

APPENDIX DATED 4 APRIL 2023

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Appendix is issued by Pollux Properties Ltd. (the “Company”, and together with its subsidiaries, the “Group”). If you are in any doubt about the contents of this Appendix or the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or any other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company (the “Shares”) held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Appendix to the purchaser or transferee as arrangements will be made by the CDP for a separate Appendix and the accompanying Proxy Form (as defined herein) to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s) which are not deposited with the CDP, you should immediately forward this Appendix, together with the annual report of the Company for the financial year ended 31 December 2022 (“Annual Report”), the Notice of AGM and the accompanying Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Capitalised terms appearing on the cover of this Appendix have the same meanings as defined herein.

This Appendix is circulated to the Shareholders together with the Company’s Annual Report. The purpose of this Appendix is to provide Shareholders with information relating to, and seek Shareholders’ approval for, the Proposed Change of Auditors at the 2022 AGM (as defined herein).

This Appendix has been prepared by 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 (the “SGX-ST”) Listing Manual Section B: Rules of Catalist (the “Catalist Rules”).

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

The contact person for the Sponsor is Mr. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.



POLLUX
PROPERTIES

POLLUX PROPERTIES LTD.

(Company Registration No.199904729G)
(Incorporated in the Republic of Singapore)

APPENDIX TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED CHANGE OF AUDITORS FROM
ERNST & YOUNG LLP TO FOO KON TAN LLP**

TABLE OF CONTENTS

DEFINITIONS	2
LETTER TO SHAREHOLDERS	
1. INTRODUCTION	5
2. THE PROPOSED CHANGE OF AUDITORS	5
3. NOTICE OF NOMINATION	7
4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	7
5. AUDIT COMMITTEE'S RECOMMENDATION	8
6. DIRECTORS' RECOMMENDATION	8
7. ACTION TO BE TAKEN BY SHAREHOLDERS	8
8. DIRECTORS' RESPONSIBILITY STATEMENT	9
9. DOCUMENTS FOR INSPECTION	9
ANNEX A – NOTICE OF NOMINATION	A-1

DEFINITIONS

In this Appendix, the following definitions apply throughout unless the context otherwise requires or is otherwise stated:

“2022 AGM”	: The annual general meeting of the Company to be held on 27 April 2023 at 2.00 p.m. by way of electronic means, notice of which is set out in the Notice of AGM
“AC”	: The audit committee of the Company as at the date of this Appendix comprising Mr. Tan Lye Heng Paul, Mr. Phua Cher Chew and Mr. Brian Praneda
“ACRA”	: The Accounting and Corporate Regulatory Authority of Singapore
“Annual Report”	: The annual report of the Company for the financial year ended 31 December 2022
“Appendix”	: This appendix dated 4 April 2023 in respect of the Proposed Change of Auditors
“Auditors”	: The external auditors appointed by the Group
“Board”	: The board of directors of the Company as at the date of this Appendix
“Catalist Rules”	: The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
“CDP”	: The Central Depository (Pte) Limited
“Company”	: Pollux Properties Ltd.
“Companies Act”	: The Companies Act 1967
“Constitution”	: The constitution of the Company, as amended, modified or supplemented from time to time
“Directors”	: The directors of the Company as at the date of this Appendix
“EY”	: Ernst & Young LLP
“FKT”	: Foo Kon Tan LLP
“FY”	: Financial year ended 31 December
“Group”	: The Company and its subsidiaries, collectively
“Latest Practicable Date”	: 14 March 2023, being the latest practicable date prior to the date of this Appendix
“Notice of AGM”	: The notice of the 2022 AGM dated 4 April 2023
“PMP”	: Practice monitoring programme
“Proposed Change of Auditors”	: The proposed change of auditors of the Company from EY to FKT
“Proxy Form”	: The proxy form in respect of the 2022 AGM as set out in the Annual Report

“Securities Account”	: A securities account maintained by a Depositor with the CDP, but does not include a securities sub-account
“SFA”	: The Securities and Futures Act 2001, as amended, modified or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders of Shares in the register of members of the Company, except that where the registered holder is the CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares”	: Ordinary shares in the capital of the Company
“Sponsor”	: Novus Corporate Finance Pte. Ltd.
“Substantial Shareholder”	: A person (including a corporation) who has an interest or interests in one or more voting Shares in the Company, and the votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company
“%”	: Percentage or per centum
“S\$”	: Singapore dollars

The terms **“Depositor”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

The term **“treasury shares”** shall have the meaning ascribed to it in Section 4 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word defined in the Companies Act, SFA and the Catalist Rules or any statutory modification thereof and used in this Appendix shall, where applicable, have the meaning ascribed to it under the Companies Act, SFA and the Catalist Rules or any statutory modification thereof (as the case may be) unless otherwise provided.

Any reference to a time of a day and date in this Appendix shall be a reference to Singapore time and date, respectively, unless otherwise stated.

The total of figures listed in certain tables included in this Appendix may not be the same as the arithmetic sum of the figures. Any such discrepancies are due to rounding.

POLLUX PROPERTIES LTD.
(Company Registration No. 199904729G)
(Incorporated in the Republic of Singapore)

Directors:

Mr. Phua Cher Chew (Non-Executive Independent Chairman)
Mr. Jacob Lee Yen Min (Executive Director & Chief Executive Officer)
Mr. Tan Lye Heng Paul (Independent Director)
Mr. Brian Praneda (Independent Director)

Registered Office:

554 Havelock Road
Singapore 169639

4 April 2023

To: **The Shareholders of Pollux Properties Ltd.**

Dear Sir/Madam,

THE PROPOSED CHANGE OF AUDITORS FROM ERNST & YOUNG LLP TO FOO KON TAN LLP

1. INTRODUCTION

- 1.1. The Board is seeking Shareholders' approval at the 2022 AGM for the proposed change of auditors from Ernst and Young LLP ("EY") to Foo Kon Tan LLP ("FKT") ("**Proposed Change of Auditors**").
- 1.2. The purpose of this Appendix is to provide Shareholders with the relevant information relating to, and to explain the rationale for, the Proposed Change of Auditors, and to seek Shareholders' approval in respect of the same at the 2022 AGM. The Notice of AGM is enclosed in the Annual Report.
- 1.3. **Shareholders are advised that the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.**

2. THE PROPOSED CHANGE OF AUDITORS

2.1. Rationale

- 2.1.1. EY has served as the Company's Auditors since the financial year ended 31 March 2003, and their re-appointment was approved by Shareholders at the Company's last annual general meeting held on 27 April 2022, to hold office until the conclusion of the next annual general meeting of the Company being the 2022 AGM.
- 2.1.2. As part of the Group's initiatives in good corporate governance, and ongoing efforts to manage its overall business costs and expenses, the Company is of the view that it would be appropriate and timely to effect a change of Auditors of the Company. The Board is of the view that it would be an opportune time to review the appointment of auditors as the review would provide the Group with an opportunity to benchmark its audit fees and realise cost efficiencies. A change of auditors would also allow the Company to benefit from fresh perspectives and have access to the views of a new professional audit firm, which would in turn enhance the value of the audit of the Group. Accordingly, EY had, on 29 March 2023, informed the Company that they will not be seeking re-appointment at the 2022 AGM.
- 2.1.3. Following a review and evaluation of profile information and proposals of the shortlisted audit firms, the AC had recommended to the Board that FKT be selected for the proposed appointment as Auditors of the Company. FKT was selected after taking into account, *inter alia*,

the suitability and independence of FKT in meeting the audit requirements of the Group, the adequacy of the resources and experience of FKT and the years of experience of its core audit service team members assigned to the audit. Other factors which were considered include the diversified audit clientele of FKT, including the number of SGX-listed companies and FKT's presence in Singapore.

The Board and the AC have also considered the Audit Quality Indicators Disclosure Framework issued by ACRA in assessing the suitability of FKT, and are of the view that FKT will be able to fulfil the audit requirements of the Company and the Group without compromising the standard and effectiveness of the audit of the Company and the Group. The Board also noted that the audit fees proposed by FKT are acceptable. The Proposed Change of Auditors will allow the Group to save approximately S\$78,000 in audit fees in comparison to the audit fees proposed by EY for FY2023. There will be no change in the scope of the audit services, and the Company does not expect the reduction in cost to affect the standards and effectiveness of the audit to be undertaken.

- 2.1.4. In this regard, EY will retire as Auditors upon the conclusion of the Company's 2022 AGM. The Company has received a notice of nomination from Pollux Holdings Pte. Ltd., a substantial shareholder of the Company, nominating FKT for appointment as the Auditors of the Company at the forthcoming AGM of the Company.
- 2.1.5. FKT has, on 4 April 2023, given their written consent to act as the Auditors of the Group, subject to Shareholders' approval at the 2022 AGM.
- 2.1.6. The appointment of FKT would be effective upon obtaining Shareholders' approval at the 2022 AGM. If approval is obtained, FKT will hold office as the Auditors until the conclusion of the next annual general meeting.
- 2.1.7. The Board wishes to express its appreciation for the past services rendered by EY.

2.2. Information on FKT

- 2.2.1. FKT is one of Singapore's most established and respected accountancy practices and is amongst the top seven accountancy practices in Singapore with 21 partners and directors, with close to 225 experienced professional staff providing assurance, tax and advisory services. FKT's audit and assurance team comprises over 125 staff, including 11 partners. It provides external audit, tax and advisory services for multiple publicly listed corporations in Singapore, including, among others, real estate clients.

Mr. Chan Ser ("**Mr. Chan**") will be the audit partner in-charge of the Group's audit. Mr. Chan has had more than 19 years of audit experience. Mr. Chan's audit experience covers local and multi-national companies, including companies listed on the SGX-ST, in a wide range of industries, including real estate, aerospace, pharmaceutical, healthcare and diversified industrials. Mr. Chan is a member of the Institute of Singapore Chartered Accountants, and a public accountant registered with ACRA.

- 2.2.2. Mr. Chan has not been subjected to any PMP review conducted by ACRA.

2.3. Compliance with Rules 712 and 716 of the Catalist Rules

- 2.3.1. The AC has recommended the Proposed Change of Auditors after having reviewed and deliberated, and having considered the suitability of FKT and compliance with the Catalist Rules.
- 2.3.2. Pursuant to Rule 712(1) of the Catalist Rules, the Board, with the concurrence of the AC, having considered the adequacy of the resources and experience of FKT and its other audit

engagements, the audit partner-in-charge assigned to the audit, the size and complexity of the Group's operations, and the number and experience of supervisory and professional staff assigned to the audit, is of the opinion that the appointment of FKT as the Auditors will be able to meet the audit requirements of the Group. FKT is registered with ACRA and the proposed audit partner in-charge, Mr. Chan, is registered as a public accountant under Section 12(1) of the Accountants Act 2004 and is authorised to practise as a public accountant in Singapore. Accordingly, Rules 712(1) and 712(2) of the Catalist Rules have been complied with.

2.3.3. Pursuant to Rule 715(1) read with Rule 716 of the Catalist Rules, the Board confirms that upon obtaining Shareholders' approval for the Proposed Change of Auditors, FKT will also be appointed as the statutory auditors of the Company's subsidiaries incorporated in Singapore, save for Stirling Fort Capital Pte Ltd ("**Stirling Fort**"), a wholly-owned Singapore-incorporated subsidiary of the Company. JC Allianz & Co has been the auditors for Stirling Fort since 31 March 2018, and will continue to be so. The Board notes that there have been no issues noted or raised historically as part of the consolidation of the Group's accounts, and does not expect any concerns going forward. As such, the Board and the AC have reviewed the appointment of JC Allianz & Co and are satisfied that the appointment of JC Allianz & Co as the auditors for Stirling Fort will not compromise the standard and effectiveness of the audit of the Company. The Company does not have any Singapore-incorporated significant associated companies, or any significant foreign-incorporated subsidiaries and associated companies. Accordingly, Rule 716 of the Catalist Rules has been complied with.

2.3.4. **Confirmations**

In compliance with Rule 712(3) of the Catalist Rules:

- (a) EY has confirmed in its letter to FKT dated 3 April 2023 that they are not aware of any professional reasons why FKT should not accept appointment as the Auditors; and
- (b) The Company confirms that:
 - (i) there were no disagreements with EY on accounting treatments within the last 12 months;
 - (ii) it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders;
 - (iii) the specific reasons for the Proposed Change of Auditors are as set out in paragraph 2.1 above; and
 - (iv) it is in compliance with Rules 712 and 716 of the Catalist Rules in connection with the appointment of FKT as the Auditors.

3. **NOTICE OF NOMINATION**

Pursuant to Section 205 of the Companies Act, a copy of the notice of nomination of the proposed new Auditor dated 13 February 2023 from a Shareholder is attached in Annex A.

4. **DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS**

As at the Latest Practicable Date, the interests of the Directors and the Substantial Shareholders in the issued share capital of the Company as recorded in the register of Directors' shareholdings and the register of Substantial Shareholders of the Company respectively, are set out below:

Name	Direct Interests No. of Shares	%(¹)	Deemed Interests No. of Shares	%(¹)
Directors				
Mr. Phua Cher Chew	-	-	-	-
Mr. Jacob Lee Yen Min	-	-	-	-
Mr. Tan Lye Heng Paul	-	-	-	-
Mr. Brian Praneda	-	-	-	-
Substantial Shareholders				
Pollux Holdings Pte. Ltd.	1,713,242,325	62.09	-	-
PT. Pollux Multi Artha ⁽²⁾	-	-	1,713,242,325	62.09
Nico Purnomo Po ⁽³⁾	-	-	1,713,242,325	62.09
Fortress Global Opportunistic Fund SPC	770,000,000	27.90	-	-

Notes:

- (1) The percentage of shareholdings is computed based on the issued and paid-up share capital of the Company comprising 2,759,468,325 Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) PT. Pollux Multi Artha is the sole shareholder of Pollux Holdings Pte. Ltd. By virtue of section 7 of the Companies Act, PT. Pollux Multi Artha is deemed interested in the Shares held by Pollux Holdings Pte. Ltd.
- (3) PT. Pollux Multi Artha is 99.99% owned by Dr. Nico Purnomo Po. Dr. Nico Purnomo Po is deemed to be interested Shares held by Pollux Holdings Pte. Ltd., by virtue of section 7 of the Companies Act.

Save as disclosed in this Appendix, none of the Directors and Substantial Shareholders have any interest, direct or indirect, in the Proposed Change of Auditors, other than through their respective shareholdings in the Company.

5. AUDIT COMMITTEE'S RECOMMENDATION

The AC has reviewed the Proposed Change of Auditors and recommended the appointment of FKT as the Auditors in place of EY, after taking into account the suitability and independence of FKT to meet the audit requirements of the Group, the various factors set out in Section 2 of this Appendix and compliance with the requirements of the Catalist Rules.

6. DIRECTORS' RECOMMENDATION

The Directors, having considered the rationale for the Proposed Change of Auditors and the recommendations of the AC, are of the view that the Proposed Change of Auditors is in the best interests of the Company, and accordingly, recommend that Shareholders vote in favour of the ordinary resolution in respect of the Proposed Change of Auditors, as set out in the Notice of AGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

- 7.1. The 2022 AGM is being convened, and will be held by way of 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.
- 7.2. Shareholders should refer to the Notice of AGM, this Appendix and the accompanying Proxy Form which have been uploaded on SGXNET and the Company's website at <http://pollux.com.sg/>, for further information, including the steps to be taken by Shareholders to participate at the 2022 AGM.
- 7.3. A Depositor shall not be regarded as a member of the Company entitled to attend and vote at the 2022 AGM unless his/her name appears on the Depository Register as at 72 hours before the time appointed for holding the 2022 AGM, as certified by the CDP to the Company.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Change of Auditors, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

9. DOCUMENTS FOR INSPECTION

9.1. Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Appendix up to and including the date of the AGM:

- (i) the Constitution;
- (ii) the Annual Report;
- (iii) the notice of nomination of the proposed new Auditors from a Shareholder of the Company;
- (iv) the professional clearance letter from EY; and
- (v) the letter of consent to act as Auditors from FKT.

9.2. Shareholders who wish to inspect the above documents at the registered office of the Company are required to contact the Company to make an appointment in advance.

**BY ORDER OF THE BOARD OF
Pollux Properties Ltd.**

Jacob Lee Yen Min
Executive Director and Chief Executive Officer

ANNEX A – NOTICE OF NOMINATION

POLLUX HOLDINGS PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.:201424097K)

Date: 13 February 2023

The Board of Directors
Pollux Properties Ltd.
554 Havelock Road
Singapore 169639

Dear Sirs

NOTICE OF NOMINATION OF NEW AUDITORS

We, Pollux Holdings Pte. Ltd., a member of Pollux Properties Ltd. (the “Company”), hereby give notice pursuant to Section 205(11) of the Companies Act 1967, of our nomination of Messrs Foo Kon Tan LLP for appointment as auditors of the Company, in place of the retiring Auditors, Messrs Ernst & Young LLP at the Company’s forthcoming Annual General Meeting (the “AGM”), to be held on 27 April 2023 at 2.00 p.m.

Accordingly, we propose the following resolution as an ordinary resolution at the Company’s AGM:-

“ORDINARY RESOLUTION

APPOINTMENT OF AUDITORS

THAT Messrs Foo Kon Tan LLP, Singapore, be appointed Auditors of the Company in place of the retiring Auditors, Messrs Ernst & Young LLP, to hold office until the conclusion of the next Annual General Meeting at a fee to be determined by the Board of Directors.”

Yours faithfully
For and on behalf of
Pollux Holdings Pte. Ltd.



Director