



## **OXLEY HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore under Registration No. 201005612G)

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### **CLARIFICATION IN RELATION TO ANNUAL REPORT**

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The Board of Directors of Oxley Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to respond to the query by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) in relation to the Company’s annual report for the financial year ended 30 June 2016 (the “**AR2016**”) and the unaudited FY2016 full year results previously announced on 28 August 2016 (the “**Unaudited FY2016 results**”) below.

#### **Query**

Listing Rule 704(6) states that the issuer must immediately announce any material adjustments made by auditors to its previously announced preliminary full-year results. It was noted that the “cash flow from investment activities” of S\$(120.1 million) and “cash flow from financing activities” of S\$14 million as per AR2016 were significantly different from the “cash flow from investment activities” of S\$(138.7 million) and “cash flow from financing activities” of S\$25.3 million as per Unaudited FY2016 results (the “**Adjustments**”).

In this regard:

- (1) please provide an explanation for the Adjustments; and
- (2) please provide the Board’s assessment as to whether the Adjustments constitute material adjustments under Listing Rule 704(6) and bases for such assessment.

#### **Response (to be read in conjunction with Appendix attached)**

- (1) The cash and cash equivalents as at 30 June 2016 remain unchanged at S\$551.3 million. However, there were certain adjustments as follows:
  - N1: Reclassification of the interest paid and capitalised in development properties of S\$16.3 million in cash flows from operating activities to interest paid under financing activities.
  - N2: Reclassification of the movement in balance with non-controlling interests shown in cash flows from operating activities under trade and other receivables and trade and other payables of S\$10.2 million and S\$31.2 million respectively to net movement in balance with non-controlling interests under financing activities.
  - N3: Reclassification of interest paid and capitalised in property, plant and equipment of S\$16.8 million from purchase of property, plant and equipment under investing activities to interest paid under financing activities.
  - N4: Reclassification of interest paid and capitalised in investment properties of S\$1.8 million from additions of investment properties under investing activities to interest paid under financing activities.
  - N5: Reclassification of proceeds from disposal of long-term investments of S\$1.5 million to increase in long-term investments. The reclassification was made within the investing activities.
  - N6: Reclassification of interest expense paid of S\$2.6 million from financing activities to net effect of exchange rate changes in operating activities.
  - N7 Being rounding adjustment.

- (2) The above reclassifications were made as this would better reflect the cash flows presentation. The above reclassifications did not result in a significant change in net cash flows from operating activities and net changes in cash and cash equivalents. Therefore, the Board has assessed and concluded that the Adjustments do not constitute material adjustments under Listing Rule 704(6).

By order of the Board

Ching Chiat Kwong  
Executive Chairman and CEO  
28 October 2016

## APPENDIX

**Oxley Holdings Limited**  
**Extract of the Consolidated statement of cash flows**  
**Year ended 30 June 2016**

Description per AR2016	Per AR2016	Per Unaudited FY2016 results	Adjustments	Reference
	\$'000	\$'000	\$'000	
Development properties	66,393	50,051	16,342	N1
Trade and other receivables	(75,894)	(86,066)	10,172	N2
Trade and other payables	100,714	131,895	(31,181)	N2
Net effect of exchange rate changes	(18,136)	(15,561)	(2,575)	N6
Cash flows from operations			<u>(7,242)</u>	
Net cash flows generated from (used in) operating activities			<u>(7,242)</u>	
<b><u>Cash flows from investing activities</u></b>				
Purchase of property, plant and equipment	(33,017)	(49,825)	16,808	N3
Additions of investment properties	(26,758)	(28,521)	1,763	N4
Increase in long-term investments	(2,239)	(746)	(1,493)	N5
Proceeds from disposal of long-term investments	29,136	27,643	1,493	N5
Acquisition of associate	(110,085)	(110,084)	(1)	N7
Net cash used in investing activities			<u>18,570</u>	
<b><u>Cash flows from financing activities</u></b>				
Net movement in balance with non-controlling interests	8,676	(12,333)	21,009	N2
Interest expense paid	(131,924)	(99,587)	(32,337)	N1, N3, N4 N6, N7
Net cash flows from financing activities			<u>(11,328)</u>	
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>222,461</b>	<b>222,461</b>	<b>-</b>	
Cash and cash equivalents at beginning of the reporting year	343,974	343,974	-	
Effects of exchange rate changes on the balance of cash held in foreign currency	(15,182)	(15,182)	-	
<b>Cash and cash equivalents at end of the reporting year</b>	<b>551,253</b>	<b>551,253</b>	<b>-</b>	