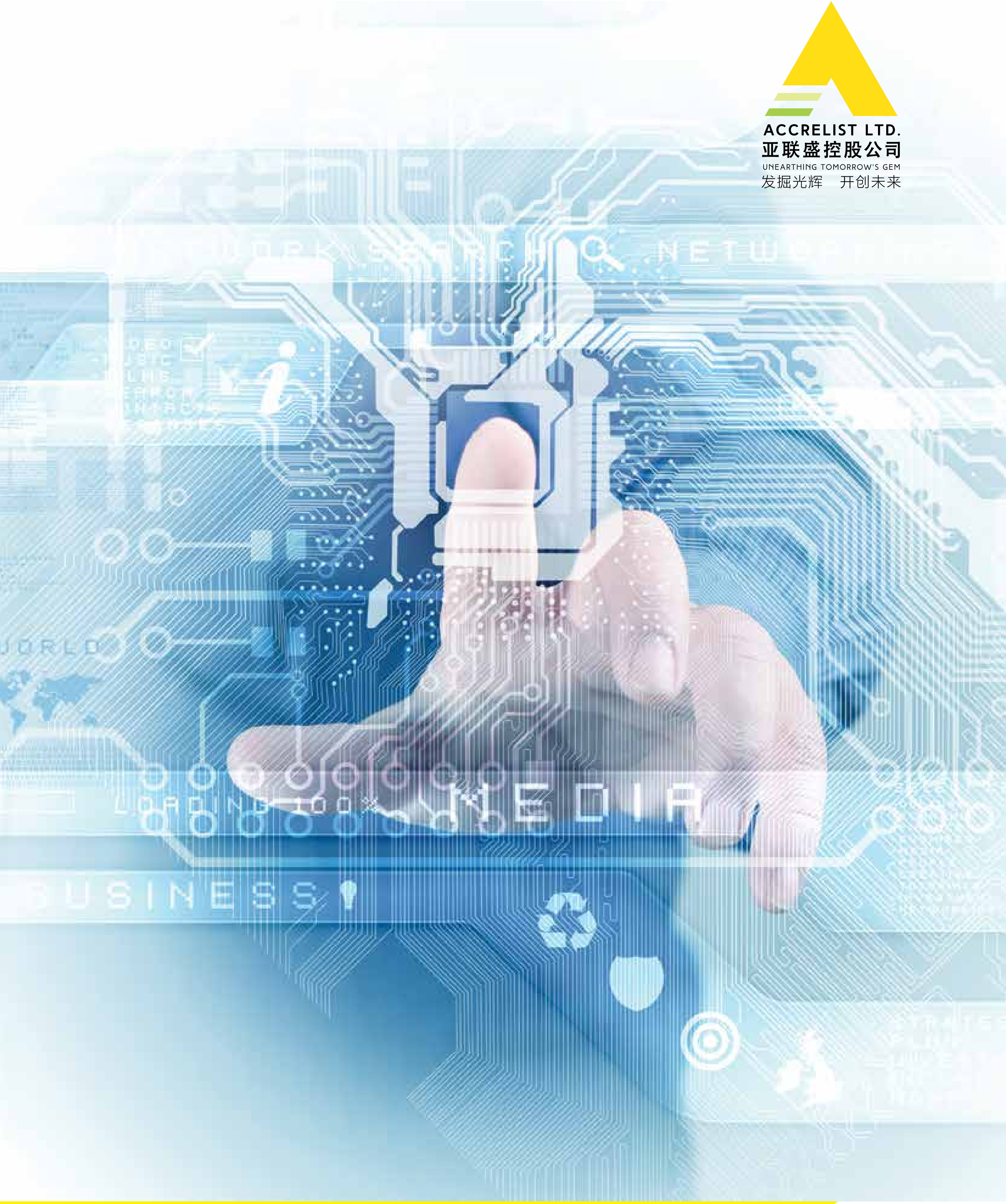
ACCRELIST LTD.
亚联盛控股公司
UNEARTHING TOMORROW'S GEM
发掘光辉　开创未来



ANNUAL REPORT **2017**

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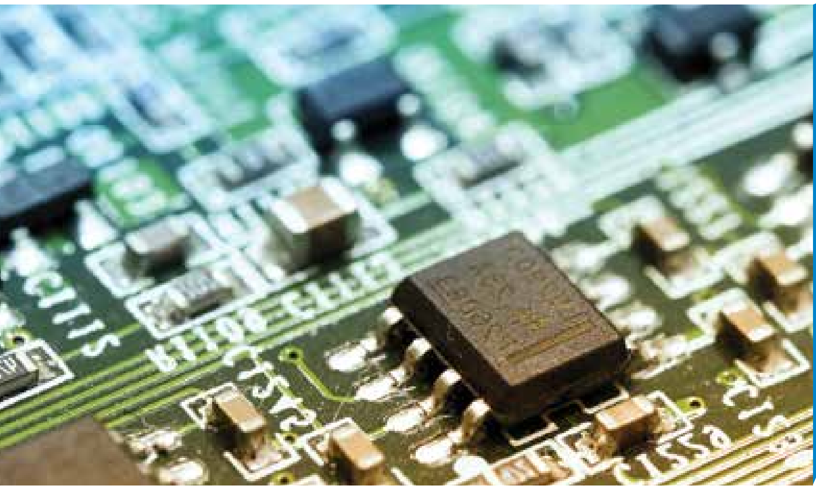
This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd., (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST and 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 Mr Nathaniel C.V., Registered Professional, RHT Capital Pte. Ltd.

Address: Six Battery Road #10-01, Singapore 049909 Tel: 6381 6946

Corporate Profile



Formerly known as WE Holdings Ltd, Accrelist underwent a name change in 2016, in tandem with its strategic shift into a provider of Corporate Accretion Services. In view of the constant demand for corporate financing, Accrelist sees potential and opportunities in Corporate Accretion Services especially in the Education and Financial Technology (Fintech) sectors in which Accrelist has a diversified focus.

Accrelist engages in commodities and systems distribution through its subsidiaries and associate companies.

We seek to create long-term value for our investors and business partners by unlocking and adding value to companies we invest in. We remain committed to exploring new business opportunities for synergistic growth within the Asia-Pacific region.

MISSION STATEMENT

At Accrelist Ltd ("Accrelist"), our mission is to uncover new business opportunities and build sustainable businesses by developing creative strategies for unlocking value and maximising long-term shareholder returns.

BUSINESS PHILOSOPHY

People are an integral part of our business and they are at the core of our business philosophy. We are committed to building long-term relationships with our business partners, investors and colleagues. Led by a strong leadership team and guided by the highest standards of integrity and professionalism, we aim to deliver value to all our stakeholders.

VISION

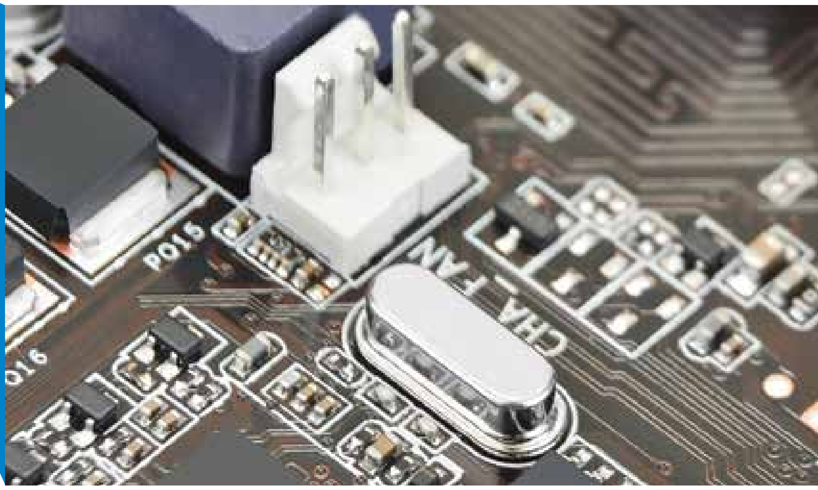
Our vision is to deliver long-term shareholders' value through:

> Focused management expertise

> Excellent market knowledge

> An entrepreneurial spirit

Chairman's Message



Dear Shareholders,

A Year of Significant Corporate Development

FY2017 was a significant year of change and revitalisation for Accrelist. We have successfully sought shareholders' approval for our transformation into the provision of Corporate Accretion Services with additional diversified focus in Education and Financial Technology or Fintech. In tandem, shareholders' approval was also successfully obtained for the name change of our Group from WE Holdings Ltd to Accrelist Ltd, to better reflect our new vision and objectives.

As we have reiterated to shareholders, we believe that Corporate Accretion Services is advantageous to and is a viable business model for Accrelist in the coming years due to the constant need for corporate financing in these sectors. At the same time, the Company would be able to maximize the potential of its current resources to expand its business lines and capitalise on growth opportunities to increase the value and market competitiveness of the Group as a whole. With our experience in managing a wide variety of businesses over the years, we are quietly confident that these Corporate Accretion Services will start to bear fruits in the years ahead.

We are also pleased to have received investor interest in the form of a S$4.0 million convertible loan exercise which was carried out with Singapore Rixin Zhonghe Investment Pte Ltd in November 2016. This sign of continued confidence gives us much encouragement to continue pushing ahead for better performance within our various businesses.

Therefore, for much of FY2017, we continued to push on and focus on the core businesses of the Group at hand, which were mainly the systems and commodities business.

Brief Overview of FY2017

Whilst FY2017 continues to be a challenging year for commodities-focused industry players, the Group has remained resilient. In the twelve months of financial year ended 31 March 2017 ("FY2017"), the Group registered a turnover of US$0.6 million. This represented a decline of 77% or US$2.1 million as compared to US$2.7 million for the comparative twelve months for financial year ended 31 March 2016 ("FY2016"). The decline was mainly due to weaker demand in the products and commodities of the Group as compared to FY2016. Gross profits for FY2017 remains as US$0.1 million compared to FY2016 of US$0.4 million.

Nonetheless, despite the challenging performance of our commodities business in FY2017, we are very pleased to note the significant improvement in the performance of our associate company, Jubilee Industries Holdings Limited ("JIH"). JIH posted higher full year revenue, which gained 28.6% to S$108.8 million in FY2017, compared to S$84.6 million in the previous year. This growth was driven mainly by its Electronic Components distribution segment, which recorded a sterling 39.8% improvement in revenue to S$100.4 million as compared to S$71.8 million in FY2016.

JIH also added two new product lines from NeoPhotonics Corporation, which is listed on NYSE, and Taiwan-based Innodisk Corporation, which entered into significant distributorship agreements with JIH during the year.

JIH's improvement can be said to have been due in part to Accrelist's support in its market expansion efforts as well as review exercises for cost and capital control improvements.

Outlook And Future Plans

Accrelist Ltd has also been in the midst of formalising the conversion of its convertible loan and direct loan made to JIH. The loan agreement was entered into to support JIH in its working capital requirements and help enable it to realise its full potential

in the electronic components business. The convertible loan was successfully completed on 28 June 2017, following receipt of the listing and quotation notice from the Singapore Exchange Securities Trading Limited ("SGX-ST") for the listing and quotation of the Conversion Shares on the Catalist board. With Accrelist's increased stake in JIH, we envision for JIH to become a significant contributor to the performance of Accrelist in the years ahead.

Although the landscape of the Group's regional resources business will continue to be challenging, we will work with JIH as well as our other associated companies and subsidiary corporations to improve their performance from the standpoint of both market expansion and cost control, as well as credit and financial management. While much work still lies ahead of us, our priority in the year ahead would be to steady the ship and channel more resources to focus on JIH's much-improved components business.

In the area of Corporate Accretion Services, the Group has been looking into prospective education and financial technology (i.e. crowd funding and e-wallet) business, with a view to helping small and medium size enterprises as well as start-ups raise capital and put them on the right track for the future. We intend to utilise our experience in marketing, capital raising and cost control to help these companies navigate volatile operating environments.

Nonetheless, we remain selective and cautious in our approach to these sectors. Overall, against a challenging outlook in the global economy, the Group will remain vigilant on cost, credit and cash management in response to the volatile operating environment as it carries out its expansion strategies.

A Note of Appreciation

In closing, I would like to thank all our valued shareholders, business partners and staff who have continued to support us amid these challenging times. Accrelist is committed to staying focused in uncovering new business opportunities which will be of long-term benefit to the Group and to build a sustainable business that maximises value for its shareholders.

Last but not least, on behalf of the Board of Directors and management of Accrelist, I would like to register a sincere note of appreciation and gratitude to Mr Wan Tai Foong and Mr Oh Choon Gan, our Independent Directors who will be retiring pursuant to the upcoming Annual General Meeting. Their wisdom and guidance over the past few years have helped Accrelist maintain a steady path as we look towards the future with optimism.

Thank you.

Mr Terence Tea
Executive Chairman and Managing Director
Accrelist

Financial and Operations Review

For the financial year ended 31 March 2017 ("FY2017"), the Group registered a turnover of US$0.6 million, which represented a 77% decline or US$2.1 million compared to US$2.7 million for the previous 12 months ended 31 March 2016 ("FY2016").

The turnover decline was mainly due to the weak demand in the products and commodities of the Group in FY2017 compared to FY2016. This was however partly mitigated by the turnover contribution from the Group's systems segment. Gross profit for FY2017 was US$0.1 million against FY2016's US$0.4 million.

Other credits was US$3.1 million for FY2017 as compared to US$1.1 million in FY2016. The increase of US$2.0 million in FY2017 was mainly due to the increase in fair value gain on financial liability carried at fair value and fair value gain on a derivative financial instrument of US$0.5 million and US$2.0 million respectively. The increase was offset by the lesser write back of trade and other payables of US$0.4 million and the gain on expiration of warrants of US$0.2 million in FY2016.

The Group's operating expenses rose to US$7.8 million in FY2017 from US$3.3 million in the previous corresponding year. Marketing and distribution expenses decreased by 76% from US$0.2 million in FY2016 to US$0.05 million in FY2017. Administration expenses fell by 12% from US$2.1 million in FY2016 to US$1.8 million in FY2017 mainly due to the reduction in staff incentive expenses and operating cost for the Group's systems segment. Finance costs totalled US$0.1 million while other charges rose to US$5.8 million in FY2017 from US$1.0 million in FY2016. This was mainly due to the impairment of an associated company which totalled US$3.6 million and an allowance for impairment of trade and other receivables of US$1.5 million.

For FY2017, the Group incurred a one-off expense of US$5.1 million consisting of allowance for impairment of trade and other receivables and impairment of an associated company. Excluding this one-off expense, the loss from operating activities before tax stands at US$0.9 million.

BALANCE SHEET

The Group's non-current assets increased by US$2.4 million from US$12.3 million as at 31 March 2016 to US$14.7 million as at 31 March 2017. The increase was mainly due to a loan of US$8.3 million granted to an associated company. The increase was however offset by the impairment of an associated company of US$3.6 million, share of loss of associated company of US$1.5 million, and translation loss in associated company of US$0.8 million.

Current assets, which comprised mostly trade and other receivables, convertible loan, derivative financial instrument, and cash and cash equivalents, amounted to US$21.7million as at 31 March 2017. The reduction by US$7.2 million as compared to current assets of US$28.9 million as at 31 March 2016 was mainly due to the decrease in cash and cash equivalents due to a direct loan granted to an associated company and additional allowance for impairment of trade and other receivables.

Current liabilities, which consisted of income tax payable, trade and other payables, and other financial liabilities, amounted to US$3.4 million as at 31 March 2017 as compared to US$3.9 million as at 31 March 2016. The decrease was a result of lower trade and other payables of US$0.5 million, which was aligned to lower expenses after excluding one-off expenses relating to the impairment of an associate company of US$3.6 million and the impairment of trade and other receivables of US$1.5 million.

Non-current liabilities increased from US$1.6 million as at 31 March 2016 to US$3.8 million as at 31 March 2017. This increase was mainly due to the convertible loans obtained from Singapore Rixin Zhonghe Investment Pte. Ltd. in support of the new Corporate Accretion Services business focusing on education and financial technology sectors.

The Group's working capital was US$8.8 million as at 31 March 2017 as compared to US$25.0 million as at 31 March 2016. The decrease was in cash and cash equivalents and other receivables being formalised to a convertible loan and direct loan.

CASH FLOW STATEMENT

Net cash flow provided by operating activities for the financial year under review was US$6.4 million, comprising operating cash flows before working capital changes of US$2.8 million and working capital inflow of US$9.2 million.

The working capital inflow was mainly due to the decrease in trade and other receivables of US$9.8 million. This inflow was slightly offset by the decrease in trade and other payables of US$0.6 million.

Net cash used in investing activities for FY2017 of US$16 million was mainly due to a loan granted to an associate company, Jubilee Industrial Holdings Limited ("JIH") and the subscription of a convertible loan issued by JIH. Cash used in financing activities was US$3.3 million mainly due to the issuance of a convertible loan, the drawdown of cash restricted in use over three months as well as bank deposits pledged.

The Group's cash and cash equivalents was US$2.3 million as at 31 March 2017 as compared to US$8.5 million as of 31 March 2016, a net decrease of US$6.2 million.

Board of Directors

MR TERENCE TEA YEOK KIAN, 49

Executive Chairman and Managing Director

Academic and professional qualifications:
Ph.D. in Business Administration (Honorary) from Honolulu University
Diploma in Electronics and Electrical Engineering from Singapore Polytechnic

Date of first appointment as director: 11 March 2013
Date of last re-election as director: 25 July 2013
Length of service: 4 years
(as at 31 March 2017)

Served on the following Board Committee:
- Nominating Committee – Member

Present Directorships in other listed companies
Jubilee Industries Holdings Ltd. (Listed on SGX, Singapore)
EG Industries Berhad (Listed on Bursa Malaysia, Malaysia)

Present Principal Commitments
Executive Chairman and Managing Director – Accrelist Ltd.

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
(a paragraph summary)
Mr Terence Tea Yeok Kian is responsible for the strategic positioning, business expansion planning and development of the Group. He is responsible for strategizing businesses, building and establishing right platforms on organizational levels for various core businesses and lead corporations to successful acquisitions and reverse acquisitions thus revolving companies to greater heights. Mr Tea was known for his name when he kicked off with an impact founding a PCB testing company and eventually listed up in the SESDAQ board in 2004. He brought the company to a whole new level in a very short period of time where is was soon being uplifted to become one of the main board listing in 2007. Mr Tea is also an honorary patron of the Singapore Productivity Association and Sembawang Citizen's Consultative Committee, a member of River Valley School Advisory Committee, and Chairman of Eng Yong Tong Tay Si Association. He was awarded the Public Service Medal (PBM) by the President of the Republic of Singapore, as well as the Long Service Award (MOE) by Singapore's Ministry of Education. He is also the TOP Entrepreneur 2015 of the Small Medium Business Association in Singapore.

MR OH CHOON GAN, 55

Independent Non-Executive Director

Academic and professional qualifications:
Fellow member of the Chartered Association of Certified Accountants
Member of the Institute of Singapore Chartered Accountants
Diploma in Business Studies from Ngee Ann Polytechnic with major in accountancy

Date of first appointment as director: 16 August 2016
Date of last re-election as director: Nil
Length of service: 7 months
(as at 31 March 2017)

Served on the following Board Committees:
- Chairman - Audit Committee
- Chairman - Remuneration Committee
- Member - Nominating Committee

Present Directorships in other listed companies
Director - AMVIG Holdings Limited

Present Principal Commitments
Director - Equity Ventures International Holdings Limited
Director - Equity Ventures Global Management Limited
Director - PE Capitals Private Limited
Director - Octagon88 & Associates Pte. Ltd.

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
(a paragraph summary)
Mr Oh is currently the Managing Director of Octagon88 & Associates Pte Ltd – a business advisory company specialising in IPO, M&A and private equity investment. Mr Oh has many years of experience in financial advisory and corporate planning work in Singapore, PRC and Asia. Through his years of dealings, Mr Oh has established valuable communication channels and business networks with the professionals and local authorities in these countries.

Prior to becoming an entrepreneur, Mr Oh served as Chief Financial Officer of Asia Environment Holdings Ltd from August 2002 to Feb 2004 and was Advisor to his successor until August 2004 and he contributed significantly to the listing of Asia Environment Holdings in Singapore.

He is currently one of the Independent Directors of a HK listed Company and is a Fellow Member of the Chartered Association of Certified Accountants and a member of the Institute of Singapore Chartered Accountants.

Board of Directors

Served on the following Board Committees:
- Chairman - Nominating Committee
- Member - Audit Committee
- Member - Remuneration Committee

Present Directorships in other listed companies
Director - C&G Environmental Protection Holdings Limited

Present Principal Commitments
Director - WNLEX LLC

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
(a paragraph summary)
Mr Ng Li Yong is a lawyer with more than 15 years of experience and is currently a Director of WNLEX LLC, a full-service law firm. His area of practice includes corporate, commercial and intellectual property. Mr Ng sits on the board of various private companies and C&G Environmental Protection Holdings Limited, a public listed company in Singapore.

MR NG LI YONG, 45

Independent Non-Executive Director

Academic and professional qualifications:
Postgraduate Diploma in Singapore Law from National University of Singapore
Bachelor of Law from the University of Kent
Member of Law Society of Singapore
Member of Singapore Academy of Law

Date of first appointment as director: 11 June 2013
Date of last re-election as director: 14 August 2015
Length of service: 3 year 3 months
(as at 31 March 2017)

MR WAN TAI FOONG, 48

Independent Non-Executive Director

Academic and professional qualifications:
Bachelor of Commerce from Murdoch University, Western Australia
Member of CPA Australia

Date of first appointment as director: 26 February 2015
Date of last re-election as director: 14 August 2015
Length of service: 2 years 1 month
(as at 31 March 2017)

Served on the following Board Committees:
- Member - Audit Committee - Member
- Member - Remuneration Committee – Member

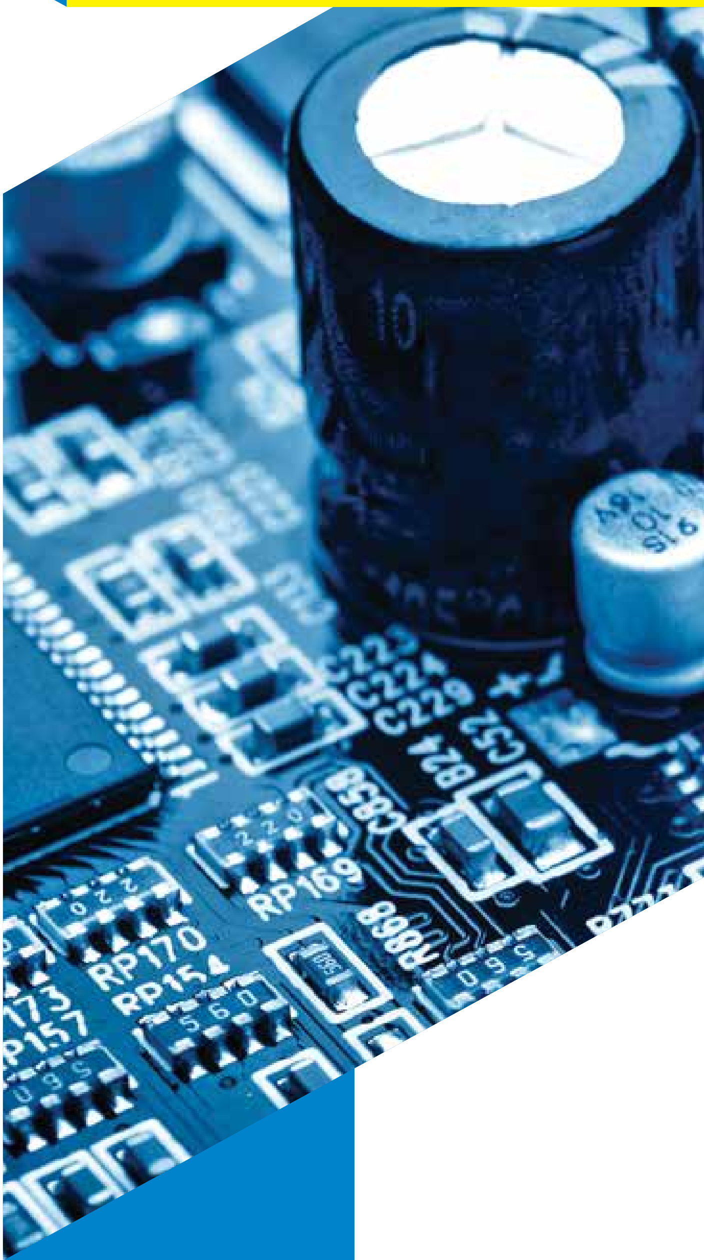
Present Directorships in other listed companies
Nil

Present Principal Commitments
CEO – Qi Capital Pte Ltd
Director - Ace Frontier Investments Ltd

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
(a paragraph summary)
Mr Wan Tai Foong currently is the CEO of Qi Capital Pte Ltd, a boutique advisory firm that advises private corporates on M&A and fund raising transactions. Mr Wan has over 20 years career in investment banking, with varied, in-depth exposure and experience to all aspects of mergers and acquisitions, restructuring and fund-raising transactions in different sectors.

Corporate Management



MR LOH ENG LOCK KELVIN

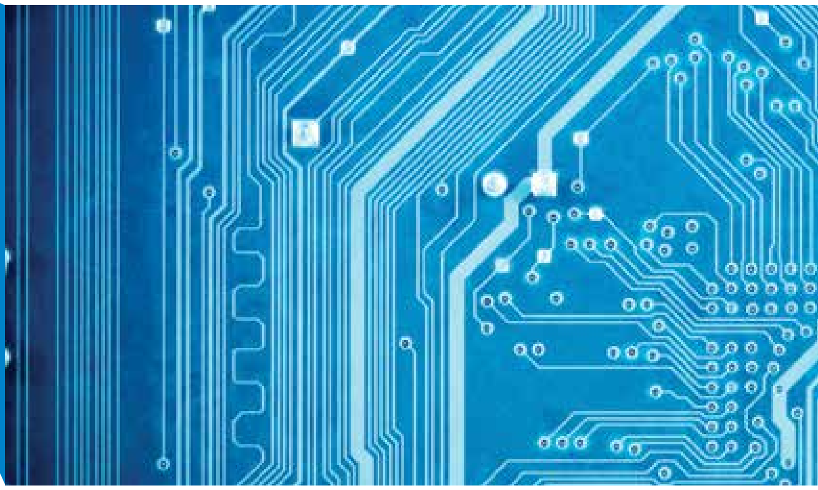
Chief Financial Officer

Mr Loh is the Chief Financial Officer ("CFO") of the Company and is overall responsible for the finance department of the Group. He is also responsible for management reporting and oversees the financial and internal controls of the Group.

Mr Loh joined the Company, previously known as WesTech Group, in November 2008 as the Finance Manager and assisted the then CFO in the overall direction and control of the Group, including the financial and management of accounts, legal matters, credit control, internal and external auditing and financial planning and analysis. He was then promoted to Vice President of Finance on 2011 and subsequently to CFO on 2013 to oversee the Group's finance department. In October 2014, Mr Loh was appointed as CFO to Jubilee Industries Holdings Ltd, an associated listed company of the Company. Following the Company and Group's new plans for expansion and expertise required in November 2016, he was transferred back to the Company at the latter date.

Mr Loh has ten years of experience in audit and holds a Bachelor of Business (Accounting) from the Queensland University of Technology and is a member of CPA, Australia.

Corporate Directory



SINGAPORE

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WE Resources Pte. Ltd.
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WE Dragon Resources Pte. Ltd.
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Fax: (65) 6311 2905

WE Crowdfunding Pte. Ltd.
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CAMBODIA

W.E. Resources (Cambodia) Co., Ltd.
Level 6, Phnom Penh Tower
445, Monivong Boulevard, Phum 1
Boeng Prolit, Prampi Makara
Phnom Penh 12258 Cambodia

The Board of Directors (the "**Board**" or "**Directors**") of Accrelist Ltd. (the "**Company**" and together with its subsidiary corporations, the "**Group**") are committed to compliance with the principles of the Code of Corporate Governance 2012 (the "**Code**"). The Company believes that good corporate governance is essential in building a sound corporation with an ethical environment, thereby protecting the interests of all shareholders of the Company ("**Shareholders**"). This report sets out the Company's corporate governance practices. The Board confirms that, for the financial year ended 31 March 2017 ("**FY2017**"), the Company has generally adhered to the principles and guidelines set out in the Code. Where there are deviations from the Code, appropriate explanations are provided. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with the management of the Company (the "Management") to achieve this objective and the Management remains accountable to the Board.

The primary function of the Board is to protect and enhance long-term value and returns for its shareholders. Besides carrying out its statutory responsibilities, the Board oversees the formulation of the Group's long-term strategic objectives and directions, reviews and approves the Group's annual business and strategic plans and monitors the achievement of the Group's corporate objectives. It also oversees the Management's business affairs and conducts periodic reviews of the Group's financial performance.

In addition to its statutory duties, the Board's principal functions are:-

1. Approving the Group's strategic plans, key operational initiatives, major investments, divestments and funding requirements;
2. Approving the annual budget, reviewing the performance of the business and approving the release of the financial results of the Group to Shareholders;
3. Providing guidance in the overall management of the business and affairs of the Group; and
4. Overseeing the processes for risk management, financial reporting and compliance;

Matters which are specifically reserved to the Board for decision include, *inter alia*, material or major investment, material acquisition and disposal of assets, corporate or financial restructuring, share issuance and dividends.

Matters that require the Board's decision or approval are those involving:

- corporate strategy and business plans;
- investment and divestment proposals;
- capital structure and funding decisions of the Group;
- announcement of half-year and full-year results, the annual report and accounts;
- material acquisition and disposal of assets;
- all matters of strategic importance;
- corporate governance; and
- interested person transactions.

To assist in the execution of its responsibilities, the Board has established an Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively "**Board Committees**"). Each Board Committee has its own defined terms of reference and operating procedures, which are reviewed on a regular basis by the Board. The effectiveness of each Board Committee is also constantly reviewed by the Board. The Board accepts that while these various board committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

The Board meets on a regular basis and when necessary to address any specific matter. The Company's Constitution provides for the meetings to be convened via teleconferencing or videoconferencing.

The number of Board and Board Committee meetings held during FY2017 and the attendance of each Director, where relevant, are as follows:-

	Board	**AC**	**RC**	**NC**
No. of meetings held	4	4	4	4
Name of Directors	**No. of meetings attended**			
Mr Terence Tea Yeok Kian	4	NA	NA	4
Mr Ng Li Yong	4	4	4	4
Mr Wan Tai Foong	4	4	4	NA
Mr Oh Choon Gan[1]	3	3	3	3
Mr Tan Wee Peng Kelvin[2]	1	1	1	1

NA: Not Applicable

Notes:-

1. Mr Oh Choon Gan was appointed as Non-Executive and Independent Director and Chairman of AC and RC and member of NC with effect from 16 August 2016.

2. Mr Tan Wee Peng Kelvin was retired as Non-Executive and Lead Independent Director and Chairman of AC and RC and member of NC with effect from 29 July 2016.

A formal letter setting out the Director's duties and obligations will be issued to new Directors upon their appointment.

All newly appointed Directors are given briefings by the Management on the history, business operations and corporate governance practices of the Group. Newly appointed Directors also attend courses, seminars and trainings which may have a bearing on their duties and contributions to the Board, organised by the professional bodies, regulatory institutions, to keep themselves updated on the latest developments concerning the Group. First-time Directors will be provided training in areas such as accounting, legal and industry-specific knowledge as may be appropriate. To keep pace with regulatory changes, the Director's own initiatives are supplemented from time to time with information, updates and sponsored seminars conducted by external professionals, including any changes in legislation and financial reporting standards, government policies, and regulations and guidelines from SGX-ST that affect the Company and/or the Directors in discharging their duties. The Directors are informed of developments relevant to the Group, including changes in laws, regulations and risks that may impact the Group. Directors can apply to the Company for funding for any such courses, conferences and seminars which they may apply to attend.

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from the Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board comprises one (1) Executive Director and three (3) Independent Non-Executive Directors who as a group, provides core competencies and diversity of experience which enable them to effectively contribute to the Company. The current number of Independent Directors constituting 75% of the Board complies with the Code's requirement, which brings a strong and independent element to the Board.

The Board of Directors as at 31 March 2017 comprises:

Name of Directors	Board of Directors	Audit Committee	Nominating Committee	Remuneration Committee
Mr Terence Tea Yeok Kian	Executive Chairman and Managing Director	–	Member	–
Mr Oh Choon Gan	Non-Executive Independent Director	Chairman	Member	Chairman
Mr Ng Li Yong	Non-Executive Independent Director	Member	Chairman	Member
Mr Wan Tai Foong	Non-Executive Independent Director	Member	–	Member

The Board is supported by the Board Committees, namely, the NC, the AC and the RC, whose functions are described below. The Board is able to exercise objective judgment independently from the Management and no individual or small group of individuals dominate the decisions of the Board.

On an annual basis and upon notification by an Independent Director of a change in circumstances, the NC will review the independence of each Independent Director based on the criteria for independence defined in the Code and recommend to the Board as to whether the Director is to be considered independent.

The Independent Directors have confirmed that they do not have any relationship with the Company or its related companies, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interest of the Company.

Currently, there is no Director who has served on the Board beyond nine (9) years from the date of appointment.

The Non-Executive Directors contribute to the Board by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide different perspectives to the Group's business. While challenging Management's proposals or decisions, they bring independent judgment to bear on business activities and transactions, involving conflicts of interest and other complexities. The Non-Executive Directors will meet to discuss on specific matter without the presence of Management. To ensure that Non-Executive Directors are well supported by accurate, complete and timely information, Non-Executive Directors have unrestricted access to Management.

The Board constantly examines its size and, with a view to determining the impact of the number upon effectiveness, decide what is considered an appropriate size for the Board, which facilitates effective decision-making. The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board, is appropriate for effective decision making. The Board noted that gender diversity on the Board of Directors is also one of the recommendations under the Code to provide an appropriate balance and diversity. Although there is currently no female Director appointed to the Board, the Board does not rule out the possibility of appointing a female Director if a suitable candidate is nominated for the Board's consideration.

The NC is of the view that the Board comprises persons who, as a group, provide the necessary core competencies and includes experience professionals with legal, accounting, business and management experience.

Information on the Board members is provided under the section "Board of Directors" in the Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

Mr Terence Tea Yeok Kian is the Executive Chairman and Managing Director of the Company. As the Executive Chairman, Mr Terence Tea Yeok Kian, he:

– leads the board to ensure its effectiveness on all aspects of its role;

– sets the agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues;

– promotes a culture of openness and debate at the Board;

– ensures effective communication with Shareholders;

– ensures constructive relations within the Board and between the Board and Management; and

– facilitates the effective contribution of Non-Executive Directors.

As a Managing Director, Mr Terence Tea Yeok Kian has full responsibilities over the business directions and operational decisions of the Group.

Although the roles of the Chairman and Managing Director are not separated, the AC, RC and NC are chaired by and comprise a majority of Independent Directors. His performance and remuneration are reviewed periodically by the NC and RC. The Board believes that there are adequate safeguards and checks in place to ensure that the process of decision-making by the Board is independent and based on the collective decision-making without Mr Terence Tea Yeok Kian being able to exercise considerable concentration of power or influence. Because of this, the Board has not appointed a lead Independent Director to date. Notwithstanding this, it may appoint one in the interest of embracing recommended best practices.

BOARD MEMBERSHIP AND BOARD PERFORMANCE

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its Board Committees and the contribution by each Director to the effectiveness of the Board.

Nominating Committee

The Company had established a NC to make recommendations to the Board on all board appointments. The NC comprises three (3) members, majority of whom, including the Chairman, are Independent Non-Executive Directors.

As at the date of this Report, the NC comprises:-

Mr Ng Li Yong	(Chairman)
Mr Terence Tea Yeok Kian	(Member)
Mr Oh Choon Gan	(Member)

The Chairman of the NC is neither a substantial shareholder of the Company nor is he directly associated with the substantial shareholder of the Company.

The NC has written terms of reference and its role includes:-

1. Making recommendations to the Board on all board appointments, including the development of a set of criteria for Directors appointments;

2. Reviewing the size of the Board with a view to determining the impact of the number upon the Board's effectiveness;

3. Ensuring that the Directors have the required expertise and adequate competencies to discharge their respective functions and to ensure that there is a balance of competencies;

4. Re-nominating Directors having regard to the Director's contribution to the Group and his performance at Board meetings, for example, attendance, participation and critical assessment of issues deliberated upon by the Board;

5. Considering and determining on an annual basis, whether or not a Director is independent;

6. Deciding on how the Board's performance may be evaluated and propose objective performance criteria to the Board;

7. Assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board; and

8. Reviewing board succession plans for Directors.

The independence of each Director is reviewed annually by the NC based on the Code's definition of what constitutes an Independent Director. Following its annual review, the NC has endorsed the independence status of Mr Oh Choon Gan, Mr Ng Li Yong and Mr Wan Tai Foong.

New Directors are presently appointed by way of Board resolutions after the NC has reviewed and nominated them for appointment. The NC considers each candidate for directorship carefully, taking into consideration the qualification and experience of such candidate, his/her ability to increase the effectiveness of the Board and to add value to the Group's business in line with its strategic objectives.

In identifying suitable candidates, the NC mainly taps on the Directors' personal contacts and recommendations. After shortlisting the candidates, the NC shall:

(a) Consider and interview all candidates on merit against objective criteria, taking into consideration the qualification and experience of such candidate, his/her ability to increase the effectiveness of the Board and add value to the Group's business in line with its strategic objectives; and

(b) Evaluate and agree to a preferred candidate for recommendation to and appointment by the Board.

The NC has assessed the current Board's performance to-date and is of the view that the performance of the Board as a whole has been satisfactory. Although some of the Directors have other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. The Board has experienced minimal competing time commitments among its members as Board meetings are planned and scheduled well in advance of the meeting dates. In fact, the NC has noted that its members have contributed significantly in terms of time, effort and commitment during FY2017.

At present, the Board does not intend to set a maximum number of listed company board representations a Director may hold as it is of the view that the effectiveness of a Director should be evaluated by a qualitative assessment of his/her contributions to the Company's affairs taking into account his/her other commitments including his/her directorships in other listed companies. The NC considers that the multiple board representations held presently by some Directors do not impede their respective performance in carrying out their duties to the Company.

The NC sets objective performance criteria for evaluating the Board's performance annually for evaluation of the Board as a whole. The Board's performance is a function of the experience and expertise that each of the Directors brings with them. The NC has implemented a Board Evaluation Form which consists of board assessment checklist which takes into consideration factors such as the Board's understanding of its role and responsibilities, the Board's composition, clear goals and actions, and proceedings to assess and enhance the overall effectiveness of the Board. Board Committees' assessments are incorporated into board assessment as a whole. All Directors will assess the effectiveness of the Board as a whole by completing a Board Evaluation Form. The NC has decided unanimously, that the Directors will not be evaluated individually, as each member of the Board contributes in different areas to the success of the Company, and therefore, it would be more appropriate to assess the Board as a whole. Although the Directors are not evaluated individually, the factors taken into consideration for the re-nomination of the Directors for the current year include the contribution of such Directors to the effectiveness of the Board, the Directors' participation and involvement in Board meetings and Board Committee meetings and the qualification and experience of such Directors. The results of the evaluation for the Board's performance are considered by the NC, which is responsible for setting the performance criteria to assess the effectiveness of the Board, and used constructively to identify areas for improvements and recommend the necessary actions to be taken by the Board.

The NC, in recommending the re-election or re-appointment of Directors, who are subject to retirement at the Annual General Meeting ("**AGM**") in accordance with the Company's Constitution or the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), had taken into consideration the contribution of such Directors to the effectiveness of the Board, their participation and involvement in the Board meetings and Board Committee meetings, qualification and experience as well as their directorships and major appointments in other companies.

Currently, there is no alternate director on the Board.

Each member of the NC shall abstain from making any recommendations and/or participating in any deliberation of the NC and from voting on any resolutions in respect of the assessment of his/her own performance or re-nomination as a Director.

Pursuant to the Constitution of the Company:-

(a) One-third (1/3) of the Directors except the CEO and Managing Director retire from office at every AGM; and

(b) Directors appointed during the course of the year must submit themselves for re-election at the next AGM of the Company.

Mr Wan Tai Foong will retire by rotation at the forthcoming AGM according to Article 91 of the Company's Constitution. Mr Oh Choon Gan who was appointed on 16 August 2016 will retire at the forthcoming AGM according to Article 97 of the Company's Constitution. The NC noted that both Mr Wan Tai Foong and Mr Oh Choon Gan will not be offering themselves for re-election as Directors of the Company.

Details of the Directors' academic and professional qualifications and directorships both present and those held over the preceding three years in other listed companies and other principal commitments are set out on page 5 and 6 and below:-

Name of Directors	Appointment	Date of initial appointment/last re-election	Directorships in other listed companies	
			Current	Past 3 Years
Mr Terence Tea Yeok Kian	Executive Chairman and Managing Director	11 March 2013 & 1 December 2013/25 July 2013	Jubilee Industries Holdings Ltd. EG Industries Berhad	–
Mr Oh Choon Gan	Independent Non-Executive Director	16 August 2016	AMVIG Holdings Limited	–
Mr Ng Li Yong	Independent Non-Executive Director	11 June 2013/14 August 2015	C&G Environmental Protection Holdings Limited	–
Mr Wan Tai Foong	Independent Non-Executive Director	26 February 2015/ 14 August 2015	–	–

ACCESS TO INFORMATION

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decision to discharge their duties and responsibilities.

The Board is provided with complete and adequate information on a timely basis prior to Board meetings and on an on-going basis. The Management circulates copies of the Board meeting minutes to all members of the Board to keep them informed of on-going developments within the Group. Board papers are generally sent to Directors before each meeting and would include financial management reports, reports on performance of the Group against the budget with notes on any significant variances, papers pertaining to matters requiring the Board's decision, updates on key outstanding issues, strategic plans and developments in the Group.

The Board have separate and independent access to the Company's senior management and the Company Secretary at all times. Should the Directors, whether as a group or individually, require independent professional advice, such professionals (who will be selected with the concurrence of the Chairman or the Chairman of the Board Committee requiring such advice) will be appointed at the Company's expense.

The Company Secretary attends all Board meetings and is responsible for ensuring that Board procedures are followed. The Company Secretary assists senior management in ensuring that the Company complies with rules and regulations which are applicable to the Company. The appointment and removal of the Company Secretary is decided by the Board as a whole.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. No director should be involved in deciding his own remuneration.

As at the date of this Report, the RC comprises the following three (3) members, all of whom, including the Chairman, are Independent Non-Executive Directors:-

Mr Oh Choon Gan	(Chairman)
Mr Ng Li Yong	(Member)
Mr Wan Tai Foong	(Member)

The RC is governed by the RC's terms of reference which describes the duties and powers of the RC.

The RC is responsible for:-

(a) reviewing and recommending to the Board in consultation with the Management and the Managing Director, a framework of remuneration and determining the specific remuneration packages and terms of employment for each of the Executive Director and Senior Executive/Divisional Directors of the Group including those employees related to the Executive Directors and/or controlling Shareholders of the Group and to ensure that it is appropriate to attract, retain and motivate them to run the Group successfully. The RC will engage experts in the field of executive compensation whenever required;

(b) reviewing the fairness and reasonableness of the termination clauses of the service agreements of each Executive Director and Senior Executive/Divisional Directors of the Group to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance;

(c) reviewing on a yearly basis, the remuneration packages for each Executive Director, which covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share based incentives and awards, and benefits in kind;

(d) recommending the payment of fees to Non-Executive Directors and to ensure, as far as is possible, that the quantum commensurate with the Non-Executive Directors' contributions to the Board and the Company; and

(e) overseeing and administering the Accrelist Share Award Scheme.

No remuneration consultants were engaged by the Company in FY2017.

LEVEL AND MIX OF REMUNERATION

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company; and (b) key management personnel to successfully manage the company. However companies should avoid paying more than is necessary for this purpose.

In setting remuneration packages, the RC takes into account the performance of the Group as well as the Directors and key executives, aligning their interests with those of shareholders and linking rewards to corporate and individual performance, as well as industry benchmarks. The review of remuneration packages takes into consideration the longer term interests of the Group. The review covers all aspects of remuneration including salaries, fees, allowances, bonuses, options and benefits-in-kind. The RC's recommendations are made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board. The payment of Directors' fees is subject to the approval of shareholders at the AGM.

The Executive Director of the Company, Mr Terence Tea Yeok Kian has entered into a service agreement with the Company for an initial period of three (3) years (unless otherwise terminated by either party giving not less than six (6) months' notice to the other). The service agreement covers the terms of employments and specifically, the salaries and bonuses. Non-Executive Directors and Independent Directors have no service contracts.

The RC administered the Accrelist Share Awards Scheme which has been used as long-term incentives to the employees and Directors. The share awards granted to the employees and Directors vest over a period of one to two years. The Accrelist Share Awards Scheme is also extended to the Group Non-Executive Independent Directors so as to better align the interests of such Non-Executive Independent Directors with the interest of Shareholders. The RC will reclaim the share awards granted to the Directors and employees who left the Company prior to the end of the vesting period of share awards.

The Directors are not involved in the discussion and in deciding their own remuneration.

DISCLOSURE ON REMUNERATION

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

The remuneration of the Directors and the key executives, who are not Directors, for FY2017, are disclosed below. The disclosure is to enable shareholders to understand the link between remuneration paid to the Directors and key executives and their performance.

In view of the competitive pressures in the talent market, the remuneration paid to Directors of the Company and top management executives are not fully disclosed. The total remuneration, in aggregate, paid to the top key management executives for FY2017 is approximately S$935,683.

The breakdown (in percentage terms) of each Director's and key executive's remuneration for FY2017 are as follows:-

Remuneration for the Directors

Name	Salary	Bonus	Fringe Benefits	Directors' Fees	Total
	%	%	%	%	%
Above S$500,000 below S$1,000,000					
Mr Terence Tea Yeok Kian	89	0	11	0	100
Below S$250,000					
Mr Tan Wee Peng Kelvin[1]	0	0	0	100	100
Mr Ng Li Yong	0	0	0	100	100
Mr Wan Tai Foong	0	0	0	100	100
Mr Oh Choon Gan[2]	0	0	0	100	100

Notes:-

1. Mr Tan Wee Peng Kelvin was retired as a Director on 29 July 2016
2. Mr Oh Choon Gan was appointed as a Director on 16 August 2016

Remuneration of the top key executives

Name	Salary	Bonus	Fringe Benefits	Total
	%	%	%	%
Below S$250,000				
Mr Wong Hot Yong[1]	75	0	25	100
Ms Sng Ee Lian[2]	98	0	2	100
Mr Loh Eng Lock, Kelvin[3]	88	0	12	100

Notes:

1. Mr Wong Hot Yong was resigned as a President of the Systems Business Unit on 2 August 2016.
2. Ms Sng Ee Lian was resigned as a Group Financial Controller on 18 November 2016.
3. Mr Loh Eng Lock Kelvin was appointed as the Chief Financial Officer and Joint Company Secretary on 18 November 2016.

The Company does not have any employee who is an immediate family member of a Director or the CEO, and whose remuneration for FY2017 exceeds S$50,000.

The Company has a share award scheme and its name has been changed from "WE Share Award Scheme" to "Accrelist Share Award Scheme" ("**ASAS**") on 20 January 2017. The purpose of the ASAS is to provide an opportunity for the Group's employees and Directors, who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company. The ASAS is also extended to the Group Non-Executive Independent Directors. The ASAS was approved and adopted pursuant to approval from shareholders at the extraordinary general meeting held on 25 May 2010.

The share award given to a selected person will be determined at the discretion of the RC. The RC will take into account factors such as the selected person's capability, scope of responsibility, skill and his vulnerability to leaving the employment of the Group. In deciding on a share award to be granted to a selected person, the RC will also consider all aspect of the compensation and/or benefits given to the selected person and such other share-based incentive schemes of the Company, if any. The RC may also set specific criteria and performance targets for each of the Company's business units, taking into account factors such as the business goals and directions of the Company and the Group for each financial year, the actual job scope and responsibilities of the selected person and the prevailing economic conditions.

The Company had on 20 January 2017 granted 1,324,074 share awards to a key executive of the Group as this was part of salary in shares. The market price of the Company's shares on the dated of grant was S$0.0054. The Company issued and allotted the share awards on 25 January 2017.

Further details of the ASAS are set out in the Directors' Statement on page 25 of this Annual Report.

The remuneration package of the Executive Director and the compensation structure of the key management personnel comprise a fixed salary, bonus and other benefits. The bonus component is based on the performance of the Group as a whole and their individual performance. This is designed to align remuneration with the interests of the Shareholders and link rewards to corporate and individual performance so as to promote long-term sustainability of the Group.

ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the Company's performance, position and prospects.

In presenting the annual financial statements and announcements of financial results to Shareholders, it is the aim of the Board to provide Shareholders with a balanced and understandable assessment of the Company's and the Group's performance, position and prospects. The Management currently provides the Board with appropriately detailed management accounts of the Company's performance, position and prospects on a monthly basis.

The Board ensures that all relevant compliances and updates will be highlighted from time to time to ensure adequate compliance with the regulatory requirements.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard Shareholders' interests and the Company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Directors recognise that they have overall responsibility to ensure proper financial reporting for the Group and effectiveness of the Group's system of internal controls, including financial, operational, compliance and IT controls, and risk management policies and systems. The AC assists the Board in providing oversight of risk management in the Company. It is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls, including financial, operational, compliance and IT controls and reporting to the Board annually its observations on any matters under its purview including risk management, internal controls or financial and management matters as it considers necessary and makes recommendations to the Board as it thinks fit.

The AC ensures that a review of effectiveness of the Company's internal controls is conducted at least annually. The AC has met with the internal auditors without management during the year.

The Board noted that there were lapses in internal controls and with the recommendation of the auditors to AC, the Management will be taking corrective measures to improve, strengthen and refine the system of internal control and risk management.

The Board has received assurance from the Managing Director and Chief Financial Officer:

(1) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(2) regarding the effectiveness of the Company's risk management and internal control systems.

Based on the statutory audit by the Internal Auditors during the financial year, as well as the statutory audit by the independent auditor, and the assurance from Management, the Board, with the concurrence of the AC, is of the opinion that the system of internal controls and risk management in place as at 31 March 2017 is adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations. The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no form of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

The Board understands that it may establish a separate board risk committee or otherwise assess appropriate means to assist it in carrying out its responsibility of overseeing the Company's risk management framework and policies. The Company does not have a separate board risk committee and will look into the need for establishment for a separate board risk committee at a relevant time.

AUDIT COMMITTEE

Principle 12: The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.

As at the date of this Report, the AC comprises the following three (3) members, all of whom, including the Chairman, are Independent Non-Executive Directors:-

Mr Oh Choon Gan	(Chairman)
Mr Ng Li Yong	(Member)
Mr Wan Tai Foong	(Member)

The AC members, collectively have had many years of experience in accounting, audit and business and financial management. The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC.

The AC has written terms of reference. Specifically, the AC meets on a periodic basis to perform the following functions:-

(a) review with the internal and independent auditors, the scope, audit plans, and the results of their examinations and evaluation of the Group's system of internal accounting controls or internal audit procedures;

(b) review the adequacy of the Group's financial and management reporting system including the effectiveness of material internal financial controls, operational and compliance controls, and risk management policies;

(c) review the financial statements of the Group to ensure integrity before submission to the Board for approval and the independent auditor's report on those financial statements, if any;

(d) review any related significant findings and recommendations of the internal and independent auditors together with Management's responses thereto;

(e) review interested person transactions, if any, in accordance with the requirements of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST ("**Catalist Rules**");

(f) review legal and regulatory matters that may have a material impact on the financial statements;

(g) review the half-yearly and annual announcements as well as the related press releases on the results of the Group;

(h) review the independence of the independent auditor on an annual basis;

(i) review the arrangements by which staff of the Group may, in confidence raise concerns about the possible improprieties in matters of financial reporting and other matters;

(j) review the assistance given by the Management to internal and independent auditors;

(k) generally undertake such other functions and duties as may be required by statute or the Catalist Rules (as thereafter defined), or by such amendments as may be made thereto from time to time;

(l) review the key financial risk areas, 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 findings are material, announced immediately via the SGXNET;

(m) ensure that the internal audit function is adequately resourced and has appropriate standing within the Company. For the avoidance of doubt, the internal audit function can be either in-house, outsourced to a reputable accounting/auditing firm or performed by a major shareholder, holding company, parent company or controlling enterprise with an internal audit staff. (The internal auditor's primary line of reporting should be to the Chairman of the AC although he would also report administratively to the Managing Director. The internal auditor should meet or exceed the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice set by The Institute of Internal Auditors);

(n) review the effectiveness and ensure the adequacy of the internal audit function annually; and

(o) ensure that a review of the effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management is conducted annually.

The AC is also authorised to investigate any matter within its terms of reference and authorize to obtain independent professional advice if it deems necessary to discharge of its responsibilities. Such expenses are to be borne by the Company. It has full access to and the co-operation of the Management and the full discretion to invite any Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. During FY2017, the AC has met with the independent auditor and internal auditors separately without the presence of the Management to review any area of audit concern for FY2017. Ad-hoc AC meetings may be carried out from time to time, as circumstances require. The AC has reasonable resources to enable it to discharge its functions properly.

The AC is kept abreast by the Management and the independent auditor of changes to accounting standards, Listing Rules of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

The AC had undertaken a review of all non-audit services to the Group in relation to the proposed acquisitions of new investments provided by the independent auditor, Messrs Nexia TS Public Accounting Corporation and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the independent auditor. The Company has complied with Rules 712 and 715 of the Catalist Rules in relation to its external auditors.

The AC is also satisfied with the level of co-operation rendered by the Management to the independent auditor and the adequacy of the scope and quality of their audits and had recommended to the Board the nomination of Messrs Nexia TS Public Accounting Corporation for re-appointment at the forthcoming AGM.

The aggregate amount of fees paid to the independent auditor, Messrs Nexia TS Public Accounting, for FY2017 amounted to approximately US$58,768.72 (S$82,000.00[1]) for audit services and US$7,166.92 (S$10,000.00[1]) for non-audit services.

1 Based on the exchange rate US$1:S$1.3953

Whistle-blowing Policy

The AC has in place a whistle-blowing policy (the "**Policy**") for the Group. The Policy is to enable persons employed by the Group a channel to report any suspicions of non-compliance with regulations, policies, fraud and etc., to the appropriate authority for resolution, without any prejudicial implications for these employees. In this regard, a designated email address has been set up which is accessible only by the designated members of the AC.

The AC exercises the overseeing function over the administration of the Policy. On a case by case basis and upon the receipt of complaints, a report will be submitted to the AC stating the number and nature of complaints received, the results of the investigation, follow up actions and the unresolved complaints.

INTERNAL AUDIT

Principle 13: The Board should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Board recognises the importance of maintaining an internal audit function to maintain a sound system of internal control within the Group to safeguard Shareholders' investments and the Company's assets. Regular reviews of these controls are conducted by the Company's internal and independent auditors and any recommendations for improvement are reported to the AC. Internal auditors report to the AC.

The role of the internal auditor is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC and to conduct internal audit review of areas assessed as higher risk.

The Company outsources its internal audit functions to a Certified Public Accounting firm, Deloitte Enterprise Risk Services Sdn. Bhd. which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The internal auditors would carry out regular cyclical review in phases based on regional presence of the Group with specific focus on sales transactions, inventories and overall effectiveness of the internal controls and reports to the Chairman and AC.

The AC has reviewed the internal audit plan and the internal auditor's evaluation of the system of internal controls, their audit findings and management's processes to those findings. The AC is satisfied that the internal audit is adequately resourced and has the appropriate standing within the Group. The AC will also approve the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to.

SHAREHOLDER RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND CONDUCT OF SHAREHOLDER MEETINGS

Principle 14: Companies should treat all Shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of Shareholders' rights, and continually review and update such governance arrangement.

Principle 15: Companies should actively engage their Shareholders and put in place an investor relations policy to promote regular, effective and fair communication with Shareholders.

Principle 16: Companies should encourage greater Shareholder participation at general meetings of Shareholders, and allow Shareholders the opportunity to communicate their views on various matters affecting the company.

The Company ensures that timely and adequate disclosure of information on matters of material impact on the Company are made to Shareholders of the Company, in compliance with the requirements set out in the Catalist Rules with particular reference to the Corporate Disclosure Policy set out therein. In this respect, the Company announces its results to Shareholders on a half yearly basis.

The Company does not practice selective disclosure. Price sensitive information is first publicly released before the Company meets with investors or analysts.

Information is disseminated to Shareholders on a timely basis through:-

- SGXNET announcements and news release; and
- Annual Report prepared and issued to all Shareholders

The financial statements are released onto the SGX-ST website. All Shareholders will receive the annual report of the Company and notice of the AGM by post and through notice published in the newspapers within the mandatory period.

Shareholders may from time to time share with senior management their views and concerns and where necessary, such input would be communicated to the Board. At the AGM, Shareholders of the Company are given the opportunity to air their views and ask the Directors or the Management questions regarding the Company.

The Company's Constitution allows a member of the Company to appoint not more than two (2) proxies to attend and vote on behalf of the member. For the time being, the Board is of the view that this is adequate to enable Shareholders to participate in the general meetings of the Company and is not proposing to amend their Constitution to allow votes in absentia.

The Company is not implementing absentia voting methods such as voting via mail, facsimile or email until security integrity and other pertinent issues are satisfactory resolved.

The Board noted that with the Companies (Amendment) Act 2014, with effect from 3 January 2016, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50. At the forthcoming Annual General Meeting, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting.

The Company will put all resolution to vote by poll at general meetings and the detailed results of the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNET.

The Chairman of each of the Audit, Nominations and Remuneration Committees, or members of the respective Committees standing in for them, are present at each Annual General Meeting, and other general meetings held by the Company, if any, to address Shareholders' queries. Senior management is also present at general meetings to respond, if necessary, to operational questions from Shareholders that may be raised.

Separate resolutions on each distinct issue are tabled at general meetings. Minutes of general meetings which include substantial and relevant comments or queries from Shareholders relating to the agenda of the meeting, and responses from the Board and Management, were prepared and made available to Shareholders upon request.

The Company does not have a policy on payment of dividend. The Board would consider a dividend policy at an appropriate time.

No dividend was paid for FY2017 as the Group reported a net operating loss for the year.

The Company did not engage a dedicated investor relations team but has personnel to handle investor queries and deal with all matters related to investor relations. The Company will review the need for a dedicated investor relations team.

Non-Sponsor Fees

In accordance with Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid to the sponsor, RHT Capital Pte. Ltd., by the Company for FY2017.

Dealings in Securities

In line with the Rule 1204(19) of Catalist Rules, the Company has in place a code of conduct on share dealings by the Directors and its employees. The Directors, the Management and employees of the Group are not permitted to deal in the Company's shares during the period commencing one (1) month before the announcement of the Company's half-year and full year financial results and ending on the date of announcement of such financial results, or when they are in possession of unpublished price-sensitive information on the Group. In addition, the Directors, the Management and employees of the Group are discouraged from dealing in the Company's shares on short-term considerations.

Directors, the Management and employees of the Group are expected to observe all applicable insider trading laws at all times even when dealing in securities within permitted trading period.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and transactions are conducted on arm's length basis and are not prejudicial to the interests of Shareholders. The Board and the AC will review all interested person transactions to be entered to ensure that the relevant rules under Chapter 9 of Catalist Rules are complied with.

The Company confirmed that, pursuant to Rule 907 of the Catalist Rules, there was no interested person transaction with value more than S$100,000 entered during FY2017.

Material Contracts

Save for the Interested Person Transactions disclosed above, there were no material contracts of the Company or its subsidiary corporations involving the interest of the Managing Director, CEO, any Director or controlling Shareholder either still subsisting as at 31 March 2017 or if not then subsisting, entered into since the end of the previous financial year.

Utilisation of Proceeds

(i) Issue of 2,370,630,317 Renounceable Non-underwritten Rights Warrants ("**FY2015 Rights Warrants**")

The details of the use of proceeds from the issue of FY2015 Rights Warrants and issue of 2,370,630,317 new shares at the issue price S$0.004 per share as at the date of this report are as follows:

	Amount allocated S$ million	**Reallotted Amount S$ million**	**Amount utilised S$ million**	**Balance S$ million**
Working capital[1]	3.59	–	3.59	–
Potential acquisition, joint ventures, and/or strategic alliances	5.93	–	2.47	3.46
	9.52	–	6.06	3.46

Note:

1. Allocated for repayment to suppliers and expenses.

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Directors' Statement

The directors present their statement to the members together with the audited consolidated financial statements of Accrelist Ltd. (the "Company") and its subsidiary corporations (the "Group"), the statement of changes in equity of the Company for the financial year ended 31 March 2017 and the balance sheet of the Company as at 31 March 2017.

On 8 November 2016, the Company had changed its name from WE Holdings Ltd. to Accrelist Ltd.

In the opinion of the directors,

(a) the balance sheet and the statement of changes in equity of the Company and the consolidated financial statements of the Group as set out on pages 33 to 87 are drawn up so as to give a true and fair view of the financial positions of the Company and of the Group as at 31 March 2017 and the changes in equity of the Company and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; 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 as follows:

Mr Terence Tea Yeok Kian	
Mr Oh Choon Gan	(Appointed on 16 August 2016)
Mr Ng Li Yong	
Mr Wan Tai Foong	

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Performance shares" in this statement.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		**Holdings in which director is deemed to have an interest**	
Company	**At 31 March 2017**	At 1 April 2016	**At 31 March 2017**	At 1 April 2016
(No. of ordinary shares)				
Mr Terence Tea Yeok Kian	**1,093,853,829**	993,846,629	**26,762,000**	26,762,000

Mr Terence Tea Yeok Kian's deemed interest at 31 March 2017 is derived through shares held by his wife, Ms Sim Aileen.

By virtue of Section 7 of the Singapore Companies Act Cap. 50, Mr Terence Tea Yeok Kian is deemed to have an interest in all the related corporations of the Group.

As at 21 April 2017, Mr Terence Tea Yeok Kian's direct and deemed interests of the Company was 1,106,123,929 and 26,762,000 shares respectively.

Performance shares

The Company has a share award scheme known as WE Share Award Scheme ("WSAS") approved and adopted by its members at an Extraordinary General Meeting held on 25 May 2010. WSAS is administered by a committee which consists of directors of the Company. The purpose of the WSAS is to provide an opportunity for the Group's employees and directors who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company. The WSAS is also extended to the Group non-executive directors.

The directors believe that the retention of outstanding employees within the Group is paramount to the Group's long-term objective of pursuing continuous growth and expansion in its business and operations. The Group also acknowledges that it is important to preserve financial resources for future business developments and to withstand difficult times. As such, one of the Group's strategies is to contain the remuneration of its employees and executives that is a major component of the Group's operating costs.

The WSAS is formulated with those objectives in mind. It is hoped that through the WSAS, the Group would be able to remain an attractive and competitive employer and better able to manage its fixed overhead costs without compromising on performance standards and efficiency.

The name of the share award scheme has been changed to Accrelist Share Award Scheme ("ASAS") on 20 January 2017. This is consequent to the change of the Company's name to Accrelist Ltd. from WE Holdings Ltd. on 8 November 2016. The rules of the Scheme remain unchanged.

On 20 January 2017, the Company awarded 1,324,074 shares for S$0.005 per share to a key management personnel and these shares were issued on 25 January 2017.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

No shares have been issued during the financial year by virtue of the exercise of an option to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option at the end of the financial year.

Audit committee

The members of the audit committee ("AC") at the end of the financial year were as follows:

Mr Oh Choon Gan	(Independent Director, Chairman of Audit Committee)
Mr Ng Li Yong	(Independent Director)
Mr Wan Tai Foong	(Independent Director)

The audit committee performs the functions specified by section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2017 before their submission to the Board of Directors.

Audit committee (continued)

Other functions performed by the audit committee are described in the Report on Corporate Governance included in the Annual Report of the Company. It also includes an explanation of how the independent auditor's objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The Audit Committee has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Internal controls

The independent auditor, during the conduct of their normal audit procedures, may also report on matters relating to internal controls. Any material non-compliance and recommendation for improvement will be reported to the AC.

On an annual basis, the internal auditors of the Company conduct a risk-based audit, to review the adequacy and effectiveness of the internal controls of the Group, including financial, operational and relevant risk assessments pursuant to the approved internal audit plans.

All audit findings and recommendations made by the internal and independent auditors are reported to the AC. Significant issues are discussed at AC meetings and duly reported to the board thereafter, including decisions made and actions taken by the management of the Company where necessary. The management of the Company follows up on all recommendations by internal and independent auditors to ensure that they are all implemented in a timely and appropriate manner and reports the results to the AC on a half yearly basis.

Separately, management has put in place a process to guide and assist the Company to manage risks that could result in violation of applicable laws and regulations, including promulgating respective standard operating procedures and manuals, and conducting regular meetings with all staff. The management of the Company reports all breaches, significant issues and their resolutions to the AC on a half yearly basis.

The board has also received the management representation letters as to the integrity of the financial statements and notes thereto, as well as the system of internal controls of the Group put in place to address the key financial, operational and compliance risks of the Group and to prevent and detect fraud and error.

The Company has implemented a whistle blowing policy which provides the mechanism for staff of the Company to, in confidence, raise concerns about fraud and other possible improprieties in matters of financial reporting or other matters.

Based on the discussion with and the reports submitted by the internal auditors, the various management controls put in place, the discussion and representation from the management, the board, with concurrence of the audit committee, is of the opinion that the internal controls of the Group, key areas of which are subject to ongoing independent reviews by the various parties such as internal auditors, are adequate to safeguard the assets of the Group and address the financial, operational and compliance risks of the Group as at 31 March 2017.

The board also notes that all internal control systems and risk management systems contain inherent limitations and a cost effective system of internal controls or risk management could only provide reasonable and not absolute assurance against the occurrence of material errors, financial misstatement, poor judgment in decision making, human error, losses and/or other irregularities.

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

....

Terence Tea Yeok Kian
Director

....

Oh Choon Gan
Director

7 July 2017

Independent Auditor's Report

To the Members of ACCRELIST LTD. (formerly known as WE HOLDINGS LTD.)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Accrelist Ltd. (formerly known as WE Holdings Ltd.) (the "Company") and its subsidiary corporations (the "Group") which comprise the balance sheets of the Group and Company as at 31 March 2017, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 33 to 87.

In our opinion, the accompanying consolidated financial statements of the Group and 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 Financial Reporting Standards in Singapore ("FRSs") 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 March 2017 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the statement of changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. 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.

Key audit matter	How our audit addressed the matter
1. Impairment of trade and other receivables As at 31 March 2017, trade and other receivables amount to US$ 17.3 million which represent approximately 47.6% of the Group's total assets. Trade and other receivables are stated at their original value less appropriate allowance for estimated irrecoverable amounts. The impairment of trade and other receivables is calculated for each individual receivable using statistical method and historical collection trends which involves management's judgments to estimate appropriate parameters and assumptions used. This area has been identified as a key audit matter as the estimation requires management to make significant judgment and assumptions on receivables payment behaviour and other relevant risk characteristics when determining the future cash flows. The accounting policies for impairment of trade and other receivables are set out in Note 2.17 to the financial statements. The credit risk and aging of the trade receivables are as disclosed in Note 30(d) to the financial statements.	Our audit focused on assessing the appropriateness of management's judgment and assumptions used in the impairment review and included the following procedures: • assessed the reliability and accuracy of the trade receivables aging report; • evaluated the reasonableness of the management estimates and assumptions used to determine the impairment, if any, on the specific trade and other receivables; and • reviewed and assessed the recoverability of long outstanding trade and other receivables through subsequent collections, past collections trend as well as any supporting correspondence between the Group and the respective counter-parties to substantiate management's position.

Key Audit Matters (continued)

Key audit matter	How our audit addressed the matter
2. Impairment of associated companies As at 31 March 2017, investments in associated companies amount to US$ 5.9 million which represent approximately 17% of the Group's total assets. Investments in associated companies are stated at their cost of investment and the share of results under the equity method less appropriate allowance for impairment. Impairment of associated company is tested when an indication of impairment exists. Impairment is recognised when the carrying amount of the associated company exceeds its recoverable amount. The recoverable amount is calculated based on estimate future cash flow forecast which involves significant management's judgment to determine the key assumptions used, for example, forecasted revenue, growth rates and discount rates. The accounting policies for impairment of investments in associated companies are set out in Note 2.15 to the financial statements.	Our audit focused on evaluating the key assumptions used by management in conducting the impairment review and included the following procedures: • tested management's assumptions used to calculate the recoverable amount and assessed the accuracy of the historical data used by management as the basis of arriving at the estimated future cash flows; • involved our valuation specialists to independently develop expectations for the key macro-economic assumptions used in the impairment analysis, in particular the discount rate and long-term growth rate, and comparing the independent expectations to those used by management; and • challenged the cash flow forecasts used with comparison to recent information, historical trend analysis as well as taking into consideration the general market outlook for the relevant industry.
3. Valuation of convertible loans and derivative financial instrument (i) The Group holds a convertible loan which was issued by its associated company, Jubilee Industries Holdings Limited amounting to US$ 8 million. On the date of inception, the convertible loan was bifurcated into an asset component (classified as financial asset at fair value through profit and loss) and derivative component (classified as derivative financial instrument) respectively. On initial recognition, the asset component and derivative component are stated at fair value, and subsequently likewise carried at fair value. As at 31 March 2017, the asset component and derivative component amount to US$ 6.2 million and US$ 3.3 million respectively. (ii) During the financial year, the Group issued a convertible loan amounting to SGD$ 4 million to a third party. This convertible loan is classified entirely as a financial liability initially and as well as subsequently carried at fair value. As at 31 March 2017, the financial liability amounted to US$ 2.3 million.	Our audit focused on evaluating the professional qualifications of the valuer and the key assumptions used in conducting the valuation and included the following procedures: • reviewed the engagement terms entered into with the independent valuer to ascertain if there were any matters that may have affected the valuer's objectivity or placed limitations in the scope of their work; • evaluated the qualifications and competence of the valuer; • involved our valuation specialists to independently develop expectations for the key macro-economic assumptions used in the valuation methodology, in particular the discount rate and simulation outcomes, and comparing these independent expectations to those used by the valuer; and • challenged the assumptions used by management with comparison to recent information, historical trend analysis as well as taking into consideration the general market outlook for the relevant industry.

Key Audit Matters (continued)

Key audit matter	How our audit addressed the matter
3. Valuation of convertible loans and derivative financial instrument (continued) As the accounting treatment for the convertible loans (both asset and liability component) and derivative financial instrument involves a significant degree of judgment and estimation uncertainty in assessing the appropriateness of valuation methodology and the underlying assumptions applied, the management has hired an external professional valuer in determining the values of the convertible loans and derivative financial instrument. The accounting policies for the convertible loans (asset and liability component) and derivative financial instrument are set out in Note 2.17, 2.26 and 2.27 respectively to the financial statements.	

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information include 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 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.

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 judgment and maintain professional skepticism 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.

- 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.

Independent Auditor's Report

To the Members of ACCRELIST LTD. (formerly known as WE HOLDINGS LTD.)

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 director on the audit resulting in this independent auditor's report is Mr Loh Ji Kin.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore

7 July 2017

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2017

	Notes	**2017**	2016
		US$'000	US$'000
Revenue	6	**627**	2,702
Cost of sales		**(525)**	(2,332)
Gross profit		**102**	370
Other items of income			
Other credits	7	**3,133**	1,084
		3,235	1,454
Other items of expenses			
Marketing and distribution expenses		**(54)**	(224)
Administrative expenses		**(1,845)**	(2,107)
Finance costs	9	**(86)**	(9)
Other charges	7	**(5,773)**	(950)
Share of loss of an associated company		**(1,489)**	(4,686)
Loss before tax		**(6,012)**	(6,522)
Income tax credit	12(a)	**25**	14
Net loss		**(5,987)**	(6,508)
Other comprehensive income/(loss) after tax:			
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive income of associated company	25(c)	**179**	434
Exchange differences on translating foreign operations		**(696)**	292
		(517)	726
Other comprehensive (loss)/income for the financial year, net of tax		**(517)**	726
Total comprehensive loss for the financial year		**(6,504)**	(5,782)
Net loss attributable to:			
Equity holders of the Company		**(5,987)**	(6,505)
Non-controlling interests		*****	(3)
		(5,987)	(6,508)
Total comprehensive loss/(income) for the financial year attributable to:			
Equity holders of the Company		**(6,508)**	(5,781)
Non-controlling interests		**4**	(1)
		(6,504)	(5,782)
Loss per share for loss attributable to equity holders of the Company		**US Cents**	US Cents
Basic loss per share	13(a)	**(0.11)**	(0.14)
Diluted loss per share	13(b)	**(0.11)**	(0.14)

*Amount less than US$1,000

The accompanying notes form an integral part of these financial statements.

Balance Sheets

As at 31 March 2017

	Notes	Group 2017 US$'000	Group 2016 US$'000	Company 2017 US$'000	Company 2016 US$'000
ASSETS					
Non-current assets					
Plant and equipment	14	**431**	493	**66**	103
Intangible assets	15	**13**	24	**11**	24
Investments in subsidiary corporations	16	**–**	–	**261**	3,756
Investments in associated companies	17	**5,925**	11,752	**5,925**	13,392
Other assets	18	**15**	15	**15**	15
Trade and other receivables	19	**8,270**	–	**8,270**	–
Total non-current assets		**14,654**	12,284	**14,548**	17,290
Current assets					
Inventories	20	**1**	–	**–**	–
Trade and other receivables	19	**9,030**	18,863	**9,633**	20,659
Income tax recoverable		**6**	28	**6**	6
Other assets	18	**3**	75	**1**	–
Convertible loan	21	**6,186**	–	**6,186**	–
Derivative financial instrument	22	**3,318**	–	**3,318**	–
Cash and cash equivalents	23	**3,135**	9,911	**2,592**	3,678
Total current assets		**21,679**	28,877	**21,736**	24,343
Total assets		**36,333**	41,161	**36,284**	41,633
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	24	**54,609**	54,604	**84,691**	84,686
Accumulated losses		**(28,046)**	(22,059)	**(51,051)**	(43,312)
Other reserves	25	**2,531**	3,052	**–**	–
		29,094	35,597	**33,640**	41,374
Non-controlling interests		**24**	20	**–**	–
Total equity		**29,118**	35,617	**33,640**	41,374
Non-current liabilities					
Deferred income tax liabilities	12(c)	**552**	595	**–**	–
Convertible loan	21	**2,283**	–	**2,283**	–
Other financial liabilities	27	**958**	1,045	**–**	–
Total non-current liabilities		**3,793**	1,640	**2,283**	–
Current liabilities					
Trade and other payables	28	**3,371**	3,843	**361**	259
Income tax payable		**–**	10	**–**	–
Other financial liabilities	27	**51**	51	**–**	–
Total current liabilities		**3,422**	3,904	**361**	259
Total liabilities		**7,215**	5,544	**2,644**	259
Total equity and liabilities		**36,333**	41,161	**36,284**	41,633

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2017

Group	Share capital US$'000	Accumulated losses US$'000	Other reserves US$'000	Attributable to equity holders of the Company sub-total US$'000	Non-controlling interests US$'000	Total equity US$'000
2017						
Beginning of financial year	54,604	(22,059)	3,052	35,597	20	35,617
Total comprehensive (loss)/income for the financial year	–	(5,987)	(521)	(6,508)	4	(6,504)
Issue of new shares (Note 24)	5	–	–	5	–	5
End of financial year	54,609	(28,046)	2,531	29,094	24	29,118
2016						
Beginning of financial year	47,437	(15,554)	2,328	34,211	21	34,232
Total comprehensive (loss)/income for the financial year	–	(6,505)	724	(5,781)	(1)	(5,782)
Issue of new shares (Note 24)	7,167	–	–	7,167	–	7,167
End of financial year	54,604	(22,059)	3,052	35,597	20	35,617

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

For the financial year ended 31 March 2017

Company	Share capital US$'000	Accumulated losses US$'000	Total equity US$'000
2017			
Beginning of financial year	84,686	(43,312)	41,374
Total comprehensive loss for the financial year	–	(7,739)	(7,739)
Issue of new shares (Note 24)	5	–	5
End of financial year	84,691	(51,051)	33,640
2016			
Beginning of financial year	77,519	(53,459)	24,060
Total comprehensive income for the financial year	–	10,147	10,147
Issue of new shares (Note 24)	7,167	–	7,167
End of financial year	84,686	(43,312)	41,374

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2017

	Note	2017 US$'000	2016 US$'000
Cash Flows From Operating Activities			
Net loss		**(5,987)**	(6,508)
Adjustments for:			
Club membership transferred to a director		**–**	78
Employee share award expense		**5**	245
Interest income		**(194)**	–
Share of loss of an associated company		**1,489**	4,686
Gain on disposal of a subsidiary corporation	7	**–**	(28)
Impairment on an associated company	7	**3,591**	–
Fair value loss on a financial asset through profit and loss	7	**446**	–
Fair value gain on a derivative financial instrument	7	**(1,950)**	–
Fair value gain on a financial liability carried at fair value	7	**(584)**	–
Interest expense	9	**86**	9
Depreciation of plant and equipment	10	**61**	95
Amortisation of intangible assets	10	**13**	–
Income tax credit	12	**(25)**	(14)
Net effect of exchange rate changes in consolidating foreign subsidiary corporations		**205**	182
Operating cash flows before working capital changes		**(2,844)**	(1,255)
Changes in working capital, net of effects from disposal of a subsidiary corporation:			
Inventories		**(1)**	16
Trade and other receivables		**9,755**	3,468
Other assets		**72**	798
Trade and other payables		**(554)**	(5,272)
Cash generated from/(used in) operations		**6,428**	(2,245)
Interest received		**2**	–
Income tax refunded		**12**	27
Net cash flows provided by/(used in) operating activities		**6,442**	(2,218)
Cash Flows From Investing Activities			
Purchase of plant and equipment	14	**–**	(144)
Purchase of intangible assets	15	**(2)**	(24)
Loan granted to an associated company		**(8,000)**	–
Subscription of a convertible loan issued by an associated company	21(a)	**(8,000)**	–
Disposal of a subsidiary corporation	11	**–**	(21)
Net cash flows used in investing activities		**(16,002)**	(189)
Cash Flows From Financing Activities			
Repayment of finance liabilities		**(87)**	(174)
Issuance of a convertible loan		**2,867**	–
Drawdown of cash restricted in use over 3 months		**1,391**	388
Bank deposits pledged		**(858)**	–
Proceeds from issuance of ordinary shares	24	**–**	6,922
Interest paid		**(4)**	(9)
Net cash flows provided by financing activities		**3,309**	7,127
Net (decrease)/increase in cash and cash equivalents		**(6,251)**	4,720
Cash and cash equivalents at beginning of financial year		**8,520**	3,686
Effects of exchange rate changes on cash and cash equivalents		**8**	114
Cash and cash equivalents at end of financial year	23(a)	**2,277**	8,520

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

The Company is incorporated in Singapore with limited liability. The financial statements are presented in United States Dollars (USD or US$) and they cover the Company (referred to as "parent") and the subsidiary corporations.

The board of directors approved and authorised these financial statements for issue on the date of the directors' statement.

The principal activities of the Company during the financial year was as distributor and manufacturers' representative of test equipment for the disk drive industry, acting as commission agents, system integration and commodities resources trading.

It is listed on the Catalist which is a shares market on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activities of the subsidiary corporations and associated companies are described in Note 16 and Note 17 to these financial statements.

The registered office is: 10 Ubi Crescent, Ubi Techpark, Lobby E, #03-95, Singapore 408564.

2. Summary of Significant Accounting Policies

2.1. Accounting Convention

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act Cap. 50. The financial statements are prepared on a going concern basis under the historical cost convention except where a FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. Other comprehensive income comprises items of income and expenses that are not recognised in the income statement, as required or permitted by FRS.

2.2. Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with FRS requires management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed at the end of this footnote, where applicable.

Interpretations and amendments to published standards effective in 2017

On 1 April 2016, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the managing director who is responsible for allocating resources and assessing performance of the operating segments.

2. Summary of Significant Accounting Policies (continued)

2.4 Revenue Recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Sale of goods – Electronic component parts & Commodities

Revenue from these sales is recognised when the Group has delivered the goods to locations specified by its customers and the customers have accepted the goods in accordance with the sales contract.

(b) Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(c) Rendering of services

Revenue is recognised when the services are rendered.

(d) Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest method.

2.5 Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.6 Employee Compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

2. Summary of Significant Accounting Policies (continued)

2.6 Employee Compensation (continued)

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2.7 Income Tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2. Summary of Significant Accounting Policies (continued)

2.8 Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollar, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance cost". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other credits" or "other charges".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

2.9 Plant and Equipment

(a) Measurement

(i) Plant and equipment

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Summary of Significant Accounting Policies (continued)

2.9 Plant and Equipment (continued)

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Plant and equipment	2 – 5 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other credits” and “other charges”. Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

2.10 Leases

(a) When the Group is the lessee:

Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

(b) When the Group is the lessor:

Lessor – Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2. Summary of Significant Accounting Policies (continued)

2.11 Intangible Assets

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 2 years.

The amortisation period and amortisation method of intangible assets are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.12 Group Accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired, is recorded as goodwill.

2. Summary of Significant Accounting Policies (continued)

2.12 Group Accounting (continued)

(a) Subsidiary corporations (continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

2. Summary of Significant Accounting Policies (continued)

2.12 Group Accounting (continued)

(c) Associated companies (continued)

(iii) Disposals

Investments in associated companies are derecognised when the Group loses significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost, and its fair value and any proceeds in partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in associated companies in the separate financial statements of the Company.

2.13 Club Memberships

Club memberships were acquired separately and are measured on initial recognition of cost. The cost of club memberships is the fair value as at the date of acquisition. Subsequent to recognition, club memberships are measured at cost less any accumulated impairment losses.

Club memberships are classified as "Other Assets" (Note 18) with indefinite useful lives as club memberships entitle the member to enjoy the club facilities for lifetime. Since it is with indefinite useful lives, they are tested for impairment annually or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. The useful life of the club memberships with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable.

2.14 Investments in Subsidiary Corporations and Associated Companies

Investments in subsidiary corporations and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.15 Impairment of Non-Financial Assets

Intangible assets
Plant and equipment
Investments in subsidiary corporations and associated companies

Intangible assets, plant and equipment and investments in subsidiary corporations and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating-units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Please refer to the paragraph "Plant and equipment" for the treatment of a revaluation decrease.

2. Summary of Significant Accounting Policies (continued)

2.15 Impairment of Non-Financial Assets (continued)

An impairment loss for an asset other than goodwill 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. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.16 Inventories

Inventories are measured at the lower of cost (weighted average method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.17 Financial Assets

(a) Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each balance sheet date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "Trade and other receivables" (Note 19) and "Cash and cash equivalents" (Note 23) on the balance sheet.

2. Summary of Significant Accounting Policies (continued)

2.17 Financial Assets (continued)

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

(d) Subsequent measurement

Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

(e) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.18 Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2. Summary of Significant Accounting Policies (continued)

2.19 Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.20 Fair Value Measurement

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.21 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.22 Borrowing Costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.23 Financial Guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiary corporations. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary corporations fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiary corporations' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's balance sheet.

Intra-group transactions are eliminated on consolidation.

2.24 Provisions

A liability or provision is recognised when there is 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 a reliable estimate can be made of the amount of the obligation.

A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Changes in estimates are reflected in profit or loss in the financial year they occur.

2. Summary of Significant Accounting Policies (continued)

2.25 Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.26 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

(a) Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(b) Convertible loans

Convertible loans issued by the Company is classified entirely as financial liabilities designated at fair value through profit or loss as the convertible loan is a hybrid contract carried at fair value. All transaction costs related to financial instruments designated as fair value through profit or loss are expensed as incurred.

Any changes of the fair value as at balance sheet date are recognised in profit and loss.

2.27 Derivative Financial Instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

3. Critical Accounting Estimates, Assumptions and Judgments

Estimates, assumptions and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment of investments in associated companies

Investments in associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

The recoverable amounts of these assets and, where applicable, CGU, have been determined based on higher of the fair value less costs to sell or value-in-use calculations. If the carrying amounts exceed the recoverable amounts, an impairment loss is recognised to profit or loss for the differences.

The recoverable amount of investments in associated companies have been determined based on value-in-use calculations. Cash flow projections used in the value-in-use calculation were based on financial budgeted approved by management covering a five-year period.

If the value-in-use calculation had been 10% lower than management's estimates as at 31 March 2017, the Group and Company would have recognised an additional impairment charge on investment in associated companies of US$592,500.

The carrying amounts of the investment in associated companies are disclosed in Note 17 to the financial statements.

3. Critical Accounting Estimates, Assumptions and Judgments (continued)

(b) Allowance for impairment of trade receivables

An impairment allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses trade receivables and historical bad debts, customer concentrations, and customer creditworthiness when evaluating the adequacy of the allowance for doubtful trade receivables. To the extent that it is feasible, impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the financial year, the trade receivables' carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the financial year. The carrying amount is disclosed in Note 19 to the financial statements.

If the net present values of estimated cash flows had been lower by 10% from management's estimates for all past due loans and receivables, the allowance for impairment of the Group would have been higher by US$288,200 (2016: US$407,900).

(c) Deferred income tax assets

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The Group has tax losses, capital allowances and donations carried forward amounting to US$29,532,000 (31 March 2016: US$28,516,000), US$1,608,000 (31 March 2016: US$79,000) and US$101,000 (31 March 2016: US$117,000), respectively at the balance sheet date. These losses and capital allowances relate to the Company and its subsidiary corporations that have a history of losses and may not be used to offset taxable income elsewhere in the Group. The Company and subsidiary corporations have neither temporary taxable differences nor any tax planning opportunities available that could support the recognition of any of these losses and capital allowances as deferred tax assets. If the Group was able to recognise all unrecognised deferred tax assets, profit would increase by US$5,311,000 (31 March 2016: US$4,881,000).

4. Related Party Relationships and Transactions

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply: (i) the entity and the reporting entity are members of the same group; (ii) one entity is an associated company or joint venture of the other entity; (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associated company of the third entity; (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) the entity is controlled or jointly controlled by a person identified in (a); (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

4. Related Party Relationships and Transactions (continued)

(a) Related companies

Related companies in these financial statements include the members of the Company's group of companies. Associated companies also include those that are associated companies of the parent and/or related companies.

There are transactions and arrangements between the reporting entity and members of the Group and the effects of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For any non-current balances and financial guarantees no interest or charge is imposed unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

(b) Related parties other than related companies

There are transactions and arrangements between the Company and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances are unsecured without fixed repayment terms and interest unless stated otherwise. For any non-current balances and financial guarantees, no interest or charge is imposed unless stated otherwise.

	Group		**Company**	
	2017 **US$'000**	2016 US$'000	**2017** **US$'000**	2016 US$'000
Interest charged to an associated company	**192**	–	**270**	–
Rental charged to an associated company	**253**	405	**357**	405
Expenses repaid on behalf by an associated company	**30**	87	**–**	–

(c) Key management compensation

	Group		**Company**	
	2017 **US$'000**	2016 US$'000	**2017** **US$'000**	2016 US$'000
Key management compensation including:				
Salaries, bonuses and other short-term benefits	**556**	991	**529**	898
Contributions to defined contribution plan	**11**	17	**9**	11
Share-based compensation	**5**	19	**5**	19
Total key management compensation	**572**	1,027	**543**	928

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group		**Company**	
	2017 **US$'000**	2016 US$'000	**2017** **US$'000**	2016 US$'000
Remuneration of directors of the Company	**466**	869	**466**	869

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The above amounts for key management compensation are for all the directors and other key management personnel. Further information about the remuneration of individual directors is provided in the report on Corporate Governance.

5. Financial Information by Segments

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by FRS 108 Operating Segments. This disclosure standard has no impact on the reported results or financial position of the Group.

For management purposes, following the disposal of WE Components Pte. Ltd. for the financial year ended 31 March 2015, electronics components distribution was no longer a major operating segment. Consequently, the Group has reorganised into three major operating segments for the financial year: systems and equipment distribution, commodities and resource trading and financial technology. Such structural organisation is determined by the nature of risks and returns associated to each business segment and define the management structure as well as the internal reporting system.

The segments are as follows:

The system and equipment distribution segment provide engineering support services ranging from installation, calibration, integration and testing of systems, applications training to maintenance of systems.

The commodities and resources segment provides supply chain management for natural materials and will be the driver for the Group's forward growth through its integrated sourcing, marketing and transportation operations.

The financial technology segment provides financial services such as crowdfunding to enable users to raise funds for their projects and electronic wallet services granting users on an alternate mode of payment.

The electronics components distribution segment distributes and acts as a representative for a diversified range of active and passive electronic components throughout the Asia Pacific region. This business segment was discontinued in the financial year ended 31 March 2015 and the segment has been restated into others.

5. **Financial Information by Segments (continued)**

Segmental Information:

The following table provides the information about the reportable segments:

	Systems and equipment distribution		Commodities and resources		Financial technology		Others		Total	
	2017	2016	**2017**	2016	**2017**	2016	**2017**	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
								(restated)		
Segment revenue										
Sales of goods	**595**	518	**–**	1,977	**–**	–	**–**	12	**595**	2,507
Service and maintenance income	**32**	236	**–**	–	**–**	–	**–**	–	**32**	236
Inter-segment sales	**–**	(41)	**–**	–	**–**	–	**–**	–	**–**	(41)
Sales to external parties	**627**	713	**–**	1,977	**–**	–		12	**627**	2,702
Gross profit	**102**	318	**–**	49	**–**	–	**–**	3	**102**	370
Other credits									**3,133**	1,084
Other items of expenses										
- Marketing and distribution expenses									**(54)**	(224)
- Administrative expenses									**(1,845)**	(2,107)
- Finance cost									**(86)**	(9)
- Other charges									**(5,773)**	(950)
- Share of loss of associated company									**(1,489)**	(4,686)
Loss before income tax									**(6,012)**	(6,522)
Income tax credit									**25**	14
Net loss									**(5,987)**	(6,508)
Segment assets	**953**	977	**1,630**	2,825	**73**	–	**33,677**	37,359	**36,333**	41,161
Segment liabilities	**(399)**	(187)	**(25)**	(14)	**(13)**	–	**(6,778)**	(5,343)	**7,215**	5,544

5. Financial Information by Segments (continued)

Geographical Information:

The following table provides an analysis of the revenue by geographical market, irrespective of the origin of the goods/ services:

	Group	
	2017 US$'000	2016 US$'000
Revenue:		
Singapore	**–**	11
Malaysia	**5**	104
People's Republic of China and Hong Kong	**418**	2,238
Other countries	**204**	349
	627	2,702

The following is an analysis of the carrying amount of non-current assets, and additions to plant and equipment and intangible assets analysed by the geographical area in which the assets are located:

	Group	
	2017 US$'000	2016 US$'000
Non-Current Assets:		
Singapore	**26,932**	12,281
Malaysia	**1**	3
	26,933	12,284
Capital Expenditure:		
Singapore	**2**	168

The non-current assets are analysed by the geographical area in which the assets are located.

Revenue of approximately US$413,000 (2016: US$1,924,000) is derived from a single customer. These revenue are attributable to the systems and equipment distribution (2016: commodities and resources) segment.

* Amount less than US$1,000.

6. Revenue

	Group	
	2017 US$'000	2016 US$'000
Sale of goods	**561**	2,466
Service and maintenance income	**66**	236
	627	2,702

7. Other Credits and (Other Charges), net

	Group	
	2017 US$'000	2016 US$'000
Allowance for impairment – trade receivables (Note 19)	**(525)**	(10)
Allowance for impairment – other receivables (Note 19)	**(986)**	–
Bad debts written off – trade and other receivables	**(16)**	(373)
Bad debts recovered – trade receivables	**–**	1
Foreign exchange adjustments losses – net	**(209)**	(567)
Gain on disposal of a subsidiary corporation (Note 11)	**–**	28
Fair value loss on a financial asset through profit and loss	**(446)**	–
Fair value gain on a derivative financial instrument (Note 21)	**1,950**	–
Fair value gain on a financial liability carried at fair value	**584**	–
Government grants		
- PIC bonus [(1)]	**16**	–
- WCS [(2)]	**2**	2
- SEC [(3)]	**1**	1
- TEC [(4)]	**2**	2
Impairment on an associated company (Note 17)	**(3,591)**	–
Interest income - loan granted to an associated company	**137**	–
Interest income - convertible loan issued by an associated company	**55**	–
Interest income from bank deposits	**2**	–
Gain on warrants not exercised	**–**	205
Trade and other payables written back [(5)]	**–**	403
Rental income on operating lease	**253**	405
Miscellaneous income	**131**	37
Total	**(2,640)**	134
Presented in statement of comprehensive income as:		
Other credits	**3,133**	1,084
Other charges	**(5,773)**	(950)
Net	**(2,640)**	134

[(1)] As announced in Budget 2014, businesses that invest in qualifying activities under the Productivity and Innovation Credit (PIC) scheme will receive a PIC Bonus in order to help businesses defray rising operating costs such as wages and rentals and encourages businesses to undertake improvements in productivity and innovation.

[(2)] As announced in Budget 2013, businesses will receive wage credit payouts under the Wage Credit Scheme (WCS) to free up resources to make investments in productivity and to share the productivity gains with their employees.

[(3)] As announced in Budget 2011, businesses whom provide continuing support to hire older Singaporean workers and Persons with Disabilities (PWDs) will receive payouts under the Special Employment Credit (SEC) to support employers, and to raise the employability of older low-wage Singaporeans.

[(4)] As announced in Budget 2015, businesses will receive a one-year offset of 0.5% of wages for its Singaporean and Singapore Permanent Resident (PR) employees in 2015 under the Temporary Employment Credit (TEC) as a Budget 2014 initiative to help businesses for adjustment of 1 percentage point increase in Medisave contribution rates, which took effect in January 2015.

[(5)] Trade and other payables were written back due to a reversal in over-accruals, largely due to the replacement of the commission scheme, a cash bonus incentive to employees, with the WE Share Awards Scheme and over-provision of other accruals.

8. Employee Compensation

	Group 2017 US$'000	2016 US$'000
Employee compensation including directors:		
- Salaries, bonuses and other short-term benefits	**811**	1,248
- Contributions to defined contribution plan	**41**	75
- Share-based payment expenses	**5**	5
- Other benefits	**34**	87
- Total employee compensation included in administrative expenses	**891**	1,415

9. Finance Costs

	Group 2017 US$'000	2016 US$'000
Interest expense – convertible loan	**82**	–
Interest expense – bank	**4**	9
	86	9

10. Items in the Consolidated Statement of Comprehensive Income

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the statement of comprehensive income includes the following charges/(credits):

	Group 2017 US$'000	2016 US$'000
Amortisation of intangible assets (Note 15)	**13**	–
Depreciation of plant and equipment (Note 14)	**61**	95
Donations	**65**	42
Employee compensation (Note 8)	**891**	1,415
Inventories recognised as cost of sales (Note 20)	**510**	2,297
Inventories written off (Note 20)	**–**	3
Inventories written back (Note 20)	**–**	(1)
Listing expenses	**33**	130
Professional fees	**464**	218
Share-based payment expenses paid to a consultant	**–**	14
Rental of office equipment on operating lease (Note 31)	**17**	9
Audit fees to independent auditor included under administrative expenses		
- Company's auditor	**59**	65
- Other auditors	**2**	2
Other fees to independent auditor included under administrative expenses:		
- Company's auditor	**7**	7

11. Disposal of a Subsidiary Corporation

Disposal of WE Components (Penang) Sdn. Bhd.

The subsidiary corporation, WE Components (Penang) Sdn. Bhd. was disposed on 2 April 2015.

The following table summarises the carrying amount of assets and liabilities of the subsidiary corporation, WE Components (Penang) Sdn. Bhd. that was disposed on 2 April 2015.

	Group 2016 US$'000
Cash and cash equivalents	21
Plant and equipment	*
Other assets	*
Total assets	21
Trade and other payables	(49)
Total liabilities	(49)
Net liabilities disposed of	(28)

The aggregate cash inflows arising from the disposal of the subsidiary corporation were:

	Group 2016 US$'000
Net liabilities disposed of (as above)	(28)
Gain on disposal (Note 7)	28
Cash proceeds from disposal	*
Less: Cash and cash equivalents in subsidiary corporation disposed of	(21)
Net cash outflows on disposal	(21)

* Amount less than US$1,000.

12. Income Taxes

(a) Income tax credit

	Group	
	2017	2016
	US$'000	US$'000
Tax credit attributable to loss is made up of:		
Loss for the financial year:		
- Deferred income tax	**–**	25
Over provision in prior years:		
- Deferred income tax	**(25)**	(39)
	(25)	(14)

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2016: 17%) to loss before tax as a result of the following differences:

	Group	
	2017	2016
	US$'000	US$'000
Loss before tax	**(6,012)**	(6,522)
Share of loss of an associated company, net of tax	**1,489**	4,686
Loss before tax and share of loss of an associated company	**(4,523)**	(1,836)
Income tax expense at the statutory rate	**(769)**	(312)
Expenses not deductible for tax purposes	**869**	148
Income not subjected to tax	**(526)**	–
Effect of different tax rates in different countries	**(4)**	(2)
Deferred tax assets unrecognised	**787**	196
Utilisation of previously unrecognised tax losses	**(357)**	(1)
Over provisions of prior years deferred tax	**(25)**	(39)
Tax rebate	**–**	(4)
Tax credit	**(25)**	(14)

(b) Deferred tax income recognised in profit or loss includes:

	Group	
	2017	2016
	US$'000	US$'000
Excess of tax values over net book value of plant and equipment	**(25)**	(14)
Total deferred tax income recognised in profit or loss	**(25)**	(14)

12. Income Tax Credit (continued)

(c) *Deferred tax balance in the balance sheet:*

	Group		Company	
	2017 US$'000	2016 US$'000	**2017 US$'000**	2016 US$'000
Deferred tax liabilities:				
Relating to revaluation of property, plant and equipment	**(624)**	(624)	**–**	–
Excess of net book value of plant and equipment over tax values	**–**	(25)	**–**	–
Exchange differences	**72**	54	**–**	–
Total deferred tax liabilities	**(552)**	(595)	**–**	–
Unrecorded deferred tax assets:				
Tax losses	**5,021**	4,848	**4,138**	4,508
Capital allowances	**273**	13	**86**	86
Donations	**17**	20	**20**	20
Total unrecorded deferred tax assets	**5,311**	4,881	**4,244**	4,614

It is impracticable to estimate the amount expected to be settled or used within the near future.

For the Singapore companies, the realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law.

No deferred tax assets have been recognised in respect of the above balances, as the future profit streams are not probable.

13. Earnings Per Share

(a) *Basic loss per share*

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2017	2016
Net loss for the year attributable to the equity holders of the Company (US$'000)	**(5,987)**	(6,505)
Weighted average number of equity shares issued ('000)	**5,242,960**	4,609,324
Basic loss per share (in US cents)	**(0.11)**	(0.14)

13. Earnings Per Share (continued)

(b) Diluted loss per share

For the purpose of calculating diluted loss per share, net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: performance shares.

	2017	2016
Net loss for the year attributable to the equity holders of the Company (US$'000)	**(5,987)**	(6,505)
Weighted average number of equity shares issued fully diluted ('000)	**5,242,960**	4,609,324
Diluted loss per share (in US cents)	**(0.11)***	(0.14)*

* As loss was recorded for the financial years ended 31 March 2016 and 2017, the dilutive potential shares from shares to be issued and performance shares are anti-dilutive and no change is made to the diluted loss per share.

The weighted average number of equity shares refers to shares in circulation during the financial year.

14. Plant and Equipment

Group	**Plant and equipment US$'000**
Cost:	
At 1 April 2015	510
Foreign exchange adjustments	(10)
Additions	144
Disposal of a subsidiary corporation (Note 11)	(*)
Reclassified to intangible assets (Note 15)	(26)
At 31 March 2016	618
Foreign exchange adjustments	(12)
Written off	(19)
At 31 March 2017	587
Accumulated depreciation:	
At 1 April 2015	65
Foreign exchange adjustments	(9)
Reclassified to intangible assets (Note 15)	(26)
Disposal of a subsidiary corporation (Note 11)	(*)
Depreciation charge (Note 10)	95
At 31 March 2016	125
Foreign exchange adjustments	(11)
Depreciation charge (Note 10)	61
Written off	(19)
At 31 March 2017	156
Net book value:	
At 31 March 2016	493
At 31 March 2017	431

* Amount less than US$1,000.

14. Plant and Equipment (continued)

Company	**Plant and Equipment US$'000**
Cost:	
At 1 April 2015, 31 March 2016 and 31 March 2017	187
Accumulated depreciation:	
At 1 April 2015	47
Depreciation charge	37
At 31 March 2016	84
Depreciation charge	37
At 31 March 2017	121
Net book value:	
At 31 March 2016	103
At 31 March 2017	66

As at 31 March 2017, there are no items that are under finance lease agreements.

The depreciation expense is charged to statement of comprehensive income as administrative expenses.

15. Intangible Assets

Group	**Computer Software US$'000**
Cost:	
At 1 April 2015	–
Additions	24
Reclassified from plant and equipment (Note 14)	*
At 31 March 2016	24
Additions	2
Foreign exchange adjustments	*
At 31 March 2017	26
Accumulated amortisation:	
At 1 April 2015 and 31 March 2016	–
Amortisation charge	13
Foreign exchange adjustments	*
At 31 March 2017	13
Net book value:	
At 31 March 2016	24
At 31 March 2017	13

15. Intangible Assets (continued)

Company	Computer Software US$'000
Cost:	
At 1 April 2015	–
Additions	24
At 31 March 2016 and 31 March 2017	24
Accumulated amortisation:	
At 1 April 2015 and 31 March 2016	–
Amortisation charge	13
At 31 March 2017	13
Net book value:	
At 31 March 2016	24
At 31 March 2017	11

The amortisation expense is charged to the statement of comprehensive income as administrative expenses.

* Amount less than US$1,000.

16. Investments in Subsidiary Corporations

	Company	
	2017 US$'000	2016 US$'000
Movements during the financial year:		
- At beginning of the financial year	**3,756**	187
- Additions (Note (a))	**74**	3,569
- Allowance for impairment (Note (b))	**(3,569)**	–
- Disposals	**–**	*
- Balance at the end of the financial year	**261**	3,756
Total cost comprising:		
- Unquoted equity shares at cost	**4,583**	4,509
- Allowance for impairment	**(4,322)**	(753)
- Total at cost	**261**	3,756
Movements in allowance for impairment loss:		
- At beginning of the financial year	**753**	753
- Additions during the financial year	**3,569**	–
- At end of the financial year	**4,322**	753

16. Investments in Subsidiary Corporations (continued)

(a) On 13 October 2015, the Company acquired additional 4,803,809 shares in its wholly owned subsidiary corporation, WE Resources Pte. Ltd. ("WER") by capitalisation of loan due from WER to the Company for the amount of S$4,803,809 (US$3,569,000).

On 23 August 2016, the Company has incorporated a newly owned subsidiary corporation, WE Resources (Cambodia) Co. Ltd., with a paid-up share capital of US$1,000.

On 12 October 2016, the Company has incorporated a newly owned subsidiary corporation, WE Pay Pte. Ltd. with a paid-up share capital of S$100,000 (US$73,000).

On 20 December 2016, the Company has incorporated a newly owned subsidiary corporation, WE Crowdfunding Pte. Ltd. with a paid-up share capital of US$1.

(b) During the financial year, the Company has fully impaired the investment in WER amounting to US$3,569,000 as the management has determined the recoverable amount to be Nil.

* Amount less than US$1,000.

The subsidiary corporations held by the Company and its subsidiary corporations are listed below:

Name of Subsidiary Corporations, Country of Incorporation, Place of Operations and Principal Activities	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2017	2016	**2017**	2016	**2017**	2016
	%	%	**%**	%	**%**	%
WE Components Sdn Bhd [(b)] Malaysia Distributor and representative of electronic components and systems and equipment	**85**	85	**85**	85	**15**	15
WE Systems Pte Ltd [(a)] Singapore Engineering support service, application training and system maintenance	**100**	100	**100**	100	**–**	–
WesCal Electronics Trading (Shanghai) Co., Ltd [(c)] People's Republic of China Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**–**	–
WE Electronics Co., Ltd [(c)] Thailand Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**–**	–
WE Dragon Resources Pte Ltd [(a)] Singapore Petroleum, mining and prospecting services	**100**	100	**100**	100	**–**	–

16. Investments in Subsidiary Corporations (continued)

Name of Subsidiary Corporations, Country of Incorporation, Place of Operations and Principal Activities	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2017	2016	**2017**	2016	**2017**	2016
	%	%	**%**	%	**%**	%
WE Resources Pte Ltd [(a)] Singapore Iron ore and coal trading	**100**	100	**100**	100	**–**	–
WE Resources Sdn. Bhd. [(b)] Malaysia Iron ore and coal trading	**100**	100	**100**	100	**–**	–
Plexus Electronics Inc. [(c)] United States of America Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**–**	–
WE Technology (HK) Ltd [(c)] Hong Kong Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**-**	-
WE Resources (Cambodia) Co. Ltd. [(c)] Cambodia Iron ore and coal trading	**100**	–	**100**	–	**–**	–
WE Crowdfunding Pte Ltd [(a)] Singapore Financial services	**100**	–	**100**	–	**–**	–
WE Pay Pte Ltd [(a)] Singapore E-wallet services	**100**	–	**100**	–	**–**	–

(a) Audited by Nexia TS Public Accounting Corporation.

(b) Audited by KPMG PLT

(c) The subsidiary corporations are dormant and are not significant to the Group.

As required by Rule 715 of the Listing Manual of The Singapore Exchange Securities Trading Limited, the audit committee and the board of directors of the Company have satisfied themselves that the appointment of different auditors for certain of its overseas subsidiary corporations would not compromise the standard and effectiveness of the audit of the consolidated financial statements.

Significant Restrictions

Cash and short-term deposits of US$3,781 (2016: US$551,579) are held in the People's Republic of China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

17. Investments in Associated Companies

	Company	
	2017	2016
	US$'000	US$'000
Equity investments at cost	**13,392**	13,392
Less: Impairment loss	**(7,467)**	–
Equity investments at net book value	**5,925**	13,392

During the financial year, the Group and the Company impaired the investments in associated companies amounting to US$3,591,000 and US$7,467,000 respectively as the management has determined the recoverable amount to be US$5,925,000 which is lower than the carrying amounts in the Group and the Company.

Set out below are the associated companies of the Group as at 31 March 2016 and 2017. The associated companies as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation is also their principal place of business.

Name of Company, Country of Incorporation, Place of Operations and Principal Activities	**% of ownership interest**	
	%	**%**
Jubilee Industries Holdings Ltd [(a)] Singapore Mould design/fabrication, provision of precision plastic injection manufacturing solutions and trading in electrical components	**29.10**	29.25
Syntax-Olevia (Far East) Pte Ltd [(b)] Singapore Distributor and representative of LCD TV	**20.00**	20.00

(a) Audited by Nexia TS Public Accounting Corporation.

(b) The associated company is dormant and is not significant to the Group.

As of 31 March 2017, the Company has a direct interest in 97,354,500 ordinary shares representing 29.10% (2016: 29.25%) of the issued and paid up capital of Jubilee Industries Holdings Ltd ("Jubilee"). The dilution in percentage of shareholding was following by an issue of 1,721,148 new shares under the Jubilee Shares Award Scheme ("JSAS").

As at 31 March 2017, the fair value of the Group's interest in Jubilee, which is listed on the Catalist board of the SGX-ST, was US$3,000,000 (2016: US$2,159,000). The fair value measurement is classified within Level 1 of the fair value hierarchy.

There is no contingent liabilities relating to the Group's interest in the associated companies.

17. Investments in Associated Companies (continued)

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

Summarised balance sheet

	Jubilee	
	2017 **US$'000**	2016 US$'000
Current assets	**35,135**	24,922
Includes:		
- Cash and cash equivalents	8,122	656
Current liabilities	**(32,574)**	(19,035)
Includes:		
- Financial liabilities (excluding trade payables)	(14,132)	(218)
Non-current assets	**14,781**	8,368
Non-current liabilities	**(8,143)**	(19)
Includes:		
- Financial liabilities	(8,143)	(19)
Net assets	**9,199**	14,236

Summarised statement of comprehensive income

	Jubilee	
	2017 **US$'000**	2016 US$'000
Revenue	**78,373**	60,971
Interest income	**15**	20
Expenses includes:		
Depreciation and amortisation	**(1,054)**	(1,227)
Interest expense	**(276)**	(244)
Loss before taxation	**(5,389)**	(15,726)
Income tax credit/(expense)	*	(294)
Loss after taxation	**(5,389)**	(16,020)
Other comprehensive income	**616**	1,486
Total comprehensive loss	**(4,773)**	(14,534)

*Less than US$1,000

The information above reflects the amounts presented in the financial statements of Jubilee (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated company.

17. Investments in Associated Companies (continued)

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented, to the carrying amount of the Group's interest in associated company, is as follows:

	Jubilee	
	2017 US$'000	2016 US$'000
Net assets		
At beginning of the financial year	**14,235**	30,955
Loss for the year	**(5,389)**	(16,020)
Other comprehensive income for the year	**616**	1,486
Foreign exchange differences	**(412)**	(2,307)
Equity component of a convertible loan	**118**	–
Issue of new shares	**31**	122
At end of the financial year	**9,199**	14,236
Interest in associated company (2017: 29.10%; 2016: 29.25%)	**2,677**	4,164
Fair value adjustment [(1)]	**6,861**	7,176
Impairment loss (Note 7)	**(3,591)**	–
Other adjustment	**(22)**	412
Carrying value	**5,925**	11,752
Carrying value of individually immaterial associated companies, in aggregate	**–**	–
Carrying value of Group's interest in associated companies	**5,925**	11,752

(1) Fair value adjustment, inclusive of currency adjustments, pertains to the bargain purchase derived at the acquisition date.

18. Other Assets

	Group		Company	
	2017 US$'000	2016 US$'000	**2017 US$'000**	2016 US$'000
Other assets (current):				
Deferred expenses	**–**	1	**–**	–
Deposits to secure services	**1**	66	**1**	–
Prepayments	**2**	8	**–**	–
	3	75	**1**	–
Other assets (non-current):				
Club membership	**15**	15	**15**	15

19. Trade and Other Receivables

	Group 2017 US$'000	Group 2016 US$'000	Company 2017 US$'000	Company 2016 US$'000
Current				
Trade receivables:				
Outside parties	**4,031**	4,805	**–**	20
Less: Allowance for impairment	**(1,149)**	(654)	**–**	(10)
Subsidiary corporations	**–**	–	**1,061**	1,673
Less: Allowance for impairment	**–**	–	**–**	(1,358)
Related parties	**–**	6	**–**	6
Subtotal	**2,882**	4,157	**1,061**	331
Other receivables:				
Subsidiary corporations	**–**	–	**1,390**	10,209
Less: Allowance for impairment	**–**	–	**(203)**	(1,825)
Related parties	**5,462**	12,244	**7,376**	11,933
Advance to suppliers	**–**	453	**–**	–
Other receivables – outside parties [1]	**3,422**	3,759	**9**	11
Less: Allowance for impairment	**(2,736)**	(1,750)	**–**	–
Subtotal	**6,148**	14,706	**8,572**	20,328
Total trade and other receivables	**9,030**	18,863	**9,633**	20,659

	Group 2017 US$'000	Group 2016 US$'000	Company 2017 US$'000	Company 2016 US$'000
Non-current				
Loan to an associated company	**8,270**	–	**8,270**	–

[1] Other receivables pertain to refundable deposits placed to suppliers for the ordering of commodities to meet future demands.

The loan to an associated company, Jubilee Industries Holdings Limited, is unsecured with interest of 5% per annum and repayable in full on 6 October 2019.

The fair values of non-current other receivables are computed based on cash flows discounted at market borrowing rates. The fair values are within level 2 of the fair values hierarchy. The fair values and the market borrowing rates used are as follows:

	Group and Company 2017 US$'000	Group and Company 2016 US$'000	Borrowing rates 2017 %	Borrowing rates 2016 %
Loan to an associated company	**7,884**	–	5.28	–

19. Trade and Other Receivables (continued)

The other receivables due from subsidiary corporations and related parties are unsecured, interest-free and repayable on demand.

	Group		Company	
	2017 US$'000	2016 US$'000	**2017 US$'000**	2016 US$'000
Movements in above allowance:				
Trade receivables:				
Balance at beginning of the financial year	**654**	700	**1,368**	3,227
Foreign exchange adjustments	**(20)**	1	**–**	–
Charged/(reversed) to profit or loss (Note 7)	**525**	10	**(1,358)**	(1,802)
Utilisation of allowance	**(10)**	(57)	**(10)**	(57)
Balance at end of the financial year (Note 30(d))	**1,149**	654	**–**	1,368
Other receivables:				
Balance at beginning of the financial year	**1,750**	1,750	**1,825**	11,369
Charged/(reversed) to profit or loss (Note 7)	**986**	–	**(1,622)**	(9,544)
Balance at end of the financial year	**2,736**	1,750	**203**	1,825

20. Inventories

	Group		Company	
	2017 US$'000	2016 US$'000	**2017 US$'000**	2016 US$'000
Goods for resale	**1**	–	**–**	–
The cost of inventories included in the cost of sales (Note 10)	**510**	2,297	**–**	41
Inventories written off (Note 10)	**–**	3	**–**	–
Inventories written back (Note 10)	**–**	(1)	**–**	–

21. Convertible Loan

	Group and Company	
	2017 **US$'000**	2016 US$'000
Financial asset		
Convertible loan at fair value through profit and loss (Note (a))	**6,186**	–
Financial liability		
Convertible loan carried at fair value (Note (b))	**2,283**	–

(a) On 7 October 2016, the Company entered into a subscription agreement with an associated company, Jubilee Industries Holdings Limited ("Jubilee"), a company listed on the Catalist board of SGX-ST, to subscribe, for US$8,000,000, for 3 years convertible loan, maturing on 6 October 2019 ("Maturity Date"). The convertible loan carries a coupon interest rate of 2% per annum and Jubilee shall pay the accumulated interest to the Company and the principal sum at Maturity Date.

Under the terms of the subscription agreement, the convertible bond may be converted into ordinary shares of Jubilee at conversion price of SGD$0.032 at the discretion of the Company at any time before the Maturity Date.

In accordance with FRS39, Financial Instrument: Recognition and Measurement, the Company has assessed and determined the equity conversion feature in the convertible loan to be an embedded derivative as the economic characteristic and risks are not closely related to the loan. Accordingly, the Company has engaged an independent professional valuer to determine the fair value of the derivative, taking into consideration certain parameters such as the credit rating, spot price, volatility and risk-free rate of the host contract. Based on this valuation report, the loan was segregated into derivative financial instrument and convertible loan of US$1,368,000 and US$6,632,000 respectively on the date of inception.

(b) On 22 November 2016, the Company entered into a subscription agreement with Singapore Rixin Zhonghe Investment Pte Ltd ("SRZI"), to issue, for SGD$4,000,000, for 3 years convertible loan, maturing on 21 November 2019 ("Maturity Date"). The convertible loan carries a coupon interest rate of 8% per annum and the Company shall pay the interest to the Company six months in arrears and the principal sum to be redeemed at Maturity Date.

Under the terms of the subscription agreement, the convertible loan may be converted into ordinary shares of the Company at conversion price of SGD$0.0054 or 100% of the net assets value per share of whichever is higher on the date of conversion at the discretion of the Company at any time before the Maturity Date.

In accordance with FRS39, Financial Instrument: Recognition and Measurement, the Company has assessed and determined the convertible loans are not to be bifurcated as the economic characteristics and risks of the embedded derivative are closely related to the economic characteristics and risk of the host contract. Accordingly, the Company has engaged an independent professional valuer to determine the fair value of the convertible loan as at balance sheet date, taking into consideration certain parameters such as the credit rating, spot price, volatility and risk-free rate of the host contract.

22. Derivative Financial Instrument

	Group and Company	
	2017 **US$'000**	2016 US$'000
Derivative on a convertible loan	**3,318**	–

The Group recognised a gain of US$1,950,000 (2016: Nil) (Note 7) from fair value movements of the derivative financial instrument.

23. Cash and Cash Equivalents

	Group		Company	
	2017	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000
Not restricted in use	**2,277**	8,520	**1,734**	3,678
Fixed deposits pledged	**858**	–	**858**	–
Restricted in use [1]	**–**	1,391	**–**	–
	3,135	9,911	**2,592**	3,678

[1] This is for bank balance held by bankers to cover bank facilities granted for the financial year ended 31 March 2016.

The rate of interest for the cash on interest earning accounts of US$858,000 (2016: US$1,391,000) is between 1.45% to 1.70% (2016: 0.30% to 1.41%).

(a) *Cash and Cash Equivalents in the Consolidated Statement of Cash Flows:*

For the purposes of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2017	2016
	US$'000	US$'000
Amount as shown above	**3,135**	9,911
Cash restricted in use over 3 months	**(858)**	(1,391)
Cash and cash equivalents per consolidated statement of cash flows	**2,277**	8,520

(b) *Non-cash Transactions*

On 20 January 2017, the Company awarded 1,324,074 shares for S$0.005 and these shares were issued on 25 January 2017.

24. Share Capital

Group	Number of shares issued '000	Share capital US$'000
Ordinary shares of no par value:		
- At 1 April 2015	2,845,517	47,437
- Issuance of shares pursuant to WE Share Award Scheme in May 2015 at S$0.0152 per share	19,726	226
- Warrants exercised for September 2013 right shares at S$0.03 per share	122	3
- Warrants exercised for March 2014 right shares at S$0.03 per share	26	*
- Warrants exercised for May 2015 right shares at S$0.004 per share	2,370,631	6,919
- Issuance of shares pursuant to WE Share Award Scheme in September 2015 at S$0.004 per share	6,611	19
	2,397,116	7,167
At end of the year 31 March 2016	5,242,633	54,604
- Issuance of shares pursuant to Accrelist Share Award Scheme (previously known as WE Share Award Scheme) in January 2017 at S$0.005 per share	1,324	5
	1,324	5
At end of the year 31 March 2017	5,243,957	54,609

Company	Number of shares issued '000	Share capital US$'000
Ordinary shares of no par value:		
At 1 April 2015	2,845,517	77,519
- Issuance of shares pursuant to WE Share Award Scheme in May 2015 at S$0.0152 per share	19,726	226
- Warrants exercised for September 2013 right shares at S$0.03 per share	122	3
- Warrants exercised for March 2014 right shares at S$0.03 per share	26	*
- Warrants exercised for May 2015 right shares at S$0.004 per share	2,370,631	6,919
- Issuance of shares pursuant to WE Share Award Scheme in September 2015 at S$0.004 per share	6,611	19
	2,397,116	7,167
At end of the year 31 March 2016	5,242,633	84,686
- Issuance of shares pursuant to Accrelist Share Award Scheme in January 2017 at S$0.005 per share	1,324	5
	1,324	5
At end of the year 31 March 2017	5,243,957	84,691

* Amount less than US$1,000

24. Share Capital (continued)

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements. The difference in amounts in the Group and the Company is due to the reverse takeover exercise in the past.

In the previous financial year, the Company had issued 2,370,779 shares due to exercise of 2,370,779 warrants for S$9,486,963 (US$6,921,000).

The newly issued shares rank pari passu in all respects with the previously issued shares.

Capital management:

In order to maintain its listing on the Singapore Stock Exchange the Company has to have share capital with at least a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the year. Management receives a report from the registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the financial year.

The objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurate with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the financial year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The management monitors the capital on the basis of the debt-to-adjusted-capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings (comprising of other financial liabilities and convertible loan) less cash and cash equivalents.

	Group		**Company**	
	2017	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000
Net debts:				
All current and non-current borrowings	**3,292**	1,096	**2,283**	–
Less: cash and cash equivalents	**(3,135)**	(9,911)	**(2,592)**	(3,678)
Net debt/(cash)	**157**	(8,815)	**(309)**	(3,678)
Net capital:				
Equity	**29,118**	35,617	**33,640**	41,374
Net capital	**29,118**	35,617	**33,640**	41,374
Debt-to-adjusted-capital ratio	**0.5%**	(24.7%)	**(0.1%)**	(8.9%)

The Group and the Company are in compliance with all external imposed capital requirements for the financial years ended 31 March 2016 and 2017.

In the previous financial year, the Group and the Company have a net cash rather than net debt position as shown by the positive to negative debt-to-adjusted-capital ratio. This resulted primarily from the increase in cash and cash equivalents from funds obtained through the issue of shares as disclosed above.

25. Other Reserves

Group	2017 US$'000	2016 US$'000
Foreign currency translation reserve (Note (a))	**(829)**	(129)
Revaluation reserve (Note (b))	**2,853**	2,853
Other reserve (Note (c))	**507**	328
Balance at end of the financial year	**2,531**	3,052

(a) Foreign Currency Translation Reserve

The foreign currency translation reserve accumulates all foreign exchange differences.

Group	2017 US$'000	2016 US$'000
At beginning of financial year	**(129)**	(408)
Exchange differences on translating foreign operations	**(700)**	279
At end of the financial year	**(829)**	(129)

(b) Revaluation reserve

The revaluation reserve arises from the revaluation model of buildings held under property, plant and equipment. It is not distributable until it is recovered from use or released on the disposal of the buildings.

The revaluation reserve pertains to buildings listed as Excluded Properties in the disposal of WE Components Pte Ltd ("WEC Group") in the financial year ended 31 March 2015. The Company has entered into a Second Supplemental Agreement with Jubilee Industries Holdings Ltd on 15 January 2015 prior to completion of the disposal of WEC Group. The Second Supplemental Agreement provides that following completion, the Excluded Properties shall be procured, sold and transferred from WEC Group to the Company or its nominees at a consideration amounting to US$5,617,000 at the Company's own cost and expense within 12 months after completion and, if required by the Banks, the Company or its nominees shall continue to provide third party security by way of mortgage over the Excluded Properties, in relation to loans provided by each of the banks to WEC Group, pursuant to the term loan letter dated 2 May 2008 from DBS Bank Ltd to WEC Group and the revised banking facilities letter dated 1 October 2013 from United Overseas Bank Limited to WEC Group.

The deed has not been executed as at balance sheet date as the facilities are required to be settled in full pursuant to the loan covenant. The management is currently monitoring the cash position of the Group and they seek to execute the deed in the near future.

(c) Other reserve

The other reserve pertains to the Group's share of the associated company's other comprehensive income which is not available for cash dividends unless realised.

Group	2017 US$'000	2016 US$'000
Balance at beginning of the financial year	**328**	(106)
Share of associated company's other reserves	**179**	434
Balance at end of the financial year	**507**	328

26. Contingencies

The Company has issued corporate guarantees to banks for borrowings of a previously wholly-owned subsidiary corporation with net assets position. These bank borrowings amount to US$1,009,000 (2016: US$1,096,000) at the balance sheet date. The management has evaluated the fair value of the corporate guarantees and is of the view that the consequential benefit derived from its guarantees to the bank with regards to the subsidiary corporation is minimal.

The Company is not required to fulfil any guarantee on the basis of default by the borrowers as at the balance sheet date. The details of the corporate guarantee are disclosed in Note 27(a).

27. Other Financial Liabilities

	Group	
	2017	2016
	US$'000	US$'000
Non-current:		
Bank loans (secured) (Note (a))	**958**	1,045
Current:		
Bank loans (secured)	**51**	51
Total financial liabilities	**1,009**	1,096
Non-current portion is repayable as follows:		
Due within 1 to 2 years	**54**	53
Due within 2 to 5 years	**183**	179
After 5 years	**721**	813
Total non-current portion	**958**	1,045

The range of floating interest rates paid was as follows:

	Group	
	2017	2016
	%	%
Bank loans	**5.25% to 6%**	3.5% to 5.25%

(a) Bank Loans

The bank loans are secured by:

(i) Legal mortgages of leasehold industrial properties of a previously wholly-owned subsidiary corporation; and

(ii) Corporate guarantee provided by the Company.

(b) Fair value of non-current borrowings

	Group	
	2017	2016
	US$'000	US$'000
Bank loans	**662**	698

27. Other Financial Liabilities (continued)

(b) Fair value of non-current borrowings (continued)

The fair values above are determined from the cash flow analyses, discounted at market borrowings rates of an equivalent instrument at the balance sheet date which the directors expect to be available to the Group as follows:

	2017	2016
	%	%
Bank loans	**5.28%**	5.35%

28. Trade and Other Payables

	Group		**Company**	
	2017	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000
Trade payables:				
Outside parties	**2,941**	2,586	**–**	–
Subsidiary corporations	**–**	–	**–**	47
Related parties	**–**	12	**–**	–
Sub-total	**2,941**	2,598	**–**	47
Other payables:				
Outside parties	**22**	925	**14**	66
Accrued liabilities	**408**	159	**347**	137
Subsidiary corporations	**–**	–	**–**	9
Related parties	**–**	161	**–**	–
Sub-total	**430**	1,245	**361**	212
Total trade and other payables	**3,371**	3,843	**361**	259

The non-trade amounts due to subsidiary corporations and related parties are unsecured, interest-free and repayable upon demand.

29. Share Based Payments

The Company has a share award scheme known as WE Share Award Scheme ("WSAS") approved and adopted by its members at an Extraordinary General Meeting held on 25 May 2010. WSAS is administered by a committee which consists of directors of the Company. The purpose of the WSAS is to provide an opportunity for the Group's employees and directors who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company. The WSAS is also extended to the Group non-executive directors.

The directors believe that the retention of outstanding employees within the Group is paramount to the Group's long-term objective of pursuing continuous growth and expansion in its business and operations. The Group also acknowledges that it is important to preserve financial resources for future business developments and to withstand difficult times. As such, one of the Group's strategies is to contain the remuneration of its employees and executives that is a major component of the Group's operating costs.

The WSAS is formulated with those objectives in mind. It is hoped that through the WSAS, the Group would be able to remain an attractive and competitive employer and better able to manage its fixed overhead costs without compromising on performance standards and efficiency.

The name of the share award scheme has been changed to Accrelist Share Award Scheme ("ASAS") on 20 January 2017. This is consequent upon the change of the Company's name to Accrelist Ltd. from WE Holdings Ltd. on 8 November 2016. The rules of the Scheme remain unchanged.

29. Share Based Payments (continued)

On 22 March 2013, the Company awarded the following shares under WSAS which vest at various periods.

Name of Awardee	No. of shares awarded	Vesting periods
Executive Officers and Employees		
Employees	5,700,000	22 March 2013 to 30 April 2014
Employees	6,325,000	22 March 2013 to 30 April 2015

The market price at the time of awarding the above shares is S$0.094.

Out of the above, 1,725,000 shares that vested on 30 April 2015 under "Others", are cancelled due to cessation of employment. Due to capital variation from the placement of shares and issue of rights and warrant shares, the remaining awardees were issued a further 33,697,423 shares that vest at various periods:

Name of Awardee	No. of shares awarded	Vesting periods
Executive Officers and Employees		
Employees	16,203,442	22 March 2013 to 30 April 2014
Employees	13,192,182	22 March 2013 to 30 April 2015

The market price at the time of awarding the above shares is S$0.0152.

On 1 October 2013, the Company awarded 18,665,765 shares for S$0.0506. Out of this, 18,354,217 shares were issued on 8 November 2013 and 311,548 shares were cancelled due to cessation of employment.

On 7 May 2014, the Company issued 25,721,308 shares for those that vested on 30 April 2014.

On 1 October 2014, the Company awarded 6,939,603 shares for S$0.01 and these shares were issued on 2 October 2014.

On 8 May 2015, the Company issued 19,726,115 shares for those that vested on 30 April 2015.

On 18 September 2015, the Company awarded 6,611,353 shares for S$0.004 and these shares were issued on 21 September 2015.

On 20 January 2017, the Company awarded 1,324,074 shares for S$0.005 per share and these shares were issued on 25 January 2017.

30. Financial Instruments: Information on Financial Risks

(a) Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the financial year by FRS 39 categories:

	Group		Company	
	2017	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000
Financial assets				
Loans and receivables	**20,436**	28,387	**20,496**	24,337
Financial asset at fair value through profit and loss	**6,186**	–	**6,186**	–
Derivative financial instrument	**3,318**	–	**3,318**	–
	29,940	28,387	**30,000**	24,337
Financial liabilities				
Financial liabilities at amortised cost	**4,380**	4,939	**361**	259
Financial liability carried at fair value	**2,283**	–	**2,283**	–
	6,663	4,939	**2,644**	259

Further quantitative disclosures are included throughout these financial statements.

(b) Financial Risk Management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Group's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and currency risk exposures. Management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. However these are not formally documented in written form. The guidelines include the following:

(i) Minimise interest rate, currency, credit and market risks for all kinds of transactions.

(ii) Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.

(iii) All financial risk management activities are carried out and monitored by senior management staff.

(iv) All financial risk management activities are carried out following good market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

The Group is exposed to currency and interest rate risk. There are no arrangements to reduce such risks exposures through derivatives and other hedging instruments.

30. Financial Instruments: Information on Financial Risks (continued)

(c) Fair Value of Financial Instruments

The carrying amounts less impairment provision of trade and other receivables and payables are assumed to approximate their fair values. The fair value of current borrowings approximates their carrying amount.

The table below presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

See Note 21 for the disclosure of the convertible loans measured at fair value and Note 22 for the disclosure of the derivative financial instrument measured at fair value.

Group and Company **2017**	**Level 2** **US$'000**
Assets	
Financial asset at fair value through profit and loss	6,186
Derivative financial instrument	3,318
Liability	
Financial liability carried at fair value	2,283

The Group does not have any financial instruments that were measured at fair value for the financial year ended 31 March 2016.

(d) Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents, receivables and convertible loan. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the financial year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. For credit risk on receivables and convertible loan, an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management. There is no significant concentration of credit risk on customers, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements below.

30. Financial Instruments: Information on Financial Risks (continued)

(d) Credit Risk on Financial Assets (continued)

Note 23 discloses the maturity of the cash and cash equivalents balances.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet except as follows:

	Group	
	2017	2016
	US$'000	US$'000
Corporate guarantees provided to banks on previously wholly-owned subsidiary corporation's loans (Note 26)	**1,009**	1,096

(i) Ageing analysis of the trade receivable amounts that are past due as at the end of financial year but not impaired:

	Group		Company	
	2017	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables:				
0 – 60 days	**–**	10	**–**	–
61 to 90 days	**73**	13	**–**	**–**
Over 90 days	**2,809**	4,056	**1,061**	**331**
Total	**2,882**	4,079	**1,061**	**331**

(ii) Ageing analysis as at the end of financial year of trade receivable amounts that are impaired:

	Group		Company	
	2017	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables:				
Over 90 days	**1,149**	654	**–**	1,368

The allowance which is disclosed in the note on trade receivables is based on individual accounts totalling US$1,149,000 (2016: US$654,000) that are determined to be impaired at the end of the financial year. These are not secured. Other receivables are normally with no fixed terms and therefore there is no maturity.

Concentration of trade receivable customers as at the end of financial year:

	Group		Company	
	2017	2016	**2017**	2016
	US$'000	US$'000	**US$'000**	US$'000
Top 1 customer	**1,754**	3,014	**1,061**	318
Top 2 customers	**2,710**	3,973	**1,061**	332
Top 3 customers	**2,882**	4,067	**1,061**	334

30. Financial Instruments: Information on Financial Risks (continued)

(e) Liquidity Risk

The following table analyses the financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

Group	Less than 1 year US$'000	1 - 2 years US$'000	2 - 5 years US$'000	Over 5 years US$'000	Total US$'000
31 March 2017:					
Trade and other payables	3,371	–	–	–	3,371
Convertible loan	229	229	3,014		3,472
Other financial liabilities	106	106	318	907	1,437
	3,706	335	3,332	907	8,280
31 March 2016:					
Trade and other payables	3,843	–	–	–	3,843
Other financial liabilities	50	109	436	936	1,531
	3,893	109	436	936	5,374

Company	Less than 1 year US$'000	1 - 2 years US$'000	2 - 5 years US$'000	Over 5 years US$'000	Total US$'000
31 March 2017:					
Trade and other payables	361	–	–	–	361
Financial guarantee contract	1,009	–	–	–	1,009
Convertible loan	229	229	3,014	–	3,472
	1,599	229	3,014	–	4,842
31 March 2016:					
Trade and other payables	259	–	–	–	259
Financial guarantee contract	1,096	–	–	–	1,096
	1,355	–	–	–	1,355

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is approximately 60 days (2016: 60 days). The other payables are with short-term durations. The classification of the financial assets is shown in the balance sheet as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The Company does not have any undrawn borrowing facilities as at year ended 31 March 2016 and 2017.

30. Financial Instruments: Information on Financial Risks (continued)

(f) Interest Rate Risk

The interest rate risk exposure is mainly from changes in floating interest rates. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2017 US$'000	2016 US$'000	**2017 US$'000**	2016 US$'000
Financial liabilities:				
Floating rate	**1,009**	1,096	**–**	–
Fixed rate	**2,283**	–	**2,283**	–
Non-interest bearing	**3,371**	3,843	**361**	259
Total at end of the year	**6,663**	4,939	**2,644**	259
Financial assets:				
Non-interest bearing	**14,896**	26,996	**14,956**	24,337
Fixed rate	**15,044**	1,391	**15,044**	–
Total at end of the year	**29,940**	28,387	**30,000**	24,337

The interest rates are disclosed in the respective notes.

Sensitivity analysis: The effect on pre-tax profit is not significant.

(g) Foreign Currency Risks

The Group's currency exposure based on the information provided to key management is as follows:

	USD US$'000	**SGD US$'000**	**Others US$'000**	**Total US$'000**
As at 31 March 2017				
Financial assets				
Cash and cash equivalents	2,325	745	65	3,135
Trade and other receivables	16,252	564	484	17,300
Financial asset at fair value through profit and loss	6,186	–	–	6,186
Derivative financial instrument	3,318	–	–	3,318
Other assets	–	1	–	1
Receivables from subsidiary corporations	2,556	–	–	2,556
	30,637	1,310	549	32,496
Financial liabilities				
Other financial liabilities	–	(1,009)	–	(1,009)
Financial liability carried at fair value	–	(2,283)	–	(2,283)
Trade and other payables	(2,940)	(427)	(4)	(3,371)
Payables from subsidiary corporations	(2,556)	–	–	(2,556)
	(5,496)	(3,719)	(4)	(9,219)
Net financial assets/(liabilities)	25,141	(2,409)	545	23,277
Less: Net financial assets denominated in the respective entities' functional currencies	30,796	60	544	31,400
Currency exposure	(5,655)	(2,469)	1	(8,123)

30. Financial Instruments: Information on Financial Risks (continued)

(g) *Foreign Currency Risks (continued)*

The Company's currency exposure based on the information provided to key management is as follows (continued):

	USD US$'000	SGD US$'000	Others US$'000	Total US$'000
As at 31 March 2016				
Financial assets				
Cash and cash equivalents	5,138	3,331	1,442	9,911
Trade and other receivables	16,303	1,551	556	18,410
Other assets	–	16	50	66
Receivables from subsidiary corporations	28,315	–	13	28,328
	49,756	4,898	2,061	56,715
Financial liabilities				
Other financial liabilities	–	(1,096)	–	(1,096)
Trade and other payables	(3,081)	(331)	(431)	(3,843)
Payables to subsidiary corporations	(28,315)	–	(13)	(28,328)
	(31,396)	(1,427)	(444)	(33,267)
Net financial assets	18,360	3,471	1,617	23,448
Less: Net financial assets denominated in the respective entities' functional currencies	22,250	560	1,749	24,559
Currency exposure	(3,890)	2,911	(132)	(1,111)

	USD US$'000	SGD US$'000	Total US$'000
As at 31 March 2017			
Financial assets			
Cash and cash equivalents	1,884	708	2,592
Trade and other receivables	17,421	482	17,903
Financial asset at fair value through profit and loss	6,186	–	6,186
Derivative financial instrument	3,318	–	3,318
Other assets	–	1	1
	28,809	1,191	30,000
Financial liabilities			
Financial liability carried at fair value	–	(2,283)	(2,283)
Trade and other payables	–	(361)	(361)
	–	(2,644)	(2,644)
Net financial assets/(liabilities)	28,809	(1,453)	27,356
Less: Net financial assets denominated in the functional currency of the Company	28,809	–	28,809
Currency exposure	–	(1,453)	(1,453)

30. Financial Instruments: Information on Financial Risks (continued)

(g) Foreign Currency Risks (continued)

The Company's currency exposure based on the information provided to key management is as follows (continued):

	USD US$'000	SGD US$'000	Total US$'000
As at 31 March 2016			
Financial assets			
Cash and cash equivalents	1,667	2,011	3,678
Trade and other receivables	19,469	1,190	20,659
	21,136	3,201	24,337
Financial liabilities			
Trade and other payables	(8)	(251)	(259)
Net financial assets	21,128	2,950	24,078
Less: Net financial assets denominated in the functional currency of the Company	21,128	–	21,128
Currency exposure	–	2,950	2,950

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis:

	Group		Company	
	2017 US$'000	2016 US$'000	**2017 US$'000**	2016 US$'000
A hypothetical 3% (2016: 2%) strengthening in the exchange rate of the functional currency against the Singapore dollar would have a favourable/ (unfavourable) effect on pre-tax profit of	**74**	(58)	**44**	(59)
A hypothetical 11% (2016: 6%) strengthening in the exchange rate of the functional currency against all other currencies would have a favourable/ (unfavourable) effect on pre-tax profit of	*	(8)	**–**	–

*Less than US$1,000

The above table shows sensitivity to a hypothetical 3% and 11% (2015: 2% and 6%) variation in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction on the profit or loss and reserves.

The analysis above has been carried out on the basis that there is no hedged transaction.

In management's opinion, the above sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the historical exposures do not reflect the exposures in future.

31. Commitments

(a) *Operating Lease Commitments – where the Group is a lessee*

The Group leases office equipment from non-related parties under non-cancellable operating lease arrangements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2017 **US$'000**	2016 US$'000
Not later than one year	**–**	5
Rental expense for the year (Note 10)	**17**	9

(b) *Operating Lease Commitments – where the Group is a lessor*

The Group and Company lease out office space to related parties under non-cancellable operating leases.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group and Company	
	2017 **US$'000**	2016 US$'000
Not later than one year	**344**	**346**

32. Events occurring after balance sheet date

On 15 May 2017, the Company has sent a conversion notice to Jubilee to exercise the conversion rights to convert the loan into ordinary shares of Jubilee with effect from 22 May 2017 subjected to the approval from the SGX-ST. On 28 June 2017, the Group has announced it has received an approval from the SGX-ST on the listing and conversion of shares issued by Jubilee. Refer to Note 21(a) for more information on the terms of the convertible loan.

The conversion exercise will result in an increase of the Company's shareholding interest in Jubilee from 29.1% to 64.7%, which may render Jubilee to be a subsidiary corporation of the Company.

33. New or Revised Accounting Standards and Interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2017 or later periods and which the Group has not early adopted:

Effective for annual period beginning on or after 1 January 2017

- Amendments to FRS 7: Disclosure Initiative
- Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses
- Improvements to FRSs (December 2016)
- Amendments to FRS 112: Disclosure of Interest in Other Entities

33. New or Revised Accounting Standards and Interpretations (continued)

Effective for annual period beginning on or after 1 January 2018

– FRS 115: Revenue from Contracts with Customers

This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Management is currently assessing the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to be affected:

(i) Rights of return – FRS 115 requires separate presentation on the statements of financial position of the right to recover the goods from the customer and the refund obligation; and
(ii) Accounting for certain costs incurred in fulfilling a contract – certain costs which are currently expensed may need to be recognised as an asset under FRS 115.

At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. The Group will make more detailed assessment of the impact over the next twelve months.

– Amendments to FRS 40: Transfers of Investment Property

– Amendments to FRS 102: Classification and Measurement of Share-based Payment Transactions

– Amendments to FRS 115: Classifications to FRS 115 Revenue from Contracts with Customers

– Improvements to FRSs (December 2016)

– Amendments to FRS 28: Investments in Associates and Joint Ventures

– Amendments to FRS 101: First-Time Adoption of Financial Reporting Standards

– INT FRS 122: Foreign Currency Transactions and Advance Consideration

33. New or Revised Accounting Standards and Interpretations (continued)

Effective for annual period beginning on or after 1 January 2018 (continued)

– FRS 109: Financial instruments

FRS 109 replaces the multiple classification and measurements model in FRS 39 Financial Instruments: Recognition and Measurement with a single model that has initially only two classification categories: amortised cost and fair value. The Group's financial assets comprise of loans and receivables, convertible loans and derivative financial instruments. Therefore, the Group does not expect the new requirements to have a significant impact on the classification of its financial assets.

For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk to other comprehensive income, for liabilities designated at fair value through profit or loss. There will be no impact on the Group's accounting policies for financial liabilities as the Group does not have any of such liabilities.

Besides, a new expected credit loss (ECL) model which involves a three-stage approach whereby financial assets move through the three stages as their credit quality changes. The stage dictates how an entity measures impairment losses and applies the effective interest rate method. A simplified approach is permitted for financial assets that do not have a significant financing component (ie. trade receivables). It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Group's financial statements in the period of initial application as management has yet to complete its detailed assessment.

Effective for annual period beginning on or after 1 January 2019

– FRS 116: Leases

FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Group's operating leases. As at the financial position date, the Group has non-cancellable operating lease commitments of US$344,000 (Note 31). However, the Group has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

*Effective date to be determined by the ASC**

Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

Statistics of Shareholdings

As at 15 June 2017

Class of shares	:	Ordinary Shares
Voting rights	:	One vote per ordinary share
Number of issued shares	:	5,243,957,403
Treasury Shares	:	Nil

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 15 JUNE 2017

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	13	0.35	290	0.00
100 – 1,000	248	6.65	149,405	0.00
1,001 – 10,000	280	7.51	1,679,900	0.03
10,001 – 1,000,000	2,774	74.39	763,596,816	14.56
1,000,001 and above	414	11.10	4,478,530,992	85.41
TOTAL	**3,729**	**100.00**	**5,243,957,403**	**100.00**

TWENTY LARGEST SHAREHOLDERS AS AT 15 JUNE 2017

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	TERENCE TEA YEOK KIAN	1,110,605,529	21.18
2	OCBC SECURITIES PRIVATE LTD	902,224,704	17.21
3	PHILLIP SECURITIES PTE LTD	384,005,831	7.32
4	DBS NOMINEES PTE LTD	271,538,505	5.18
5	MAYBANK KIM ENG SECURITIES PTE LTD	130,774,162	2.49
6	CIMB SECURITIES (SINGAPORE) PTE LTD	82,156,865	1.57
7	TOH SOON HUAT	73,710,100	1.41
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	67,560,450	1.29
9	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	66,290,000	1.26
10	TEA LAY SIN	57,472,700	1.10
11	TAN SIAK LIAN	55,255,080	1.05
12	KGI SECURITIES (SINGAPORE) PTE LTD	46,944,200	0.90
13	UOB KAY HIAN PTE LTD	27,861,000	0.53
14	NG SAN SAN	27,300,000	0.52
15	ANG CHAI CHENG	26,852,448	0.51
16	TIEW YEW SENG	22,000,000	0.42
17	CHEW BAN ENG	20,000,000	0.38
18	VASHDEV DADLANI	20,000,000	0.38
19	CHUA SIEW LIAN	18,000,000	0.34
20	RAFFLES NOMINEES (PTE) LTD	17,767,790	0.34
	Total:	**3,428,319,364**	**65.38**

Substantial Shareholders as at 15 June 2017

Name Of Shareholders	No. of Ordinary Shares Direct Interest	%	Deemed Interest	%
Terence Tea Yeok Kian	1,111,572,529[(1)]	21.20	26,762,000[(2)]	0.51
EG Industries Berhad	290,790,400[(3)]	5.55	–	–
Toh Soon Huat	73,710,100	1.41	348,335,152[(4)]	6.64

Notes:

(1) Inclusive of 967,000 Shares which are held through CPF investment account.

(2) Mr Terence Tea Yeok Kian is deemed interested in the 26,762,000 issued shares of the Company held by his wife, Ms Sim Aileen.

(3) EG Industries Berhad's direct interest of 290,790,400 Shares are held in the name of OCBC Securities Private Ltd.

(4) 30,094,500 Shares are beneficially owned by Mr Toh Soon Huat and registered in the name of Maybank Kim Eng Securities Pte. Ltd. In addition, 318,240,652 Shares are beneficially owned by Mr Toh Soon Huat and registered in the name of Phillip Securities Pte. Ltd.

Free Float

Based on the information available to the Company as at 15 June 2017, approximately 64.70% of the issued ordinary shares of the Company was held in the hands of the public. This is compliance with the Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST which requires at least 10% of the listed issuer's equity securities to be held by the public.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held at 10 Ubi Crescent, #02-07 Ubi Techpark, Lobby A, Singapore 408564 on Friday, 28 July 2017 at 2:00 p.m. for the purpose of transacting the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 March 2017 together with the Auditors' Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fees of S$180,000 for the financial year ending 31 March 2018, to be paid semi-annually in arrears (FY2017: S$180,000). **(Resolution 2)**

3. To note the retirement of Mr Wan Tai Foong who is retiring pursuant to Article 91 of the Company's Constitution and has decided not to seek for re-election.

4. To note the retirement of Mr Oh Choon Gan who is retiring pursuant to Article 97 of the Company's Constitution and has decided not to seek for re-election.

5. To re-appoint Messrs Nexia TS Public Accounting Corporation as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 3)**

6. To transact any other business that may be transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:-

7. **Ordinary Resolution: General authority to allot and issue shares**

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

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

(b) 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) warrants, debentures or other Instruments convertible into Shares; and/or

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 (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:-

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

(ii) (subject to such manner of calculation as may be prescribed by the Catalist Rules), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Ordinary 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 share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

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

(iii) in exercising the authority conferred by this Ordinary 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 SGX-ST) 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 Ordinary 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 4)**

8. **Ordinary Resolution: Authority to grant awards and issue shares under the Accrelist Share Award Scheme**

"THAT in accordance with the provisions of the Accrelist Share Award Scheme ("**Scheme**") and pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be authorised and empowered to grant awards ("**Awards**") and allot and issue from time to time such number of shares in the capital of the Company ("**Shares**") as may be required to be issued pursuant to the vesting of the Awards provided always that the aggregate number of Shares to be issued or issuable pursuant to the Scheme and any other shares based schemes of the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time."

(See Explanatory Note 2) **(Resolution 5)**

9. **Ordinary Resolution: Proposed Renewal of the Share Buyback Mandate**

"THAT:-

(a) for the purposes of the Section B: Rules of Catalist of the listing manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Catalist Rules**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:-

(i) on-market purchases (the "**Market Purchase**"), transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or

(ii) off-market purchases (the "**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, Chapter 50 of Singapore ("**Companies Act**") and the Catalist Rules,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:-

(i) the date on which the next AGM is held or required by law to be held;

(ii) the date on which the share buybacks are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked.

(c) in this Resolution:-

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days ("**Market Day**" being a day on which the SGX-ST is open for trading in securities) on which the Shares were transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five (5)-day period;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"**Maximum Percentage**" means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings);

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding related expenses of the purchase) which shall not exceed:-

(i) in the case of a Market Purchase, 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution."

(See Explanatory Note 3) **(Resolution 6)**

BY ORDER OF THE BOARD

Lee Wei Hsiung
Loh Eng Lock Kelvin
Company Secretaries

Singapore,
13 July 2017

Explanatory Notes:

1. Ordinary Resolution 7, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or the date such authority is revoked by the Company in a general meeting, whichever is the earliest, to allot and issue Shares and convertible securities in the Company. The aggregate number of shares (including any Shares issued pursuant to the convertible securities) which the Directors may allot and issue under this Resolution will not exceed 100% of the Company's total number of issued Shares excluding treasury shares and subsidiary holdings, of which up to 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings, in the capital of the Company may be issued other than on a pro-rata basis to existing shareholders.

2. Ordinary Resolution 8, if passed, will empower the Directors of the Company, to grant Awards pursuant to the provisions of the Scheme and allot and issue Shares pursuant to the vesting of the Awards under the Scheme. The Scheme was approved by the shareholders of the Company in the extraordinary general meeting on 25 May 2010. Please refer to the Circular dated 10 May 2010 for further details.

3. Ordinary Resolution 9, if passed, will empower the Directors of the Company, to purchase or otherwise acquire its issued Shares, on the terms of the Share Buyback Mandate. This authority will continue to be in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier, unless the authority is previously revoked or varied at a general meeting. Please refer to the Circular dated 13 July 2017 for further details.

Notes:

1. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where such member appoint two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies.

   (b) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. A proxy need not to be a member of the Company.

   "Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

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

3. The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the time set for the AGM.

4. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

Personal Data Privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM(including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) 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.

This notice has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this notice.

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

The contact person for the Sponsor is Mr Nathaniel C.V., Registered Professional, RHT Capital Pte. Ltd. at Six Battery Road #10-01, Singapore 049909, telephone (65) 6381 6946.

ACCRELIST LTD.

Registration No.: 198600445D
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING PROXY FORM

Important:

1. For investors who have used their CPF monies to buy the Company's shares, the Annual Report is sent to them at the request of their CPF Approved Nominees solely **FOR INFORMATION ONLY**.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to vote should contact their respective CPF Approved Nominees.

*I/We ______________________________ (Name) ____________________ (*NRIC/Passport No.)

of ____ (Address)

being a *member/members of ACCRELIST LTD. (the "Company"), hereby appoint:

Name	Address	*NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

*and/or

Name	Address	*NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing which, the Chairman of the Annual General Meeting of the Company (the "AGM"), as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the AGM to be held at 10 Ubi Crescent, #02-07 Ubi Techpark, Lobby A, Singapore 408564 on 28 July 2017 at 2.00 p.m. and at any adjournment thereof.

All resolutions put to the vote at the AGM shall be decided by way of poll.

*I/we direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the AGM.

No.	Resolution	For**	Against**
1	Adoption of the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2017 together with the Auditors' Report thereon.		
2	Approval of Directors' fees of S$180,000 for the financial year ending 31 March 2018, to be paid semi-annually in arrears (FY2017: S$180,000).		
3	Re-appointment of Messrs Nexia TS Public Accounting Corporation as Auditors and to authorise the Directors to fix their remuneration.		
4	Authority to allot and issue new shares.		
5	Authority to grant awards and issue shares under the Accrelist Share Award Scheme.		
6	To renew Share Buyback Mandate.		

Note:
* Please delete accordingly
** If you wish to exercise all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ____________ day of __________________ 2017

Total number of Shares held in:	
CDP Register	
Register of Members	

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

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

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. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.

2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one (1) proxy, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 (the "Act").

3. A proxy need not be a member of the Company.

4. The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898 not less than 48 hours before the time appointed for the AGM.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.

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AFFIX
STAMP

The Share Registrar
Accrelist Ltd.
80 Robinson Road
#11-02
Singapore 068898

2nd fold here

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

7. A corporation that is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Act.

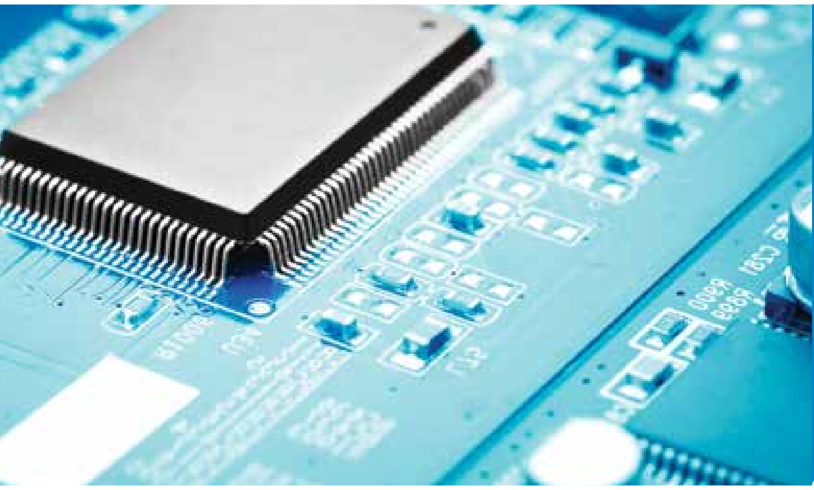
8. The submission of an instrument or form appointing a proxy by a member does not preclude him/her from attending and voting in person at the AGM if he/she so wishes.

9. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

10. The Company shall be entitled to reject the instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy or if the member, being the appointor, is not shown to have shares against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding 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 13 July 2017.



Corporate Information

BOARD OF DIRECTORS

Terence Tea Yeok Kian
Executive Chairman and Managing Director

Oh Choon Gan
Independent Director

Ng Li Yong
Independent Director

Wan Tai Foong
Independent Director

AUDIT COMMITTEE

Chairman – Oh Choon Gan
Member – Ng Li Yong
Member – Wan Tai Foong

REMUNERATION COMMITTEE

Chairman – Oh Choon Gan
Member – Ng Li Yong
Member – Wan Tai Foong

NOMINATING COMMITTEE

Chairman – Ng Li Yong
Member – Terence Tea Yeok Kian
Member – Oh Choon Gan

COMPANY SECRETARY

Mr Lee Wei Hsiung
Mr Loh Eng Lock Kelvin

REGISTERED OFFICE

10 Ubi Crescent Ubi Techpark
Lobby E #03-95 Singapore
Tel: (65) 6311 2900
Fax: (65) 6311 2905
Website: www.accrelist.com.sg

CATALIST SPONSOR

RHT Capital Pte Ltd
9 Raffles Place #29-01
Republic Plaza Tower 1
Singapore 048619

AUDITORS

Nexia TS Public Accounting Corporation
100 Beach Road, #30-00 Shaw Tower
Singapore 189702
Director-in-Charge: Loh Ji Kin
Appointed since financial year ended 31 March 2014

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte Ltd)
80 Robinson Road, #11-02
Singapore 068898

PRINCIPAL BANKER

Citibank NA
8 Marina View #21-00 Asia Square Tower 1
Singapore 018960

Standard Chartered Bank (Singapore) Limited
6 Battery Road
Singapore 049909

ACCRELIST LTD.
亚联盛控股公司
UNEARTHING TOMORROW'S GEM
发掘光辉　开创未来

Company Registration No. : 198600445D
10 Ubi Crescent
Ubi Techpark Lobby E #03-95
Singapore 408564
Tel: (65) 6311 2900 | Fax: (65) 6311 2905