



**Pollux Properties Ltd. and its subsidiaries**

Company Registration No. 199904729G

**Pollux Properties Ltd. and its subsidiaries**

Condensed Interim Financial Statements  
For the six months and full year ended 31 December 2022

*This announcement has been prepared by Pollux Properties Ltd. (the “**Company**”) and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “**Sponsor**”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”).*

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

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**Pollux Properties Ltd. and its subsidiaries**

**Condensed interim consolidated statement of comprehensive income**

	Note	Group					Change %
		6 months ended 31 December 2022 \$	6 months ended 31 December 2021 \$	Change %	12 months ended 31 December 2022 \$	12 months ended 31 December 2021 \$	
<b>Revenue</b>	5	7,415,328	4,607,973	60.9	13,795,462	9,126,841	51.2
Cost of sales		(460,072)	(751,929)	(38.8)	(1,423,607)	(1,456,871)	(2.3)
<b>Gross profit</b>		6,955,256	3,856,044	80.4	12,371,855	7,669,970	61.3
<b>Other items of income</b>							
Interest income		26,709	54,630	(51.1)	82,603	96,349	(14.3)
Other income		4,771,572	2,871,717	66.2	4,807,349	2,944,007	63.3
<b>Other items of expense</b>							
Marketing and distribution		(25,029)	(23,033)	8.7	(89,697)	(348,547)	(74.3)
General and administrative		(3,546,950)	(1,704,162)	>100	(5,343,232)	(3,657,010)	46.1
Finance costs		(3,047,764)	(1,080,739)	>100	(4,227,494)	(2,041,607)	>100
Share of results of a joint venture, net of tax		(442,867)	304,764	N.M	(451,516)	287,574	N.M
<b>Profit before tax</b>		4,690,927	4,279,221	9.6	7,149,868	4,950,736	44.4
Income tax expense	6	(176,123)	(105,415)	67.1	(661,758)	(957,634)	(30.9)
<b>Profit for the financial period</b>		4,514,804	4,173,806	8.2	6,488,110	3,993,102	62.5
<b>Attributable to: Owners of the Company</b>							
Profit for the financial period attributable to owners of the Company		4,514,804	4,173,806	8.2	6,488,110	3,993,102	62.5

**Pollux Properties Ltd. and its subsidiaries**

**Condensed interim consolidated statement of comprehensive income**

	<b>6 months ended 31 December 2022 \$</b>	<b>6 months ended 31 December 2021 \$</b>	<b>Change %</b>	<b>12 months ended 31 December 2022 \$</b>	<b>12 months ended 31 December 2021 \$</b>	<b>Change %</b>
<b>Profit for the financial period</b>	4,514,804	4,173,806	8.2	6,488,110	3,993,102	62.5
Other comprehensive income for the financial period, net of tax items that may be reclassified subsequently to profit or loss:						
Exchange differences arising from consolidation of foreign operations	(126,981)	–	N.M.	(126,981)	–	N.M.
<b>Total comprehensive income for the financial period</b>	<b>4,387,823</b>	<b>4,173,806</b>	<b>5.1</b>	<b>6,361,129</b>	<b>3,993,102</b>	<b>59.3</b>
<b>Attributable to:</b>						
<b>Owners of the Company</b>						
Total comprehensive income for the financial period attributable to owners of the Company	4,387,823	4,173,806	5.1	6,361,129	3,993,102	59.3
<b>Earnings per share for profit for the period attributable to the owners of the Company during the year:</b>						
Basic (Singapore cents)	0.16	0.15	8.2	0.23	0.14	62.5
Diluted (Singapore cents)	0.16	0.15	8.2	0.23	0.14	62.5

*N.M denotes not meaningful.*

**Pollux Properties Ltd. and its subsidiaries**

**Condensed interim consolidated statement of financial position**

	Note	Group		Company	
		31.12.2022 (Unaudited) \$	31.12.2021 (Audited) \$	31.12.2022 (Unaudited) \$	31.12.2021 (Audited) \$
<b>Non-current assets</b>					
Property, plant and equipment	15	17,053,967	85,363	7,321	5,113
Investment properties	13	344,050,000	339,050,000	–	–
Investment in subsidiaries		–	–	142,058,299	142,058,293
Investment in a joint venture		2,625,154	3,076,670	1	1
Investment securities		502,881	502,881	502,881	502,881
		<b>364,232,002</b>	<b>342,714,914</b>	<b>142,568,502</b>	<b>142,566,288</b>
<b>Current assets</b>					
Trade receivables		792,211	631,635	–	–
Contract assets		–	1,628,192	–	–
Other receivables and deposits		2,135,659	257,878	791	792
Prepaid operating expenses		827,873	35,194	17,000	–
Due from subsidiaries		–	–	46,212,148	24,043,453
Due from related companies		15	15	–	–
Investment securities		333,816	323,465	–	–
Cash and cash equivalents	8	9,590,339	27,690,666	18,357	22,470,738
		<b>13,679,913</b>	<b>30,567,045</b>	<b>46,248,296</b>	<b>46,514,983</b>
<b>Total assets</b>		<b>377,911,915</b>	<b>373,281,959</b>	<b>188,816,798</b>	<b>189,081,271</b>
<b>Equity and liabilities</b>					
<b>Current liabilities</b>					
Trade payables		2,772,923	2,072,398	–	–
Contract liabilities		2,624,397	1,920,658	–	–
Other payables and accruals		7,231,521	3,808,207	359,341	390,270
Provision for taxation		809,915	421,736	–	–
Loans and borrowings	14	22,456,622	21,521,074	–	–
Due to subsidiaries		–	–	78,118,714	79,989,676
Due to related parties		51	51	–	–
		<b>35,895,429</b>	<b>29,744,124</b>	<b>78,478,055</b>	<b>80,379,946</b>
<b>Net current (liabilities)/assets</b>		<b>(22,215,516)</b>	<b>822,921</b>	<b>(32,229,759)</b>	<b>(33,864,963)</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		8,336	8,336	–	–
Loan from joint venture		2,288,147	2,963,477	2,288,147	2,963,477
Loans and borrowings	14	133,755,263	140,962,411	–	–
		<b>136,051,746</b>	<b>143,934,224</b>	<b>2,288,147</b>	<b>2,963,477</b>
<b>Total liabilities</b>		<b>171,947,175</b>	<b>173,678,348</b>	<b>80,766,202</b>	<b>83,343,423</b>
<b>Net assets</b>		<b>205,964,740</b>	<b>199,603,611</b>	<b>108,050,596</b>	<b>105,737,848</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	12	140,099,994	140,099,994	140,099,994	140,099,994
Revenue reserve		65,991,727	59,503,617	(32,049,398)	(34,362,146)
Foreign currency translation reserve		(126,981)	–	–	–
<b>Total equity</b>		<b>205,964,740</b>	<b>199,603,611</b>	<b>108,050,596</b>	<b>105,737,848</b>
<b>Total equity and liabilities</b>		<b>377,911,915</b>	<b>373,281,959</b>	<b>188,816,798</b>	<b>189,081,271</b>

**Pollux Properties Ltd. and its subsidiaries**

**Condensed interim consolidated statement of changes in equity**

	<b>Attributable to owners of the Company</b>			
	<b>Share capital</b>	<b>Revenue reserve</b>	<b>Foreign currency translation reserve</b>	<b>Total equity</b>
	\$	\$	\$	\$
<b>Group</b>				
As at 1 January 2022	140,099,994	59,503,617	–	199,603,611
Profit net of tax	–	6,488,110	–	6,488,110
Other comprehensive loss	–	–	(126,981)	(126,981)
At 31 December 2022	140,099,994	65,991,727	(126,981)	205,964,740

	<b>Attributable to owners of the Company</b>			
	<b>Share capital</b>	<b>Revenue reserve</b>		<b>Total equity</b>
	\$	\$		\$
<b>Group</b>				
As at 1 January 2021	140,099,994	55,510,515		195,610,509
Profit net of tax, representing total comprehensive income for the financial period	–	3,993,102		3,993,102
At 31 December 2021	140,099,994	59,503,617		199,603,611

	<b>Share capital</b>	<b>Revenue reserve</b>		<b>Total equity</b>
	\$	\$		\$
<b>Company</b>				
As at 1 January 2022	140,099,994	(34,362,146)		105,737,848
Profit net of tax, representing total comprehensive income for the financial year	–	2,312,748		2,312,748
At 31 December 2022	140,099,994	(32,049,398)		108,050,596

	<b>Share capital</b>	<b>Revenue reserve</b>		<b>Total equity</b>
	\$	\$		\$
<b>Company</b>				
As at 1 January 2021	140,099,994	(31,195,990)		108,904,004
Loss net of tax, representing total comprehensive income for the financial period	–	(3,166,156)		(3,166,156)
At 31 December 2021	140,099,994	(34,362,146)		105,737,848

**Pollux Properties Ltd. and its subsidiaries**

**Condensed interim consolidated statement of cash flows**

	Note	FY2022 \$	FY2021 \$
<b>Cash flows from operating activities</b>			
Profit before tax		7,149,868	4,950,736
Adjustments for:			
Depreciation of property, plant and equipment		52,278	29,759
Interest income		(82,603)	(96,349)
Fair value gain on investment properties		(4,631,356)	(2,181,075)
Fair value (gain)/loss on quoted equity securities		(10,351)	31,716
Interest expense		4,214,894	2,001,165
Share of results of a joint venture		451,516	(287,574)
Currency realignment		1,214,756	–
Loss on disposal of disposal of property, plant and equipment		–	133
<b>Operating cash flows before changes in working capital</b>		<b>8,359,002</b>	<b>4,448,511</b>
Changes in working capital:			
Trade receivables and contract assets		1,467,616	(21,133)
Other receivables, deposits and prepayments		(647,840)	(53,812)
Trade payables		700,525	(222,476)
Contract liabilities		703,739	1,662,801
Other payables and accruals		2,044,404	108,030
<b>Cash flows generated from operations</b>		<b>12,627,446</b>	<b>5,921,921</b>
Interest received		82,603	96,349
Interest paid		(4,214,894)	(2,001,165)
Income taxes paid		(273,730)	(1,308,654)
<b>Net cash generated from operating activities</b>		<b>8,221,425</b>	<b>2,708,451</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(19,186,466)	(61,668)
Additions to investment properties		(368,644)	(468,925)
<b>Net cash flows used in investing activities</b>		<b>(19,555,110)</b>	<b>(530,593)</b>
<b>Cash flows from financing activities</b>			
Repayment of loan from joint venture		(675,330)	(783,596)
Repayment of loans and borrowings		(6,271,600)	(5,344,072)
<b>Net cash flows used in financing activities</b>		<b>(6,946,930)</b>	<b>(6,127,668)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(18,280,615)</b>	<b>(3,949,810)</b>
Net effect of exchange rate changes on the balance of cash held in foreign currencies		180,288	–
Cash and cash equivalents at beginning of financial period		27,690,666	31,640,476
<b>Cash and cash equivalents at end of financial period</b>	8	<b>9,590,339</b>	<b>27,690,666</b>

## Pollux Properties Ltd. and its subsidiaries

### Notes to the condensed interim consolidated financial statements

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#### 1. Corporate information

Pollux Properties Ltd. (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist Board of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months and twelve months ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “**Group**”). The primary activity of the Company is investment holding.

The principal activities of the Group are:

- a) leasing of its residential and commercial properties;
- b) income from serviced residence;
- c) provision of management and advisory services; and
- d) operations of hotels.

#### 2. Basis of preparation

The condensed interim consolidated financial statements for the six months ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Group's functional currency.

The Group's current liabilities exceeded its current assets by \$22,215,516 (31 December 2021: current assets exceeded its current liabilities by \$822,921) as at 31 December 2022. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

The directors are of the view that the Group has the ability to continue as a going concern as the Group will be able to meet its short-term financial obligations as and when they fall due based on the following:

- (i) Group's ability to generate sufficient cash flows from its operating, financing and investing activities; and
- (ii) \$15.1 million of the Group's current loans and borrowings are on a monthly revolving basis and management expects them to be renewed as and when they are due.



**2. Basis of preparation (cont'd)**

**2.1 New and amended standards adopted by the Group**

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The Group and the Company have adopted the following amendments to SFRS(I), that is effective for the financial periods beginning on 1 January 2022:-

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Annual Improvements to SFRS(1)s 2018-2020	1 January 2022

The adoption of the amendments to SFRS(I) did not have any material financial impact on the financial statements of the Group and the Company for the financial year ended 31 December 2022.

**2.2 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the 12 months ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period as included in the following notes:

- Note 13 - Carrying value of investment properties

**3. Seasonal operations**

The Group's revenue streams are derived income from serviced apartment, income from management and advisory services under fund management segment, rental income under property investment segment. Accordingly, the Group is able to negate the impact from seasonality as seasonal declines from a particular revenue stream would be partially offset by other less affected revenue streams. As a result, the Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

**4. Segment information**

The Group is organised into the following main business segments:

- Property Development segment is involved in acquisition and development of properties for sale;
- Property Investment segment is involved in renting of properties and operating of serviced apartment;
- Corporate segment is involved in Group-level corporate services and investment;
- Fund management segment is involved in providing management and advisory services; and
- Hotel operations segment is involved in the operation of hotels and provision of food and beverage services

These operating segments are reported in a manner consistent with internal reporting provided to the management who monitors the operating results of its business units separately for the purpose of making decisions on resource allocation and assessing performance of the operating segment.

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**Notes to the condensed interim consolidated financial statements**

**4. Segment information (cont'd)**

**4.1. Reportable segment**

	Property investment		Property development		Corporate		Fund management		Hotel operations		Total	
	2H2022 <sup>(1)</sup>	2H2021 <sup>(2)</sup>	2H2022 <sup>(1)</sup>	2H2021 <sup>(2)</sup>	2H2022 <sup>(1)</sup>	2H2021 <sup>(2)</sup>	2H2022 <sup>(1)</sup>	2H2021 <sup>(2)</sup>	2H2022 <sup>(1)</sup>	2H2021 <sup>(2)</sup>	2H2022 <sup>(1)</sup>	2H2021 <sup>(2)</sup>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue:</b>												
External customers	7,386,961	4,535,358	-	-	-	-	28,367	72,615	-	-	7,415,328	4,607,973
Inter-segment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>7,386,961</b>	<b>4,535,358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,367</b>	<b>72,615</b>	<b>-</b>	<b>-</b>	<b>7,415,328</b>	<b>4,607,973</b>
<b>Results:</b>												
Interest income	11,712	1,903	-	-	1	52,727	-	-	14,996	-	26,709	54,630
Other income	4,671,702	2,653,523	-	178,452	99,835	39,742	35	-	-	-	4,771,572	2,871,717
Depreciation	24,329	17,501	-	-	1,968	1,023	-	-	-	-	26,297	18,524
Interest expense	3,040,856	1,045,328	-	-	-	-	-	-	-	-	3,040,856	1,045,328
Share of results of joint venture	-	-	(442,867)	304,764	-	-	-	-	-	-	(442,867)	304,764
Income tax expense	176,123	101,422	-	3,993	-	-	-	-	-	-	176,123	105,415
Segment profit/(loss)	6,739,063	4,214,598	(450,532)	471,562	(435,712)	(511,236)	34,749	(1,118)	(1,372,784)	-	4,514,804	4,173,806

Notes:

(1) 2H2022 refers to the 6-month period from 1 July 2022 to 31 December 2022.

(2) 2H2021 refers to the 6-month period from 1 July 2021 to 31 December 2021.

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Notes to the condensed interim consolidated financial statements

4. Segment information (cont'd)

4.1. Reportable segment (cont'd)

	Property investment		Property development		Corporate		Fund management		Hotel operations		Total	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue:</b>												
External customers	13,738,628	9,044,226	-	-	-	-	56,834	82,615	-	-	13,795,462	9,126,841
Inter-segment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>13,738,628</b>	<b>9,044,226</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,834</b>	<b>82,615</b>	<b>-</b>	<b>-</b>	<b>13,795,462</b>	<b>9,126,841</b>
<b>Results:</b>												
Interest income	13,191	5,950	-	-	54,416	90,399	-	-	14,996	-	82,603	96,349
Other income	4,672,898	2,697,849	-	178,452	134,416	66,302	35	1,404	-	-	4,807,349	2,944,007
Depreciation	48,815	28,736	-	-	3,463	1,023	-	-	-	-	52,278	29,759
Interest expense	4,214,894	2,001,165	-	-	-	-	-	-	-	-	4,214,894	2,001,165
Share of results of joint venture	-	-	(451,516)	287,574	-	-	-	-	-	-	(451,516)	287,574
Income tax expense	661,758	407,178	-	550,456	-	-	-	-	-	-	661,758	957,634
Segment profit/(loss)	6,291,867	5,377,206	(468,024)	(105,966)	(993,660)	(1,227,649)	30,691	(50,489)	(1,372,784)	-	6,488,110	3,993,102
<b>Assets</b>												
Investment in a joint venture	-	-	2,625,154	3,076,670	-	-	-	-	-	-	2,625,154	3,076,670
Segment assets	354,168,904	344,268,562	32,180	1,827,637	771,967	23,587,583	530,825	521,507	19,782,885	-	375,286,761	370,205,289
<b>Total assets</b>	<b>354,168,904</b>	<b>344,268,562</b>	<b>2,657,334</b>	<b>4,904,307</b>	<b>771,967</b>	<b>23,587,583</b>	<b>530,825</b>	<b>521,507</b>	<b>19,782,885</b>	<b>-</b>	<b>377,911,915</b>	<b>373,281,959</b>
<b>Liabilities</b>												
Provision for taxation	809,915	421,736	-	-	-	-	-	-	-	-	809,915	421,736
Deferred tax liabilities	8,336	8,336	-	-	-	-	-	-	-	-	8,336	8,336
Segment liabilities	149,053,712	150,912,829	1,844,610	1,853,068	18,958,434	20,454,403	6,747	27,976	1,265,421	-	171,128,924	173,248,276
<b>Total liabilities</b>	<b>149,871,963</b>	<b>151,342,901</b>	<b>1,844,610</b>	<b>1,853,068</b>	<b>18,958,434</b>	<b>20,454,403</b>	<b>6,747</b>	<b>27,976</b>	<b>1,265,421</b>	<b>-</b>	<b>171,947,175</b>	<b>173,678,348</b>

**Pollux Properties Ltd. and its Subsidiaries**

**Notes to the condensed interim consolidated financial statements**

**5. Disaggregation of revenue**

All of the Group's revenue streams are derived from external customers. Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Serviced apartment		Investment properties*		Fund management		Total revenue	
	2H2022	2H2021	2H2022	2H2021	2H2022	2H2021	2H2022	2H2021
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Primary geographical markets</b>								
Singapore	2,809,842	1,268,307	4,577,119	3,267,051	28,367	72,615	7,415,328	4,607,973
<b>Major product or service lines</b>								
Residential properties	–	–	594,041	578,760	–	–	594,041	578,760
Commercial properties	–	–	3,983,078	2,688,291	–	–	3,983,078	2,688,291
Serviced apartment operation income	2,809,842	1,268,307	–	–	–	–	2,809,842	1,268,307
Management and advisory fees	–	–	–	–	28,367	72,615	28,367	72,615
	2,809,842	1,268,307	4,577,119	3,267,051	28,367	72,615	7,415,328	4,607,973
<b>Timing of transfer of goods or services</b>								
At a point in time	–	–	–	–	28,367	72,615	28,367	72,615
Over time	2,809,842	1,268,307	4,577,119	3,267,051	–	–	7,386,961	4,535,358
	2,809,842	1,268,307	4,577,119	3,267,051	28,367	72,615	7,415,328	4,607,973

Note:

\* Investment properties exclude serviced apartment.

\*\* There was no revenue derived from the hotel operations segment in FY2022.

**Pollux Properties Ltd. and its Subsidiaries**

**Notes to the condensed interim consolidated financial statements**

**5. Disaggregation of revenue (cont'd)**

All of the Group's revenue streams are derived from external customers. Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Serviced apartment		Investment properties*		Fund management		Total revenue	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Primary geographical markets</b>								
Singapore	5,263,902	2,394,236	8,474,726	6,649,990	56,834	82,615	13,795,462	9,126,841
<b>Major product or service lines</b>								
Residential properties	–	–	1,254,838	1,199,724	–	–	1,254,838	1,199,724
Commercial properties	–	–	7,219,888	5,450,266	–	–	7,219,888	5,450,266
Serviced apartment operation income	5,263,902	2,394,236	–	–	–	–	5,263,902	2,394,236
Management and advisory fees	–	–	–	–	56,834	82,615	56,834	82,615
	5,263,902	2,394,236	8,474,726	6,649,990	56,834	82,615	13,795,462	9,126,841
<b>Timing of transfer of goods or services</b>								
At a point in time	–	–	–	–	56,834	82,615	56,834	82,615
Over time	5,263,902	2,394,236	8,474,726	6,649,990	–	–	13,738,628	9,044,226
	5,263,902	2,394,236	8,474,726	6,649,990	56,834	82,615	13,795,462	9,126,841

Note:

\* Investment properties exclude serviced apartment.

\*\* There was no revenue derived from the hotel operations segment in FY2022.

**Pollux Properties Ltd. and its Subsidiaries**

**Notes to the condensed interim consolidated financial statements**

**6. Income tax expense**

The Group calculates the year/period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<b>Group</b>			
	<b>6 months ended 31 December 2022 \$</b>	<b>6 months ended 31 December 2021 \$</b>	<b>12 months ended 31 December 2022 \$</b>	<b>12 months ended 31 December 2021 \$</b>
<b>Income taxes</b>				
Current income tax expense	176,123	105,415	661,758	957,634
Deferred income tax expense relating to origination and reversal of temporary differences	–	–	–	–
<b>Income tax expense recognised in profit or loss</b>	<b>176,123</b>	<b>105,415</b>	<b>661,758</b>	<b>957,634</b>

**7. Financial assets and financial liabilities**

Set out below, is an overview of financial assets held by the Group and the Company as at 31 December 2022 and 31 December 2021:

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2022 \$</b>	<b>31.12.2021 \$</b>	<b>31.12.2022 \$</b>	<b>31.12.2021 \$</b>
<b>Financial assets at amortised cost</b>				
Trade receivables	792,211	631,635	–	–
Other receivables and deposits	277,346	222,133	791	792
Due from subsidiaries	–	–	46,212,148	24,043,453
Due from related companies	15	15	–	–
Cash and cash equivalents	9,590,339	27,690,666	18,357	22,470,738
<b>Equity instruments at fair value through profit or loss</b>				
Quoted equity securities	333,816	323,465	–	–
Unquoted equity securities	502,881	502,881	502,881	502,881
<b>Total</b>	<b>11,496,608</b>	<b>29,370,795</b>	<b>46,734,177</b>	<b>47,017,864</b>
<b>Total current financial assets</b>	<b>10,993,727</b>	<b>28,867,914</b>	<b>46,231,296</b>	<b>46,514,983</b>
<b>Total non-current financial assets</b>	<b>502,881</b>	<b>502,881</b>	<b>502,881</b>	<b>502,881</b>

**Pollux Properties Ltd. and its Subsidiaries**

**Notes to the condensed interim consolidated financial statements**

**7. Financial assets and financial liabilities (cont'd)**

Set out below is an overview of financial liabilities held by the Group and Company as at 31 December 2022 and 31 December 2021:

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial liabilities at amortised cost</b>				
Trade payables	2,772,923	2,072,398	–	–
Other payables and accruals	7,028,366	3,468,581	359,341	390,270
Interest bearing loans and borrowings, current	22,456,622	21,521,074	–	–
Interest bearing loans and borrowings, non-current	133,755,263	140,962,411	–	–
Due to subsidiaries	–	–	78,118,714	79,989,676
Loan from joint venture	2,288,147	2,963,477	2,288,147	2,963,477
Due to related parties	51	51	–	–
<b>Total</b>	<b>168,301,372</b>	<b>170,987,992</b>	<b>80,766,202</b>	<b>83,343,423</b>
<b>Total current financial liabilities</b>	<b>32,257,962</b>	<b>27,062,104</b>	<b>78,478,055</b>	<b>80,379,946</b>
<b>Total non-current financial liabilities</b>	<b>136,043,410</b>	<b>143,925,888</b>	<b>2,288,147</b>	<b>2,963,477</b>

**Fair values**

Set out below, is a comparison of the carrying amounts and fair values of financial assets and financial liabilities as at 31 December 2022 and 31 December 2021:

	<b>31 December 2022</b>		<b>31 December 2021</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
Quoted equity securities	333,816	333,816	323,465	323,465
Unquoted equity securities	502,881	502,881	502,881	502,881
<b>Total</b>	<b>836,697</b>	<b>836,697</b>	<b>826,346</b>	<b>826,346</b>
	<b>31 December 2022</b>	<b>31 December 2021</b>	<b>31 December 2021</b>	<b>31 December 2021</b>
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial liabilities</b>				
Interest bearing loans and borrowings	156,211,885	156,211,885	162,483,485	162,483,485
<b>Total</b>	<b>156,211,885</b>	<b>156,211,885</b>	<b>162,483,485</b>	<b>162,483,485</b>



**Pollux Properties Ltd. and its Subsidiaries**

**Notes to the condensed interim consolidated financial statements**

**7. Financial assets and financial liabilities (cont'd)**

**Fair values (cont'd)**

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 31 December 2022 and 31 December 2021:

	<b>Group</b>			
	<b>Quoted prices in active markets for identical instruments (Level 1) \$</b>	<b>Significant observable inputs other than quoted prices (Level 2) \$</b>	<b>Significant unobservable inputs (Level 3) \$</b>	<b>Total \$</b>
<b>Financial assets as at 31 December 2022</b>				
<u>Equity securities at fair value through profit or loss</u>				
Quoted equity securities	333,816	–	–	333,816
Unquoted equity securities	–	–	502,881	502,881
<b>Financial assets as at 31 December 2021</b>				
<u>Equity securities at fair value through profit or loss</u>				
Quoted equity securities	323,465	–	–	323,465
Unquoted equity securities	–	–	502,881	502,881

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial year ended 31 December 2022.

**Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the year ended 31 December 2022.

Set out below are the significant unobservable inputs to valuation as at 31 December 2022 and 31 December 2021:

<b>Description</b>	<b>Valuation techniques</b>	<b>Unobservable inputs</b>	<b>Range</b>	<b>Sensitivity of the input to fair value</b>
Investment in equity securities (unquoted)	Discounted cash flow basis	Capitalisation rate	0% (2021: 0%)	Increase/(decrease) in the capitalisation rate decrease/(increase) the fair value

## Pollux Properties Ltd. and its Subsidiaries

### Notes to the condensed interim consolidated financial statements

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#### 8. Cash and short-term deposits

For the purpose of the condensed interim consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	<b>Group</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
	\$	\$
Cash at banks and in hand	7,060,339	3,572,096
Pledged bank deposits	2,530,000	2,530,000
Short term deposits	–	21,588,570
<b>Total cash and cash equivalents</b>	<b>9,590,339</b>	<b>27,690,666</b>

#### 9. Commitments

##### *Operating lease commitments – as lessor*

The Group has entered into various operating lease agreements for its investment properties. These non-cancellable leases have remaining lease terms of between 1 to 3 years.

Future minimum rentals receivables under non-cancellable operating leases as at 31 December 2022 and 31 December 2021 are as follows:

	<b>Group</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
	\$	\$
Not later than 1 year	8,509,622	8,593,162
Later than 1 year but not later than 5 years	5,213,468	12,688,380
	<b>13,723,090</b>	<b>21,281,542</b>

#### 10. Contingencies

##### *Guarantees*

As at 31 December 2022, corporate guarantees issued to banks by the Company in respect of banking facilities extended to subsidiaries amounted to \$175,001,291 (31 December 2021: \$175,001,291) of which the amounts utilised by the subsidiaries was \$156,211,885 (31 December 2021: \$145,317,181).

**Pollux Properties Ltd. and its Subsidiaries**

**Notes to the condensed interim consolidated financial statements**

**11. Related party transactions**

*Compensation of key management personnel*

	<b>Group</b>			
	<b>6 months ended 31 December 2022 \$</b>	<b>6 months ended 31 December 2021 \$</b>	<b>12 months ended 31 December 2022 \$</b>	<b>12 months ended 31 December 2021 \$</b>
Short-term employee benefits	210,750	153,267	459,000	430,315
Central Provident Fund contributions	9,442	6,120	18,750	12,240
Other short-term benefits	–	60,000	–	60,000
<b>Total compensation paid to key management personnel</b>	<b>220,192</b>	<b>219,387</b>	<b>477,750</b>	<b>502,555</b>
Comprised amounts paid to:				
Directors of the Company	147,000	140,627	294,000	356,835
Other key management personnel	73,192	78,760	183,750	145,720
	<b>220,192</b>	<b>219,387</b>	<b>477,750</b>	<b>502,555</b>

**12. Share capital**

<b>Company</b>	<b>31.12.2022</b>		<b>31.12.2021</b>	
	<b>Number of shares</b>	<b>\$</b>	<b>Number of shares</b>	<b>\$</b>
<b>Issued and fully paid ordinary shares</b>				
Beginning and end of financial year	2,759,468,325	140,099,994	2,759,468,325	140,099,994

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

There was no change in the Company's issued and paid-up share capital from 1 January 2022 to 31 December 2022, and accordingly, no change since the end of the previous period reported on.

There were no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 31 December 2022 and 31 December 2021. There was no sale, transfer, disposal, cancellation and/or use of treasury shares or subsidiary holdings during the six-month period ended 31 December 2022.

## Pollux Properties Ltd. and its Subsidiaries

### Notes to the condensed interim consolidated financial statements

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#### 13. Investment properties

	Group	
	31.12.2022	31.12.2021
	\$	\$
Beginning of the financial year/period	339,050,000	336,400,000
Net gain from fair value adjustments recognised in profit or loss	4,631,356	2,181,075
Additions to investment properties	368,644	468,925
End of the financial year/period	344,050,000	339,050,000
<b>At valuation:</b>		
Freehold properties	296,100,000	293,500,000
Leasehold properties	47,950,000	45,550,000

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

#### Valuation of investment properties

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the property's highest and best use. Fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The fair value of the Group's investment properties is categorised under Level 2 and Level 3 of the fair value measurement hierarchy. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between management and the independent valuer on an annual basis.

#### 14. Loans and borrowings

	Group	
	31.12.2022	31.12.2021
	\$	\$
Amount repayable within one year	22,456,622	21,521,074
Amount repayable after one year	133,755,263	140,962,411
Total loans and borrowings	156,211,885	162,483,485

There are no unsecured loans for the financial year ended 31 December 2022 and 31 December 2021. The Group's loans are generally secured by the following:

- (i) first legal mortgage over the related investment properties;
- (ii) corporate guarantee by the Company; and
- (iii) legal assignment over all rights, titles, and interests in the related tenancy agreements, current and future rental income relating to the specified property pledged in respect of the investment properties.

**15. Property, plant and equipment**

During the year ended 31 December 2022, the Group acquired assets amounting to \$18,542,907 (31 December 2021: \$61,668).

**16. Subsequent events**

There are no known subsequent events which led to adjustments to this set of interim financial statements.

**Other Information Required by Catalist Rule Appendix 7C**

**1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The condensed consolidated statement of financial position of the Company and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows then ended and certain explanatory notes have not been audited or reviewed.

**2. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

**3. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

**This is not required for any audit issue that is a material uncertainty related to going concern.**

Not applicable. The Group's latest audited financial statements for the 12 months ended 31 December 2021 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the most recent audited annual financial statements.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	Financial Year Ended 31.12.2022	Financial Year Ended 31.12.2021
Basic (Singapore cents)	0.23	0.14
Diluted (Singapore cents)	0.23	0.14
Profit attributable to owners of the Company (in S\$'000)	6,488	3,993
Weighted average number of ordinary shares for basic and diluted earnings per share computation (in '000)	2,759,468	2,759,468

Earnings per ordinary share is calculated by dividing the consolidated profit after tax attributable to owners of the Company over the weighted average number of ordinary shares in issue during the period.

The basic and diluted earnings per share are the same for financial year ended 31 December 2022 and 31 December 2021 as the Company has no dilutive equity instruments as at 31 December 2022 and 31 December 2021.

**7. Net asset value (for the issuer and group) per ordinary shares based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	As at 31 December 2022	As at 31 December 2021
	Net asset value per ordinary share (Singapore cents) – Group	7.46
Net asset value per ordinary share (Singapore cents) – Company	3.92	3.83

The calculations of net asset value per ordinary share of the Group and the Company were based on (i) the net asset value of the Group and the Company as at 31 December 2022 and 31 December 2021 respectively; and (ii) 2,759,468,325 shares as at 31 December 2022 and 31 December 2021.

## Pollux Properties Ltd. and its Subsidiaries

### Notes to the condensed interim consolidated financial statements

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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on.

**Twelve-month financial period ended 31 December 2022 ("FY2022") vs twelve-month financial period ended 31 December 2021 ("FY2021")**

#### **Statement of profit or loss and other comprehensive income**

##### Revenue

The Group's revenue comprised income from serviced apartment, rental income under property investment segment and income from management and advisory services under fund management segment. The revenue stream and contributions to turnover and earnings by the three operating segments are consistent with that in FY2021. The 51% increase in revenue from S\$9.13 million in FY2021 to approximately S\$13.80 million was mainly due to full occupancies in the commercial office building, Macdonald House and higher average daily rates achieved from the serviced apartment.

##### Cost of sales and Gross profit

The Group's cost of sales of S\$1.42 million mainly pertained to the cost incurred to operate the serviced apartment. The decrease in cost of sales despite higher revenue incurred from the serviced apartment was due to greater cost control measures. Consequently, gross profit margin increased from 84% to 90%.

##### Interest income

Interest income of S\$0.08 million mainly pertains to interest received from fixed deposits placed in bank. There was a 14% decrease from the 12 months ended 31 December 2021, from S\$0.10 million attributable to lower interest earned due to the release of a fixed deposit facility.

##### Other income

Other income of S\$4.81 million mainly consists of fair valuation gain on investment properties of S\$4.63 million and income obtained from government grants such as job support scheme, jobs growth incentive and wage credit scheme.

##### Marketing and distribution expenses

Marketing and distribution expenses of S\$0.09 million included marketing efforts for rental leases and third-party commissions paid to property agents in FY2022. The decrease of S\$0.26 million from S\$0.35 million in FY2021 to S\$0.09 million in FY2022 was mainly attributable to commission due to real estate agents for Macdonald House in FY2021.

##### General and administrative expenses

General and administrative expenses of S\$5.34 million included foreign exchange differences, staff costs, depreciation expenses, professional fees, directors' fees and office expenses. The 46% increase from S\$3.66 million in FY2021 to S\$5.34 million in FY2022 was mainly attributable to foreign exchange losses with the Group's exposure to Indonesian Rupiah.

##### Finance costs

Finance costs has more than doubled from S\$2.04 million in FY2021 to S\$4.23 million in FY2022 due to the higher interest rates charged by banks during FY2022.

##### Share of results of a joint venture, net of tax

The share of loss of S\$0.45 million in FY2022 via-à-vis the share of gain of S\$0.29 million in FY2021 was mainly due to the impairment loss recognised from the market valuation of the four retail units held by its subsidiary.



## Pollux Properties Ltd. and its Subsidiaries

### Notes to the condensed interim consolidated financial statements

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#### Income tax expense

The decline in income tax expenses of S\$0.30 million from S\$0.96 million in FY2021 to S\$0.66 million in FY2022 was mainly due to the increase of non-taxable income, mainly arising from fair valuation gain of investment properties in FY2022.

As a result of the above, the Group recorded a net profit of approximately S\$6.49 million in FY2022 as compared to S\$3.99 million in FY2021.

#### Statement of Financial Position

The financial position of the Group remained strong with net assets of S\$205.96 million as at 31 December 2022. The Group's cash and cash equivalents stood at S\$9.59 million as at 31 December 2022 as compared to S\$27.69 million as at 31 December 2021.

#### Assets

The Group's total assets stood at S\$377.91 million as at 31 December 2022 as compared to S\$373.28 million as at 31 December 2021. The increase of S\$4.63 million was mainly due to (i) fair valuation gain of investment properties of S\$4.63 million; (ii) the increase in property, plant and equipment of S\$16.97 million due to the acquisition of properties; the increase in other receivables and deposits of S\$1.88 million, partially offset by (iv) the decrease in investment in a joint venture of S\$0.45 million due to share of loss; and (v) decrease in cash balances of S\$18.10 million utilised by the Group for operational, investing and financing activities.

#### Liabilities

Total liabilities stood at S\$171.95 million as at 31 December 2022 as compared to S\$173.68 million as at 31 December 2021. The decrease of S\$1.73 million was mainly due to (i) the repayment of the current portion of loans and borrowings of S\$6.27 million; (ii) the partial repayment of the loan from joint venture of S\$0.68 million; partially offset by (iii) increase in trade and other payables of S\$4.12 million; and (iv) increase in unearned revenue under contract liabilities of S\$0.70 million.

As at 31 December 2022, the Group's current liabilities exceeded its current assets by \$22,215,522 (31 December 2021: current assets exceeded its current liabilities by \$822,921). The acquisition of the three hotel properties ("properties") in Bekasi, Indonesia during the year were funded internally by cash. The properties are currently classified as non-current assets resulting in the Group's net current liability position as at 31 December 2022.

#### Consolidated cash flow statement

The Group's cash and cash equivalents decreased by S\$18.10 million mainly due to the following:

- 1) Net cash flows generated from operating activities of S\$8.22 million was mainly due to (i) receipts from contract assets; (ii) increase in other receivables and deposits; (iii) increase other payables; partially offset by (iv) payment of income tax and interest;
- 2) Net cash flows used in investing activities of S\$19.56 million was mainly due to (i) purchase of plant, property and equipment; and (ii) additions to investment properties; and
- 3) Net cash flows used in financing activities of S\$6.95 million was mainly due to (i) repayment of loans and borrowings; and (ii) repayment of loan from joint venture.

#### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed to shareholders.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any know factors or events that may affect the group in the next reporting period and the next 12 months.**

Based on advance estimates published by the Ministry of Trade and Industry ("MTI"), the Singapore economy grew by 2.2% on a year-on-year basis in the fourth quarter of 2022.<sup>1</sup> For the whole year of 2022, the economy grew by 3.8%, slower than 7.6% growth in 2021. Singapore's economic growth is expected to slow in 2023 to 0.5% to 2.5% amid global uncertainties.<sup>2</sup> In MTI's forecast for 2023, Gross Domestic Product growth rates in major economies are expected to moderate further from 2022 levels and global supply disruptions are likely to continue. The strong recovery in air travel and international visitor arrivals will continue to benefit the aviation and tourism related sectors, however significant uncertainties and downside risks in the global economy remain. Singapore's growth momentum is expected to slow further in 2023 and a technical recession within the next three quarters could be imminent.<sup>3</sup>

Private residential prices in Singapore are expected to rise moderately in 2023 due to the current climate of persistent inflation, rising interest rates and weaker economic growth. The latest cooling measures introduced by the Singapore Government on September 2022 are expected to moderate housing demands and promote prudent borrowings.<sup>4</sup> Private residential rents could rise 13% to 16% at slower pace compared to 2022 due to the influx of new inventory in 2023.<sup>5</sup> Office rents are expected to cool down as firms assess their expansion plans due to economic headwinds.<sup>6</sup> The number of technology firms announcing large-scale layoffs may also derail the office sector rental recovery. Office and business park space will become available due to the staff reductions notwithstanding a firm "return-to-office demand" in 2022.<sup>7</sup>

The Indonesian economy remains resilient as Bank Indonesia projects solid national economic growth in 2023 from 4.5% to 5.3%.<sup>8</sup> Indonesia expects significant tourism recovery in 2023 and aims to attract up to 7.4 million international arrivals. 2023 is expected to be an opportune time for expediting the growth of Indonesia's tourism sector with the Indonesian Government planning to hold several prominent tourism events. Efforts to improve tourism facilities and infrastructure coupled with ease of transportation is expected to set path for a stronger recovery.<sup>9</sup>

The Group is exercising prudence in cash flow management and taking initiatives to defer non-essential capital expenditure. The Group will continue to remain cautious when seeking accretive land and investments locally and abroad.

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<sup>1</sup><https://www.mti.gov.sg/Newsroom/Press-Releases/2023/01/Singapore-GDP-Grew-by-2.2-Per-Cent-in-the-Fourth-Quarter-of-2022-and-by-3.8-Per-Cent-in-2022>

<sup>2</sup><https://www.channelnewsasia.com/singapore/singapore-economic-growth-forecast-slow-2023-global-uncertainties-3094441>

<sup>3</sup>[https://www.dbs.com.sg/treasures/templatedata/article/generic/data/en/GR/112022/221129\\_insights\\_singapore.xml#](https://www.dbs.com.sg/treasures/templatedata/article/generic/data/en/GR/112022/221129_insights_singapore.xml#)

<sup>4</sup><https://www.dbs.com.sg/personal/articles/nav/my-home/property-cooling-measures-sep-2022>

<sup>5</sup><https://www.bloomberg.com/news/articles/2022-12-23/singapore-rents-forecast-to-rise-at-slower-pace-next-year#:~:text=Singapore's%20private%20rents%20are%20expected,%2C%20researcher%20OrangeTee%20%26%20Tie%20estimates>

<sup>6</sup><https://sbr.com.sg/commercial-property/news/demand-office-spaces-cool-down-in-2023-cw>

<sup>7</sup><https://www.edgeprop.sg/property-news/tech-layoffs-how-badly-will-office-market-be-hit>

<sup>8</sup>[https://www.bi.go.id/en/publikasi/ruang-media/news-release/Pages/sp\\_243222.aspx](https://www.bi.go.id/en/publikasi/ruang-media/news-release/Pages/sp_243222.aspx)

<sup>9</sup><https://en.antaranews.com/news/271056/2023-an-opportune-time-for-accelerating-tourism-growth-president>

**11.Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on?**

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

None.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for FY2022 as cash flows are being directed to funding the Group's operating activities and the Company was in an accumulated loss position as at 31 December 2022.

**13. If the group obtained a general mandate from shareholders for IPT's, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii), If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have any general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Catalist Rules.

**14. Disclosure pursuant to Rule 706A of the Catalist Rules**

There were no acquisitions or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group in the six-month period ended 31 December 2022.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the Catalist Rules.**

The Company confirms that it has procured all the required undertakings from all directors and executive officers of the Company pursuant to Rule 720(1) of the Catalist Rules.

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to item 8 above for information.

## Pollux Properties Ltd. and its Subsidiaries

### Notes to the condensed interim consolidated financial statements

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#### 17. A breakdown of sales as follows:

	12 months ended 31 December 2022 (S\$'000) <sup>(1)</sup>	12 months ended 31 December 2021 (S\$'000) <sup>(2)</sup>	Change %
a) Sales reported for the first half year	6,380	4,519	41.2
b) Operating profit/(loss) after tax before deducting non-controlling interests reported for the first half year <sup>(1)(2)</sup>	1,973	(181)	N.M
c) Sales reported for the second half year	7,415	4,608	60.9
d) Operating profit after tax before deducting non-controlling interests reported for the second half year	4,514	4,174	8.2

Notes:

- (1) First half of the year for 12 months ended 31 December 2022 refers to the six-month period from 1 January 2022 to 30 June 2022.
- (2) First half of the year for 12 months ended 31 December 2021 refers to the six-month period from 1 January 2021 to 30 June 2021.

#### 18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Not applicable as no dividend was declared for FY2022 or FY2021.

#### 19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.

None of the persons occupying managerial positions in the Company and its principal subsidiaries in FY2022 is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules.

#### BY ORDER OF THE BOARD OF DIRECTORS

Jacob Lee  
Executive Director and CEO

28 February 2023