer and Finance Director October 2014 to March 2015 OKH Global Ltd, Advisor to Chief Executive Officer March 2015 to December 2017: OKH Global Ltd, Chief Financial Officer April 2019 to Present: Vibrant Group Limited – Chief Financial Officer
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 87,000,633 shares, representing 24.77% Deemed Interest : 292,809 shares, representing 0.08%	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	**Mr Pong Chen Yih**	**Mr Francis Lee Fook Wah**
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments Including Directorships			
Past (for the last 5 years)	1. Fervent Industrial Development (Suzhou) Co., Ltd 2. Master (Jiangyin) Real Estate Development Co., Ltd 3. Master Real Estate (Jiangyin) Co., Ltd 4. Master Developments (Suzhou) Co., Ltd 5. Vibrant Development (Changsu) Co., Ltd	N/A	1. Metech International Limited
Present	1. Figtree Developments Pte. Ltd. 2. Figtree Projects (Shanghai) Co., Ltd. 3. Figtree Projects Pte. Ltd. 4. Figtree Projects Sdn Bhd 5. Figtree Real Estate Pty. Ltd. 6. Vibrant Properties Pte. Ltd. 7. Figtree La Trobe Pty. Ltd. 8. Vibrant Investment & Management (Shanghai) Co., Ltd. 9. Vibrant Pucheng Logistics (Chongqing) Co, Ltd 10. Figtree Projects Chongqing Co., Ltd. 11. Vibrant Pucheng Property Management (Chongqing) Co., Ltd	1. Novus Corporate Finance Pte. Ltd. 2. Novus Investment Holdings Pte. Ltd. 3. Acumen Research Laboratories Pte. Ltd. 4. Grand Venture Technology Limited	1. Sheng Siong Group Limited 2. Net Pacific Financial Holdings Limited 3. Asiaphos Limited 4. Wise Alliance Investments Limited 5. LTH Logistics (Singapore) Pte Ltd 6. Blackgold Megatrade Pte. Ltd. 7. Shentoncil Pte. Ltd. 8. Vibrant DB2 Pte. Ltd. 9. Sentosa Capital (Pte) Ltd 10. Sinolink Financial Leasing Co., Ltd 11. Sinolink Finance International Limited

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	Mr Pong Chen Yih	Mr Francis Lee Fook Wah
Other Principal Commitments Including Directorships (cont'd)			
	12. Fervent III Developments Pte Ltd 13. Figminna Pty. Ltd. 14. Vibrant Pucheng Holdings Pte Ltd 15. Vibrant Pucheng Investment Pte Ltd 16. Fervent IV Development Pte Ltd 17. Fervent V Development Pte Ltd 18. Vibrant Land Pte Ltd 19. Vibrant Pucheng Enterprise Management (Chongqing) Co., Ltd 20. Vibrant International Freight Management (Chongqing) Co., Ltd 21. Fervent Industrial Facility Development (Ningbo) Co., Ltd 22. Vice President of the Association of Catalist Companies		12. Fervent Industrial Development (Suzhou) Co., Ltd 13. Tengda Industrial Property (Suzhou) Co., Ltd 14. Vibrant Land Pte. Ltd. 15. Fervent IV Development Pte. Ltd. 16. Freight Links Co., Ltd 17. Fervent Industrial Development (Ningbo) Co., Ltd 18. Fervent V Development Pte Ltd 19. Fervent Logistics Infrastructure (Changzhou) Co., Ltd 20. Ececil Pte Ltd
Information required pursuant to Catalist Rules 704(6) and/or 704(7)			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	**Mr Pong Chen Yih**	**Mr Francis Lee Fook Wah**
Information required pursuant to Catalist Rules 704(6) and/or 704(7) (cont'd)			
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	Mr Pong Chen Yih	Mr Francis Lee Fook Wah
Information required pursuant to Catalist Rules 704(6) and/or 704(7) (cont'd)			
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	Mr Pong Chen Yih	Mr Francis Lee Fook Wah
Information required pursuant to Catalist Rules 704(6) and/or 704(7) (cont'd)			
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	Yes. He was the manager of a corporation investigated by the CAD for a breach of regulatory requirements/laws governing corporations in Singapore. To the best of his knowledge and as far as he is aware, the investigations involved or were related to certain other directors of the corporate and not himself.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	**Mr Pong Chen Yih**	**Mr Francis Lee Fook Wah**
Information required pursuant to Catalist Rules 704(6) and/or 704(7) (cont'd)			
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Siaw Ken Ket @ Danny Siaw	**Mr Pong Chen Yih**	**Mr Francis Lee Fook Wah**
Prior Experience as a Director of a Listed Company on the Exchange			
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange	Not applicable. This is a re-election of a director	Not applicable. This is a re-election of a director	Not applicable. This is a re-election of a director
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable. This is a re-election of a director	Not applicable. This is a re-election of a director	Not applicable. This is a re-election of a director

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

ANNUAL GENERAL MEETING PROXY FORM

IMPORTANT:
1. The Annual General Meeting ("AGM" or the "Meeting") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in this proxy form which has been uploaded on SGXNet and the Company's website on the same day. The announcement and this proxy form may also be accessed at the URLs https://www.sgx.com/securities/company-announcements and http://www.figtreeasia.com.
2. A member will not be able to attend the AGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. Members who hold shares through the relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 (including CPF investors, SRS investors and holders under depository agents) and who wish to appoint the Chairman of the Meeting as proxy should approach their respective relevant intermediaries (including CPF agent banks, SRS approved banks or depository agents) to submit their votes by 5.00 p.m. on 18 May 2020.
4. By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 May 2020.
5. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to vote on his/her/its behalf at the AGM.

This form of proxy has been made available on SGXNet and the Company's website and may be accessed at the URLs https://www.sgx.com/securities/company-announcements and http://www.figtreeasia.com. A printed copy of this proxy form will NOT be despatched to members.

I/We ______________________________ NRIC/Passport No. ______________________________

of ____ (Address)

being a member/members of **FIGTREE HOLDINGS LIMITED** (the "**Company**") hereby appoint **Chairman of the Meeting**, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting ("AGM" or the "Meeting") of the Company to be held by way of electronic means via "live" audio-visual webcast on Friday, 29 May 2020 at 10.00 a.m. (Singapore time) and at any adjournment thereof.

(Voting will be conducted by poll. If you wish the Chairman of the Meeting as your proxy to cast all your votes for or against a resolution to be proposed at the Meeting, please indicate with a "√" in the space provided under "For" or "Against". If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution to be proposed at the Meeting, please indicate with a "√" in the space provided under "Abstain". Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to vote "For" or "Against" or to abstain from voting. In the absence of specific directions, the appointment of the Chairman of the Meeting as your proxy will be treated as invalid.)

No.	Resolutions Relating To:	Voting		Abstain From Voting
		For	Against	
	ORDINARY BUSINESS			
1	Adoption of Directors' Statement, Independent Auditor's Report and the Audited Financial Statements for the financial year ended 31 December 2019			
2	Declaration of a one-tier tax exempt first and final dividend of S$0.003 per ordinary share for the financial year ended 31 December 2019			
3	Re-election of Mr Siaw Ken Ket @ Danny Siaw as a Director of the Company			
4	Re-election of Mr Pong Chen Yih as a Director of the Company			
5	Re-election of Mr Francis Lee Fook Wah as a Director of the Company			
6	Approval of Directors' Fees of S$245,000 for the financial year ended 31 December 2019			
7	Re-appointment of Messrs Ernst & Young LLP as Auditors of the Company			
	SPECIAL BUSINESS			
8	Authority for Directors of the Company to allot and issue new shares pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual (Section B: Rules of Catalist)			
9	Authority for Directors of the Company to offer and 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 ____________ 2020

Total No. of Shares	No. of Shares Held
In CDP Register	
In Register of Members	

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

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

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 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the depository register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the depository register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member will not be able to vote through the "live" audio-visual webcast is only through submission of proxy form. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM. In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

3. The Chairman of the Meeting, as a proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (a) if in hard copy by post, be lodged at the registered office of the Company, at 8 Jalan Kilang Barat, #03-01 Central-Link, Singapore 159351; or

   (b) if by email, be received by agm@figtreeasia.com

   in either case, no later than **10.00 a.m. on 27 May 2020**.

   A member who wishes to submit an instrument of proxy must first **download, complete and sign the proxy form**, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

   Where an instrument appointing the Chairman of the Meeting as proxy is submitted by email, it must be authorised in the following manner:

   (a) by way of the affixation of an electronic signature by the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or

   (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

   Where an instrument appointing the Chairman of the Meeting as proxy is signed or, as the case may be, authorised 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 appointing the Chairman of the Meeting as proxy, failing which the instrument may be treated as invalid.

6. The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman of the Meeting as proxy). In addition, in the case of members whose shares are entered against their names in the depository register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if such members are not shown to have shares entered against their names in the depository register as at 72 hours before the time appointed for the AGM, 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 14 May 2020.

Affix
postage
stamp
here

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

CORPORATE INFORMATION

Company Registration Number
201315211G

REGISTERED OFFICE

8 Jalan Kilang Barat
#03-01 Central Link
Singapore 159351
Tel: (65) 6278 9722
Fax: (65) 6278 9747
Website: www.figtreeasia.com

DIRECTORS

Lee Choong Hiong
(Non-Executive Independent Chairman)

Siaw Ken Ket @ Danny Siaw
(Managing Director)

Tan Chew Joo
(Executive Director and Cost Director)

Francis Lee Fook Wah
(Non-Executive Director)

Lee Kim Huat
(Non-Executive Independent Director)

Pong Chen Yih
(Non-Executive 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

SHARE REGISTRAR

Tricor Barbinder
Share Registration Services
(a division of Tricor Singapore Pte. Ltd.)
80 Robinson Road
#02-00
Singapore 068898

PRINCIPAL BANKERS

DBS Bank Ltd.
United Overseas Bank Limited
Australia and New Zealand
Banking Group Limited
Maybank Singapore Limited

INDEPENDENT AUDITOR

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner-in-charge :
Ang Chuen Beng
Date of appointment :
Since financial year
ended 31 December 2015

SPONSOR

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

Figtree

FIGTREE HOLDINGS LIMITED

8 Jalan Kilang Barat / #03-01 Central Link
Singapore 159351

FIGTREE HOLDINGS LIMITED

A NEW PHASE OF GROWTH

ANNUAL REPORT 2019