P5 CAPITAL HOLDINGS LTD.

ANNUAL REPORT 2019

This Annual Report has 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 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 document, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

The details of the contact person for the Sponsor are:

Name:	Mr. Nathaniel C.V., Registered Professional, RHT Capital Pte. Ltd.
Address:	9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619
Tel:	(65) 6381 6757

CONTENTS


Dada


Molteni&C


STELLAR WORKS


KETTAL

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lim Kwang Joo *(Executive Chairman)*
Lim Fong Yee Roland *(Chief Executive Officer)*
Song Wei Ming *(Executive Director)*
Eng Ek Phang *(Lead Independent Director)*
Koh Beng Leong *(Independent Director)*
Phoon Han Meng Linus *(Independent Director)*

AUDIT COMMITTEE

Eng Ek Phang *(Chairman)*
Koh Beng Leong
Phoon Han Meng Linus

NOMINATING COMMITTEE

Eng Ek Phang *(Chairman)*
Koh Beng Leong
Phoon Han Meng Linus

REMUNERATION COMMITTEE

Koh Beng Leong *(Chairman)*
Eng Ek Phang
Phoon Han Meng Linus

COMPANY SECRETARIES

Ong Bee Hoon, CA (Singapore)
Teo Chin Kee, ACIS

REGISTERED OFFICE

213 Henderson Road #03-08
Henderson Industrial Park
Singapore 159553
Tel: (65) 6513 9595
Fax: (65) 6904 9063
Email: capital@p5.com.sg

REGISTRAR AND SHARE TRANSFER OFFICE

M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

AUDITORS

KPMG LLP
Public Accountants and
Certified Public Accountants
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Partner-in-charge: Ong Li Qin
Date of appointment : Financial Year 2019

CONTINUING SPONSOR

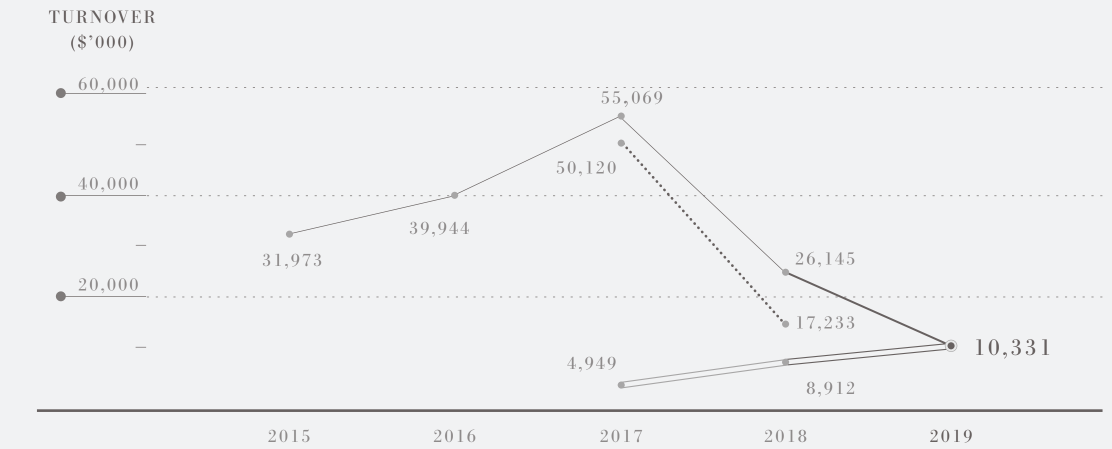
RHT Capital Pte. Ltd.
9 Raffles Place #29-01
Republic Plaza Tower 1
Singapore 048619
(Appointed on 22 March 2012)

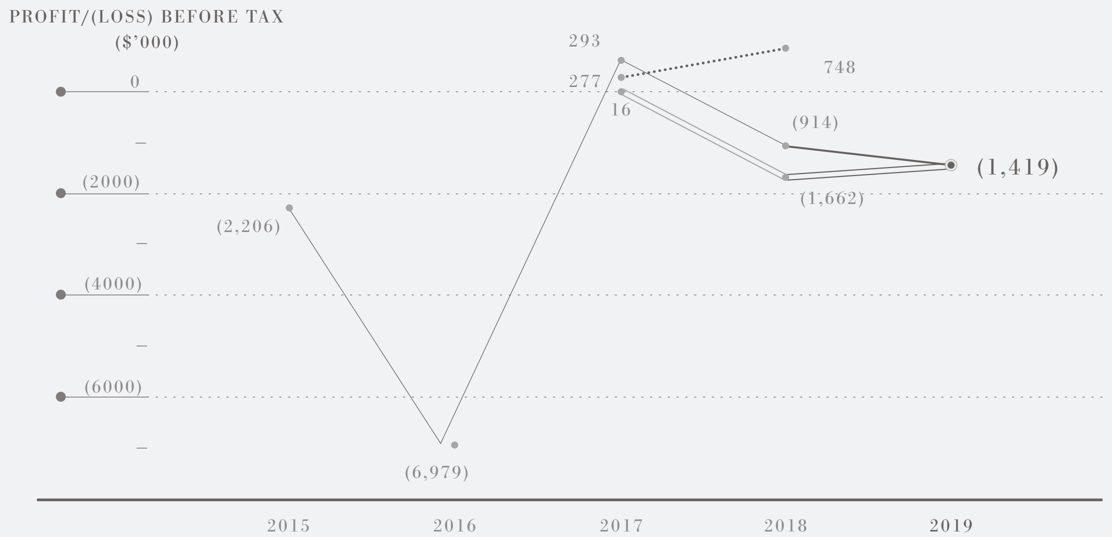
PRINCIPAL BANKER

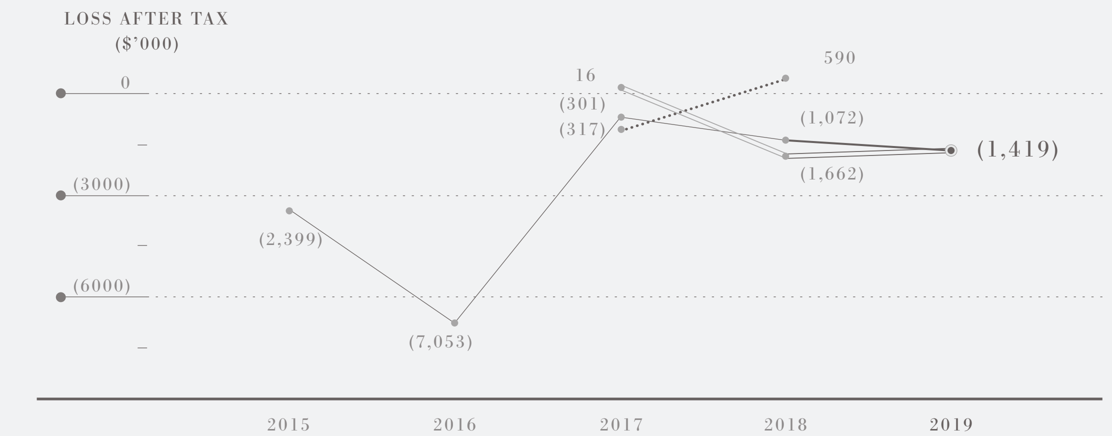
United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1
Singapore 048624

FINANCIAL HIGHLIGHTS

FINANCIAL YEAR ENDING
31 MARCH







Notes:

Total

Discontinuing operation

Continuing operations

CHAIRMAN'S STATEMENT

GROUP RESULTS

The Group completed the sale of its LV switchgear business on 30 September 2017. The Group's subsidiaries are now involved in the sale and distribution of premium furniture, contract furniture and lighting systems. For the premium furniture and contract furniture businesses, the Group managed to grow the sales and the turnover generated were S$4.9 million and S$4.0 million respectively and the net profit/(loss) before tax were S$99k and S$(71k) respectively for the financial year ended 31 March 2019 ("**FY2019**").

As for the lighting business, some of its projects were delayed in FY2019. Some of its pipeline projects were also shelved or did not materialize even as costs were incurred. It incurred a loss of S$0.8 million in FY2019.

The Group's other corporate expenses amounted to S$0.7 million in FY2019.

Overall, the Group's turnover for FY2019 was S$10.3 million and it incurred a loss for the year of S$1.4 million.

BUSINESS OUTLOOK AND FUTURE PLANS

Singapore's property prices and rents are projected to improve in 2019. The bulk of nearly S$20 billion in en bloc payouts to displaced homeowners from deals announced over 2017 to 2018 have yet to be deployed back into the property market. Most of the proceeds will likely be paid out only this year, which could significantly boost the S$10 billion-sales-per-year condo market. (Source: https://www.businesstimes.com.sg/executive-money/outlook-forsingapore-property-expected-to-improve-in-2019)

The supply of private residential units continues to rise with expected completions largely in 2021-2023. Pipeline supply of private residential units remains at 58,000 units, given the slew of new property launches since 2017. Approximately half of the pipeline supply is under construction while the other half is still under planning. Most of these units are expected to be completed in 2019, 2021, 2022 and 2023. (Source: https://www.dbs.com.sg/privatebanking/aics/templatedata/article/industry/data/en/GR/042016/Singapore_Real_Estate_Residential.xml#)

However, a press release on 16th January 2019 by REDAS (Real Estate Developers' Association of Singapore) indicated this - "NUS-REDAS Real Estate Sentiment Index (RESI) remains weak despite showing a marginal uptick in 4Q 2018. The Composite Sentiment Index, a derived indicator for the overall real estate market sentiment stood at 4.3 in 4Q18, up from 4.0 in 3Q18. Developers' sentiments have shown a slight rebound from the aftershocks of the new cooling measures in July 2018. The Current Sentiment Index went up to 4.2 in 4Q18 from 3.9 in 3Q18; and the Future Sentiment Index slightly increased to 4.3 in 4Q18 from 4.2 in 3Q18. A score above five indicates improving market conditions, while a score below five indicate deteriorating conditions." (Source: quote from REDAS website)

Taking into account this backdrop and also both the global and local economic uncertainties, the Group remains cautious on the outlook. Nonetheless, the Group will continue to build and deepen the collaborative partnerships with designers, architects and clients to provide wider design solutions to meet the diverse market demands for both the residential and commercial projects.

APPRECIATION

On behalf of the Board, I would like to thank all our shareholders, customers, suppliers, partners and bankers for their many years of support and confidence in us. In addition, I would like to thank my fellow directors, management and staff for their dedication, commitment and hard work.

MR LIM KWANG JOO
CHAIRMAN

BOARD OF DIRECTORS

LIM KWANG JOO

As the Executive Chairman of the Group, Mr. Lim Kwang Joo brings with him over 40 years of experience in the electrical industry. He started his career as an electrical apprentice in 1956. In 1963, he was with Fitzpatrick Supermarket as an electrician cum refrigeration mechanic. Subsequently, in 1967, he joined the Public Utilities Board (now known as "SP Services Ltd") and rose to the position of senior installation inspector. He joined the Group in 1976 when he identified opportunities in the electrical industry. Under his leadership, the Group's business expanded and diversified from the provision of electrical installation services to the manufacture of LV switchgear. In 2017, the LV switchgear business was disposed to a foreign company and the Group is now focused on lighting and furniture businesses and exploring other opportunities. Currently, he is responsible for overall strategic planning and corporate business development.

LIM FONG YEE ROLAND

Mr. Lim Fong Yee Roland was appointed as the Chief Executive Officer of the Group on 28 February 2007. He has been part of the management team since 1994 and serves as its Executive Director. He played a key role in restructuring the Group and taking it to a successful IPO. Mr. Lim graduated from the National University of Singapore with a Bachelor of Business Administration. He is currently responsible for the strategic direction and business development of the Group.

SONG WEI MING

Mr. Song Wei Ming joined the Board and was appointed as an Executive Director on 7 December 2017. He is also the Executive Vice Chairman of Swee Lee Holdings Pte Ltd and a director of Architectural Audio Pte Ltd and Titus BPO Pte Ltd. Mr. Song has many experiences in the supply of audio equipment for building contracts. He is currently involved in the business development of the Group.

ENG EK PHANG

Mr. Eng Ek Phang was appointed as an Independent Director of the Group on 12 August 2005. He is also the Chairman of the Nominating and Audit Committees and a member of the Remuneration Committee as well as the Lead Independent Director. He is a C.A. (Singapore), FCCA (U.K.), C.A. (Malaysia) and a FCPA (Australia). He is currently the Managing Partner of the audit firm, Bob Eng & Partners Public Accountants and Chartered Accountants Singapore, a director of a consulting company, the Vice Chairman of Seletar Country Club and Second Adviser to the LBSA Tampines Senior Activity Centre.

KOH BENG LEONG

Mr. Koh Beng Leong was appointed as an Independent Director of the Group on 12 August 2005. He is currently the Chairman of the Remuneration Committee and a member of the Nominating and Audit Committees. He is a Fellow of Certified Practising Accountant (Australia) and a member of Kampuchea Institute of Certified Public Accountants & Auditors. He holds a Master of Professional Accounting and a Bachelor of Economics. He is currently an executive director of a few companies where he is involved in operation and business development. Prior to his current appointment, he held key management positions in various companies in Singapore and Vietnam overseeing businesses in the Asian region.

PHOON HAN MENG LINUS

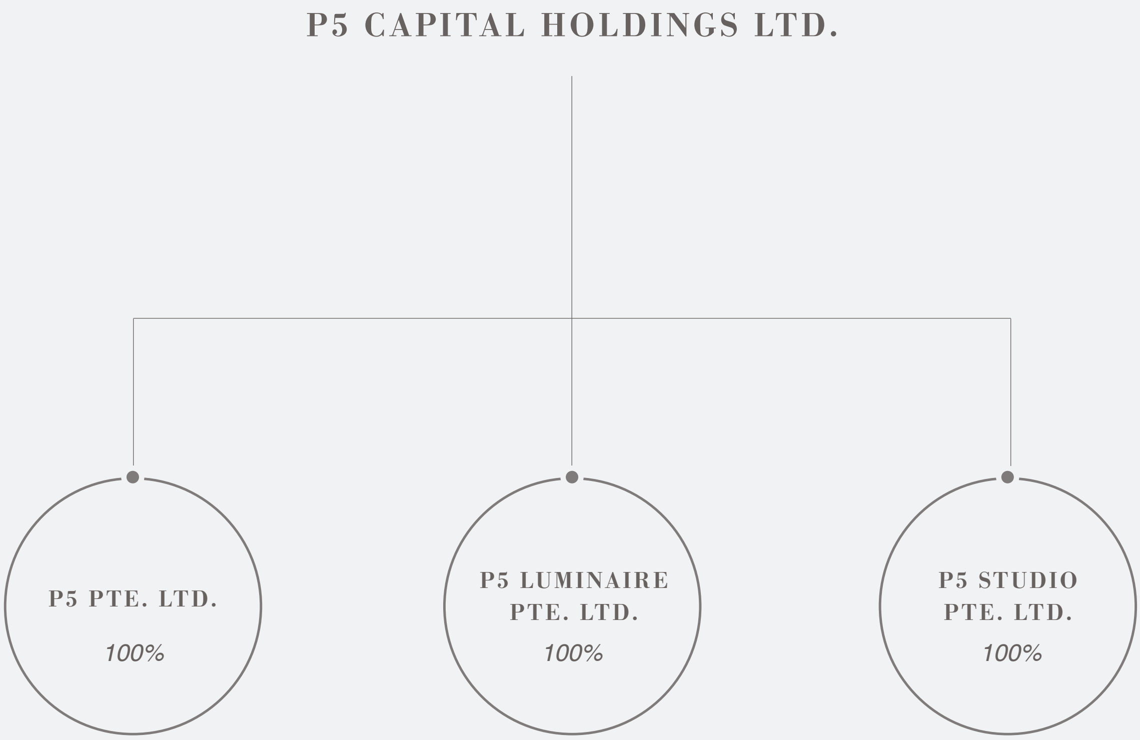
Mr. Phoon Han Meng Linus was appointed as an Independent Director of the Group on 30 March 2009. He is also a member of the Nominating, Remuneration and Audit Committees. He graduated from the National University of Singapore in 1995 with a Bachelor of Social Science (Honours 2nd Class Upper in Economics) and a Bachelor of Science (Faculty of Science Dean's List 1994). He is currently the CEO of Munich Re Singapore Branch. Prior to that, he was the CEO of Canopius Asia Pte Ltd from 2008 to 2018. From 2000 to 2007, he was in Converium Ltd where he acted as the Principal Officer and General Manager, in charge of the Singapore branch with responsibility for business in the whole of Asia region, including offices in Kuala Lumpur and Labuan.

KEY MANAGEMENT

ONG BEE HOON

Ms. Ong Bee Hoon is the Group Finance Manager and Company Secretary. She is responsible for financial and management reporting of the Group. She graduated from the National University of Singapore with a Bachelor of Accountancy in 1991. Upon graduation, she joined DBS Bank as a bank officer in the finance and tax department. In 1995, she joined Banque Nationale de Paris (now known as "BNP Paribas") as an accounts officer in the accounts and financial control department. Her duties included head office reporting, management reporting and reporting to the Monetary Authority of Singapore. Ms. Ong joined the Group in 1999 and assisted in the Company's IPO. She is a Chartered Accountant and a member of the Institute of Singapore Chartered Accountants.

ORGANISATION STRUCTURE



OPERATIONS REVIEW

DISCONTINUED OPERATION

The Group completed the sale of its former core business of low voltage switchgear manufacturing on 30 September 2017. Its half year's results from operating activities and the gain on disposal of discontinued operation were included in the resulting profit from discontinued operations of S$0.6 million for the financial year ended 31 March 2018 ("**FY2018**").

CONTINUING OPERATIONS

Acquired in July 2016, P5 Pte. Ltd. generated a turnover of S$4.9 million for the financial year ended 31 March 2019 ("**FY2019**") or an increase of approximately 9% over FY2018. Its net profit before tax was S$99k for FY2019.

P5 Luminaire Pte. Ltd. generated S$4.2 million turnover in FY2018, which included a larger portion from commercial projects but at lower margins. P5 Luminaire Pte. Ltd. continued to incur costs during FY2019 where some of the projects on hand were postponed and also some of its pipeline projects that it worked on were shelved or did not materialize. Its turnover for FY2019 decreased to S$1.5 million and it incurred a loss of S$0.8 million in FY2019.

Incorporated in January 2018, P5 Studio Pte. Ltd. generated a full year's turnover of S$4.0 million in FY2019 compared to the turnover for 3 months' operations in FY2018 of S$0.2 million. It comprised both the contract business as well as carpentry works. The corresponding full year's operating expenses were also incurred in FY2019 as compared to 3 months' operating expenses in FY2018. It incurred a loss of S$71k for FY2019.

The Company's investment in Quantedge Global Fund (Offshore) incurred a net loss on fair value and foreign exchange which amounted to S$0.1 million in FY2019 (FY2018: S$0.3 million loss). The Company's interest earned on fixed deposits for FY2019 was S$0.1 million.

Overall, the turnover of the continuing operations of the Group for FY2019 amounted to S$10.3 million, approximately 16% higher than the S$8.9 million generated for FY2018. FY2019 included the full year's operations of P5 Studio Pte. Ltd. which contributed largely to the increase in revenue, gross profit as well as operating expenses of the Group.

The Group incurred a loss from continuing operations of S$1.4 million for FY2019, as compared to S$1.7 million for FY2018.

SUSTAINABILITY REPORT

BOARD STATEMENT

The Board of Directors is pleased to present P5 Capital Holdings Ltd.'s second sustainability report for the financial year ended 31 March 2019 ("**FY2018-19**"). P5 Capital Holdings Ltd. is committed to sustainable business practices that help to enhance stakeholder trust and the value of our brands.

The Board has assigned the responsibilities of monitoring and overseeing the company's sustainability efforts to the Sustainability Steering Committee ("**SSC**"). The SSC consists of the senior management team and heads of business lines from all business units. The head of business of each division monitors the overall sustainability performance and provides updates to the Board on matters relating to sustainability risk and business malpractices incidents. The Chairman of the SSC also updates the Board on the sustainability performance of the Group and key material issues identified by stakeholders and the planned follow-up measures.

This report describes the identification of the environmental, social and governance ("**ESG**") factors material to the Group. Based on a materiality assessment exercise undertaken for the Group's business, ESG factors have been identified and subsequently validated and approved by the Board. It is prepared in compliance with the requirements of the Singapore Exchange Securities Trading Limited Listing Rules 711A and 711B, and refers to the Global Reporting Initiative (GRI) Standards 2016 for performance disclosures.

The Board is supported by the SSC and has approved this report that covers the material aspects and their performance indicators.

SUSTAINABILITY REPORT

OUR REPORT

ABOUT THIS REPORT

P5 Capital Holdings Ltd. is pleased to present its second sustainability report and this report will be published on an annual basis along with the Group's Annual Report.

To support our transformation journey, we have considered the needs of our key stakeholder groups such as our customers, investors/shareholders, employees and business partners, and determined the most material ESG risks and opportunities that will act as barriers or enablers for P5 to remain a sustainable business. From this assessment process, we have identified ESG factors that are material to the development of our furniture and lighting businesses.

The assessment involved a three-step process that included identifying ESG factors of relevance, prioritising these factors through a discussion among representatives of various departments and members of the senior management team and validation by the Board. The material ESG factors for FY2018-19 are as follows:

MATERIAL FACTORS	
ECONOMIC*	• ECONOMIC PERFORMANCE
ENVIRONMENT	• ENERGY
SOCIAL	• DIVERSITY AND EQUAL OPPORTUNITY
GOVERNANCE	• COMPLIANCE WITH LAWS AND REGULATIONS

* *Refer to the Financial Statements section*

Please send all comments and feedback to: info@P5.com.sg

ENVIRONMENT

At P5 Capital Holdings Ltd., we believe environmental protection is a necessity for achieving sustainable development. We are committed to continue to protect the environment and natural resources for the present and future generations.

SUSTAINABILITY REPORT

ENERGY

P5 Capital Holdings Ltd. strives to use energy efficiently to combat climate change and reduce our overall environmental footprint, which in turn helps us to reduce operational costs as well. The Group has invested in energy efficient technologies by installing light-emitting diode (LED) in its offices and showrooms and motion-sensor lights at the stair wells as part of the initiatives carried out in FY2017-18 to improve energy efficiency. As part of this initiative, we are also promoting a 'green' corporate culture and raising awareness about environmental issues by selling lights and equipment that have a lower energy consumption. We strive to ensure that air-conditioning within our office is maintained at a temperature range of 24 – 25˚C. Employees are also encouraged to turn off lights and air-conditioners when not in use.

In FY2018-19, P5 Pte Ltd had maintained a steady constant energy consumption of 115,325 kilowatt hours ("**kWh**") vs. last financial year of 114,654 kWh, well within our yearly target of maintaining our energy consumption within 15% range from the last year's energy consumption.

For FY2018-19, we have started to monitor P5 Luminaire Pte Ltd and P5 Studio Pte Ltd total energy consumption of 20,589 kWh and 46,668 kWh respectively. We will adopt the same target for the forthcoming year to maintain energy consumption within 15% range and adopt energy saving features where feasible for these two entities.

SOCIAL

P5 Capital Holdings Ltd. believes in equality at the workplace. Equality of opportunity is about treating people fairly and without bias and creating conditions in the workplace and wider society that value diversity and promote dignity.

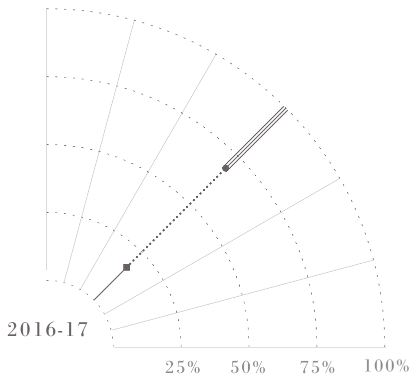
DIVERSITY AND EQUAL OPPORTUNITY

At P5 Capital Holdings Ltd., we believe a diverse workforce is critical to our overall business success. As a responsible corporate citizen, the Group strives to implement hiring practices in a fair and consistent manner and provide career progression opportunities to its employees. The Group's human resource management practices are based on the key principles defined by the Tripartite Guidelines on Fair Employment Practices and the Ministry of Manpower's Fair Consideration Framework. The Group's recruitment process and promotion system are based on meritocracy. We consider candidates irrespective of their nationalities for positions within the Group.

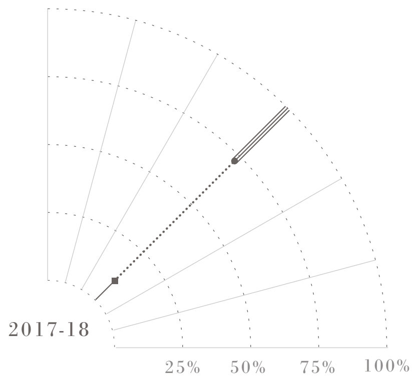
Going forward, our target will be to ensure that all our employees continue to have an equal opportunity to succeed and that all decisions relating to recruitment and promotion continue to be based on merit.

SUSTAINABILITY REPORT

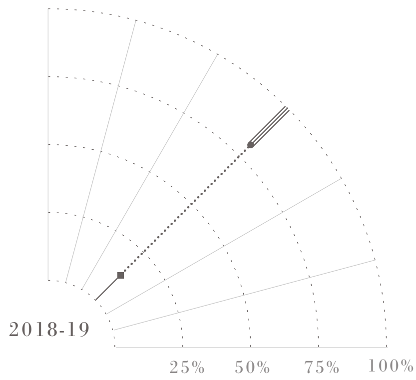
Number of Employees by Age (%)



32% > 50 YEARS OLD
50% 30 - 50 YEARS OLD
18% < 30 YEARS OLD

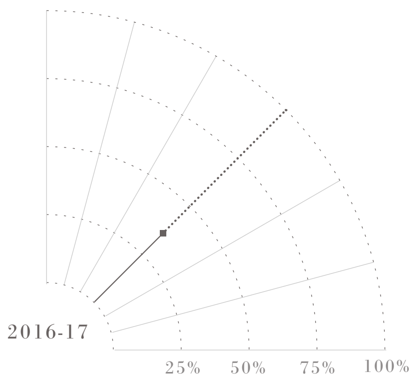


26% > 50 YEARS OLD
64% 30 - 50 YEARS OLD
10% < 30 YEARS OLD

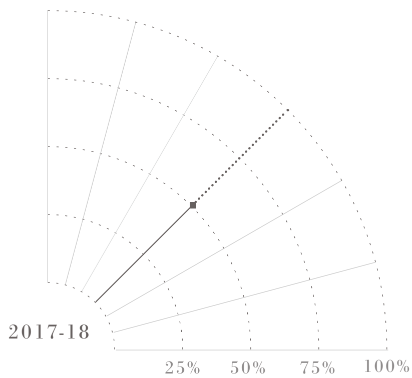


21% > 50 YEARS OLD
67% 30 - 50 YEARS OLD
12% < 30 YEARS OLD

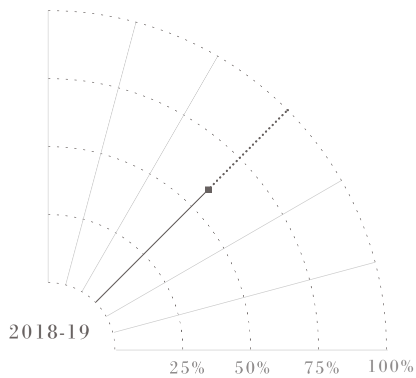
Number of Employees by Gender (%)



64% FEMALE
36% MALE

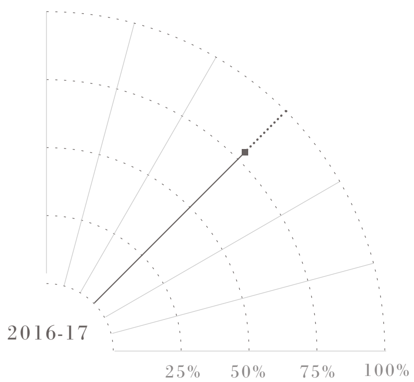


49% FEMALE
51% MALE

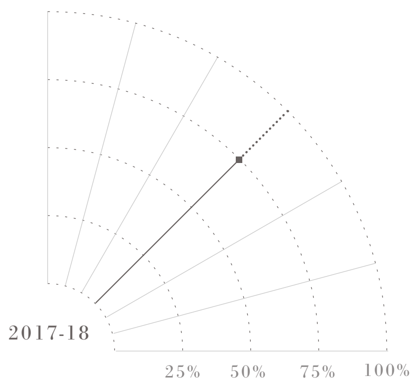


40% FEMALE
60% MALE

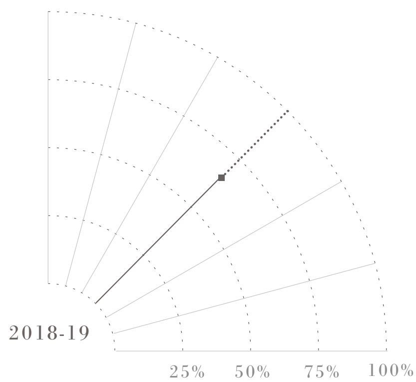
Number of Employees by Nationality (%)



23% OTHER
77% SINGAPOREAN



26% OTHER
74% SINGAPOREAN



33% OTHER
67% SINGAPOREAN

SUSTAINABILITY REPORT

GOVERNANCE

P5 Capital Holdings Ltd.'s Board of Directors recognises that effective management of social and environmental risks can improve business performance. This realisation has led to an increased oversight by the Board over how the company is managing its social and environmental performance.

COMPLIANCE WITH LAWS AND REGULATIONS

At P5 Capital Holdings Ltd., we continue to conduct our business with honesty and integrity and are committed to complying with relevant laws and regulations.

All marketing collaterals and distribution channels are assessed by the Marketing and Public Relations Communications team for accuracy and compliance with the Singapore Code of Advertising Practice and the Personal Data Protection Act ("**PDPA**"). Our communication outreach materials are reviewed regularly and we ensure that consent is obtained from our customers for the usage of personal data. Contractual agreements are reviewed by external legal advisers to ensure that the terms and conditions adhere to the relevant laws and regulations of Singapore.

In FY2018-19, there were no incidents of non-compliance with relevant laws and regulations in the social and economic area, including marketing laws and regulations. We will continue to ensure that the organisation complies with the PDPA in the areas of sales and marketing and there are no incidents of non-compliance with social and economic laws and regulations in Singapore which may result in fines or penalties.

CORPORATE GOVERNANCE & FINANCIAL CONTENTS

CORPORATE GOVERNANCE

The Board of Directors (the "**Board**") of P5 Capital Holdings Ltd. (the "**Company**") is committed and dedicated to maintaining high standards of corporate governance and endorses the recommendations of the Singapore Code of Corporate Governance 2012 (the "Code"), in order to protect the interests of its shareholders. This report describes the Company's corporate governance processes and practices with specific reference to the principles of the Code. The Company confirms that it has adhered to the principles and guidelines as set out in the Code, where applicable, and has specified and explained the areas of non-compliance.

The new Code of Corporate Governance 2018 was issued on 6 August 2018 (the "Revised Code"), and will only take effect for annual reports covering financial years commencing from 1 January 2019. As such, the Revised Code will not affect the Company's latest financial year ended 31 March 2019, and accordingly, the Company will only make reference to the Code in reviewing and implementing its corporate governance structures and practices.

BOARD MATTERS

PRINCIPLE 1 THE BOARD'S CONDUCT OF AFFAIRS

The Board comprises:

Lim Kwang Joo	*(Executive Chairman)*
Lim Fong Yee Roland	*(Chief Executive Officer & Executive Director)*
Song Wei Ming	*(Executive Director)*
Eng Ek Phang	*(Lead Independent Director)*
Koh Beng Leong	*(Independent Director)*
Phoon Han Meng Linus	*(Independent Director)*

The Board's role is to:

(a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(c) review management performance;

(d) identify the key stakeholder groups and recognize that their perceptions affect the Company's reputation;

(e) set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met;

(f) consider sustainability issues eg. environmental and social factors, as part of its strategic formulation; and

(g) discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company.

CORPORATE GOVERNANCE

The Company has a set of terms of reference setting out the powers and authority of the Board. The matters reserved for the Board's decision are as follows:

(i) corporate restructuring or investment/divestment decisions relating to its principal subsidiaries and associates;

(ii) purchase/disposal of material assets;

(iii) approval for new business investment and budget / divestment or aborting of venture;

(iv) approval of annual budgets;

(v) material financing/borrowing not in the ordinary course of business;

(vi) appointment/termination of directors/CEO/company secretary;

(vii) service agreement of directors/CEO and its terms and conditions;

(viii) determination of annual increment/bonus of directors and CEO and directors' fees;

(ix) approval for full year and half year reporting of the Group's results; and

(x) shareholders' matters (including adopting the audited financial statements of the Group, dividend proposal, amendments to the Company's Constitution).

To assist in the execution of its responsibilities, the Board has established a number of committees, including a Nominating Committee ("**NC**"), a Remuneration Committee ("**RC**") and an Audit Committee ("**AC**"). These committees have written mandates and operating procedures, which were approved by the Board.

In line with the change of the Companies Act, Chapter 50 ("**Companies Act**"), all references to the Memorandum and Articles of Association will be superseded with Constitution and Regulation respectively.

In the year under review, the number of Board meetings (including committee meetings) held and attended by each member are as follows:

Name of Director	Board	Audit Committee	Nominating Committee	Remuneration Committee
No. of meetings held	2	2	1	1
No of meetings attended				
Lim Kwang Joo	2	2	1	1
Lim Fong Yee Roland	2	2	1	1
Song Wei Ming	2	2	1	1
Eng Ek Phang	2	2	1	1
Koh Beng Leong	2	2	1	1
Phoon Han Meng Linus	2	2	1	1

CORPORATE GOVERNANCE

New directors are strongly encouraged to attend external courses on directors' duties and responsibilities and corporate governance. Any updates relating to changes in the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Catalist Rules ("**Catalist Rules**") and corporate governance guidelines are circulated to Directors from time to time. Directors are also updated on developments in corporate, financial, legal and other compliance requirements.

PRINCIPLE 2 BOARD COMPOSITION AND GUIDANCE

The Board comprises six Directors of whom three are executive and three are non-executive and independent. The board composition complies with the Code's requirement that at least half of the Board should be made up of independent directors where the Chairman and the CEO are immediate family members, the Chairman is part of the management and the Chairman is not an independent director.

The Board comprises business leaders and professionals with financial (including audit and accounting), engineering, insurance and management backgrounds. The members of the Board with their combined business, management and professional experience, industry knowledge and expertise, provide an objective perspective for the Board to discharge their duties. Taking into account the scope and nature of the operations of the Group, the Board is satisfied that the current composition and size of the Board provide for effective decision making. With three of the directors being independent one of whom is the Lead Independent Director, the Board is able to exercise independent and objective judgment in key issues and discussions.

The Board and NC determine the independence of Directors based on the criteria of independence as defined in the Code and the Catalist Rules. The NC is satisfied that the Independent Directors comply with the Guideline 2.3 of the Code and the Catalist Rules.

Each Independent Director exercises his own judgment independently and none of the Independent Director has any relationship with the Company, its subsidiaries, its related corporations, its 10% shareholders or its officers that could interfere, or reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company. The Independent Directors also do not receive any remuneration, significant payments or material services payments from the Company and its subsidiaries apart from the Directors' fees which is subject to shareholders' approval in annual general meeting. In addition, none of the Independent Directors or their immediate family members are or were 10% shareholders of the Company as defined in the Code.

None of the Independent Director has been appointed as director to the Company's principal subsidiaries. None of the Independent Director has been employed by the Company or any of its related corporations for the current or any of the past three financial years. None of the Independent Director has an immediate family who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the NC of the Company.

The Independent Directors provide, amongst other things, strategic guidance to the Group based on their professional knowledge, in particular, assisting to constructively challenge and develop proposals on strategies.

The Independent Directors can meet among themselves at any time without the presence of management.

CORPORATE GOVERNANCE

PRINCIPLE 3 CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is clear separation of roles and responsibilities between Chairman and Chief Executive Officer ("**CEO**"). Mr Lim Fong Yee Roland, the CEO, is the son of the Executive Chairman, Mr Lim Kwang Joo. The Code recommends that where the Chairman and CEO are related by close family ties, the Company may appoint an independent non-executive director to be the Lead Independent Director. To enhance the independence of the Board as well as to provide an additional channel of communication to shareholders, the Company has appointed Mr Eng Ek Phang as the Lead Independent Director.

As the Executive Chairman, Mr Lim Kwang Joo is responsible for ensuring that Board meetings are held when necessary, scheduling and preparing agendas and exercising control over the information flow between the Board and management.

As the CEO, Mr Lim Fong Yee Roland is responsible for the Group's business strategy and direction including all executive decision-makings.

The Lead Independent Director can meet with the other Independent Directors at any time without the presence of other Directors and he can then provide feedback to the Chairman after such meetings.

Throughout the years, the Independent Directors constructively challenge and assist to develop both the Group's short term and long term strategies and the implementation by the management was monitored closely. The Independent Directors also review the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.

The Independent Directors are constantly encouraged to meet among themselves without the presence of the management so as to facilitate a more effective check on management.

Mr Eng Ek Phang, Mr Koh Beng Leong and Mr Phoon Han Meng Linus had served as independent directors of the Company for more than 9 years. Based on the assessment and particularly rigorous review of the NC, the NC's view is that the directors are able to exercise independent and objective judgment and that there are no relationships or circumstances which will affect their judgment and ability to discharge their duties and responsibilities as independent directors. The NC therefore recommended to the Board that they can remain as independent directors of the Company. The Board also concurred with the NC's review and findings.

PRINCIPLE 4 BOARD MEMBERSHIP
PRINCIPLE 5 BOARD PERFORMANCE

Nominating Committee

The NC comprises the following Directors:

Eng Ek Phang (Chairman)	*(Lead Independent Director)*
Koh Beng Leong	*(Independent Director)*
Phoon Han Meng Linus	*(Independent Director)*

CORPORATE GOVERNANCE

The Company complies with the Code which requires the NC to comprise at least three directors, the majority of whom, including the Chairman, are independent.

The NC pursuant to its written terms of reference shall:-

(a) regularly review the structure, size and composition of the Board and make recommendations to the Board with regards to any adjustments that are deemed necessary;

(b) annually review whether or not a Director is independent, in accordance to Guidelines 2.3 and 2.4 of the Code and the Catalist Rules and other salient factors;

(c) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;

(d) review and recommend to the Board for re-election of the Directors due for renewal by rotation;

(e) review and decide whether or not a Director is able to and has been adequately carrying out his / her duties as Director of the Company;

(f) decide how the Board's performance may be evaluated and propose objective performance criteria;

(g) decide on the performance evaluation process;

(h) assess the effectiveness of the Board as a whole and for assessing the contribution by each individual Director to the effectiveness of the Board; and

(i) make recommendations for succession planning, in particular, of the Executive Chairman and the Chief Executive Officer.

In assessing the suitability of a candidate to be appointed or to be re-elected to the Board, the NC will consider if he is able to make the appropriate contributions to the Board and the Group. The key factors which the NC will take into consideration are:

(i) qualifications, industry knowledge and functional expertise which are relevant and beneficial to the Group; and

(ii) extensive experience and business contacts in the industry in which the Group operates

When a vacancy arises under any circumstances or where it is considered that the Board would benefit from the services of a new director with some particular skills, the NC would review and nominate the most suitable candidate to the Board. The Board then selects the candidates that possess the appropriate qualifications and experience.

In accordance with the Company's Constitution, at least one-third of the Board, or if the number is not a multiple of two, the number nearest to one third but not greater than one-third is required to retire from office at each annual general meeting ("**AGM**") and by rotation. With effect from 1 January 2019, pursuant to Rule 720(4) of the Catalist Rules, all Directors, including Executive Directors, must submit themselves for re-nomination and re-appointment at least once every three (3) years. Within three years of 1 January 2019, a director (including the Managing Director)

CORPORATE GOVERNANCE

appointed or re-appointed before 1 January 2019, must submit himself for re-nomination and re-appointment to the Board at a general meeting no later than 31 December 2021. Mr Lim Kwang Joo, Mr Eng Ek Phang, Mr Koh Beng Leong and Mr Phoon Han Meng Linus who have been in office for three years since their last re-election will be due for retirement by rotation at the Company's AGM pursuant to Regulation 103 of the Company's Constitution. All the retiring Directors, Mr Lim Kwang Joo, Mr Eng Ek Phang, Mr Koh Beng Leong and Mr Phoon Han Meng Linus, have expressed their willingness to be re-elected as Directors and the NC has recommended the re-election of the retiring Directors. As members of the NC, Mr Eng Ek Phang, Mr Koh Beng Leong and Mr Phoon Han Meng Linus have abstained from voting on any resolutions in respect of the assessment of their own performance for re-appointment as Directors.

Please refer to the section entitled "Additional Information on Directors Nominated for Re-election - Appendix 7F to the Catalist Rules" of this report as well as pages 35 to 40 of this Annual Report for more information on the abovementioned Directors.

The dates of initial appointment and last re-election of each Director are set out as follows:

Name of Director	Appointment	Date of initial appointment	Date of last re-election
Lim Kwang Joo	Executive Chairman	6 March 2000	28 July 2016
Lim Fong Yee Roland	Chief Executive Officer & Executive Director	6 March 2000	30 July 2018
Song Wei Ming	Executive Director	7 December 2017	30 July 2018
Eng Ek Phang	Lead Independent Director	12 August 2005	28 July 2016
Koh Beng Leong	Independent Director	12 August 2005	28 July 2016
Phoon Han Meng Linus	Independent Director	30 March 2009	28 July 2016

The Board recognises the merit of having some degree of formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board. The evaluation of the Board and each Director are performed annually by having all members to complete a questionnaire individually which are submitted to the NC for review.

The Directors declare their board representations as and when there are changes. Annually, each Director declares that he has devoted sufficient time and attention to the affairs of the Company. There are no alternative Directors on the Board. Based on the knowledge of the directorships held by the Directors and their declarations, the NC is satisfied that all Directors are able to carry out their duties as directors of the Company. The Board is of the view that setting a maximum number of listed company board representations would not be meaningful as the contributions of the directors would depend on many factors such as whether they were in full time employment and their other responsibilities.

The key information of each Director is set out on pages 10 to 11 of the Annual Report.

The NC has worked out the criteria with regards to the assessment of its AC, NC and RC. The assessment of each committee was performed annually by having all members of the NC to complete a questionnaire which are submitted to the Board for review.

CORPORATE GOVERNANCE

PRINCIPLE 6 ACCESS TO INFORMATION

The members of the Board have access to timely information necessary for their decision-making. In particular, board papers are prepared and circulated to members of the Board before each Board meeting and committee meeting.

All Directors have separate and independent access to the company secretaries. The company secretaries administer, attend and prepare minutes of Board meetings, and assist the Chairman in ensuring that Board procedures are followed and reviewed so that the Board functions effectively, and all rules and regulations applicable to the Company, including its Constitution and the Catalist Rules of the SGX-ST, are complied with.

The directors have access to the professional corporate secretarial services firm and they can seek independent professional advice when required at the Company's expense. The appointment and removal of the company secretaries are subject to the approval of the Board.

REMUNERATION MATTERS

PRINCIPLE 7 PROCEDURES FOR DEVELOPING REMUNERATION POLICIES
PRINCIPLE 8 LEVEL AND MIX OF REMUNERATION

Remuneration Committee

The Company complies with the Code which requires the RC to comprise at least three Directors, all members to be non-executive, a majority of whom, including the Chairman, are Independent Directors.
The RC comprises the following members:

Koh Beng Leong (Chairman)	*(Independent Director)*
Eng Ek Phang	*(Lead Independent Director)*
Phoon Han Meng Linus	*(Independent Director)*

The RC shall:-

- determine and agree with the Board the framework or broad policy for the remuneration of the Company's Board and to determine specific remuneration packages for the Executive Directors and the key management executives;

- in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that the Group provides the appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group;

- determine targets for any performance related pay schemes operated by the Group, taking into account pay and employment conditions within the industry and in comparable companies;

CORPORATE GOVERNANCE

- within the terms of the agreed policy, determine the total individual remuneration package of each Executive Director including, where appropriate, allowances, bonuses, benefits in kind, incentive payments and share options;

- determine the policy for and scope of service agreements including fixing appointment period for the Executive Directors and in the event of early termination the compensation commitments; and

- determine whether Directors and key management should be eligible for benefits under the long-term incentive schemes.

In recommending the Directors' remuneration packages, consideration is given to ensure that the remuneration is competitive in attracting and retaining talent, commensurate with the Directors' scope of work and responsibilities and sufficient to reward them for achieving corporate performance targets.

The payment of Directors' fee is endorsed by the RC and recommended by the Board for shareholders' approval at the AGM of the Company.

No individual Director is involved in deciding his own remuneration or the remuneration of another Director related to him. Non-executive Directors are paid Directors' fees annually after approval by shareholders at the AGM.

The Company does not have contractual provisions to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. However, the RC may consider such mechanisms if it deems necessary in the future.

The RC is not assisted by any remuneration consultants during FY2019.

PRINCIPLE 9 DISCLOSURE ON REMUNERATION

The breakdown (in percentage terms) of the remuneration of the directors of the Company for FY2019 is set out below:

Remuneration Band	Name of Director	Salary and CPF	Fees
Below $250,000	Lim Kwang Joo	100%	–
	Lim Fong Yee Roland	100%	–
	Song Wei Ming	100%	–
	Eng Ek Phang	–	100%
	Koh Beng Leong	–	100%
	Phoon Han Meng Linus	–	100%

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In addition to the base/fixed salary, the Executive Directors are entitled to a profit sharing incentive based on the following formula:

Name of Director	Group's audited consolidated profit before tax and minority interest, excluding exceptional items ("Profit")	Percentage to be applied on the Profit
Lim Kwang Joo, Lim Fong Yee Roland and Song Wei Ming	Less than S$3 million Equal or above S$3 million	2% of Profit 3% of Profit

As the Group incurred a net loss in FY2019, no profit sharing incentive was recommended.

For FY2019, the top key executive (who is not a director) of the Group is Ms Ong Bee Hoon (Group Finance Manager and Company Secretary). Her remuneration did not exceed $250,000. 100% of her remuneration are earned through base/fixed salary.

The Board is of the opinion that the information disclosed above would be sufficient to the shareholders for their understanding of the Company's compensation policies as remuneration matters are commercially sensitive information and further disclosure is prejudicial to the Group's interests and may hamper its ability to retain the Group's talent pool.

Save for Mr Lim Kwang Joo and Mr Lim Fong Yee Roland who are immediate family members, there is no immediate family member of a Director or the CEO who is an employee of the Group whose remuneration has exceeded $50,000 for the financial year ended 31 March 2019.

The Company does not have any employee share scheme in place.

ACCOUNTABILITY AND AUDIT

PRINCIPLE 10 ACCOUNTABILITY

The Board fully recognises that it has a responsibility to provide timely, reliable and fair disclosure of material information to the shareholders.

In order to ensure that the Board is able to fulfill its responsibilities, the management provides the Board with management accounts on a monthly basis, which present a balanced and understandable assessment of the Company's performance, position and prospects.

The Company has procured Appendix 7H (Form of Undertaking with regard to Directors or Executive Officers) pursuant to Rule 720(1) of Catalist Rules from all the Directors and Executive Officers of the Company.

CORPORATE GOVERNANCE

PRINCIPLE 11 RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that risk is inherent in business and there are commercial risks to be taken in the course of generating a return on business activities. The Board's policy is that risks should be managed within the Group's overall risk tolerance.

Risk Management and Processes

Management assesses the key risks facing the Group and formulates plans to mitigate such risks. The management of principal subsidiaries also reported on any exceptions on compliance to regulatory authorities for the financial year. These are submitted to the Audit Committee and the Board which determines the risk tolerance acceptable to the Group.

Information relating to financial risk management objective and processes are set out on page 106 of the Annual Report.

In addition, the Group is also subjected to other business risks. The Group's core business is dependent on local construction industry and property market sentiment. Any decline in the local construction industry or property market sentiment will result in a decrease in demand for furniture, lighting and carpentry works and increase price competition which will in turn affect turnover and profitability. The Group continues to maintain good relationships and work closely with its customers. There is also constant monitoring on collection of debts.

The Group's success is dependent on the continued services of our key management personnel. The Group provided ample training to general staff to upgrade their skills and opportunities for identified management staff to take up more responsibilities as part of the succession plan.

The Company maintains a system of internal controls for all companies within the Group. The internal controls are designed to provide reasonable assurance that proper accounting records are maintained, assets are adequately safeguarded, operational controls are in place and business risks are suitably addressed. The Board reviews the adequacy and effectiveness of the Company's risk management annually.

The Board has received assurance from the CEO and Group Finance Manager:

(a) 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

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

The Board, with the concurrence of the AC, is of the opinion that the risk management and internal controls of the Group are adequate and effective to address operational, financial, compliance and information technology controls of the Group. In arriving at the opinion, the AC and the Board reviewed the work performed by the internal and external auditors as well as discussions with management on the risks identified by internal audit as well as significant issues arising from internal and external audits.

CORPORATE GOVERNANCE

PRINCIPLE 12 AUDIT COMMITTEE

The AC comprises:

Eng Ek Phang (Chairman)	*(Lead Independent Director)*
Koh Beng Leong	*(Independent Director)*
Phoon Han Meng Linus	*(Independent Director)*

The Company complies with the Code which requires the AC to comprise at least three directors, all members to be non-executive, the majority of whom, including the Chairman, are independent.

In considering appointing an independent director to the AC, the Board will consider the qualification of the person and that at least two members should have accounting or related financial management experience.

The AC performs the following functions: -

(a) review with the external auditors the audit plan, the external auditors' evaluation of the internal accounting controls, the assistance given by the Company's officers to the external auditors and the audit report;

(b) review of the half-year and full year consolidated financial statements of the Group and the announcements prior to submission to the Board for approval;

(c) review the adequacy of the Company's internal controls, as set out in Principle 11;

(d) review and recommend to the Board the appointment or re-appointment of external auditors, taking into consideration the non-audit services rendered by the external auditors and being satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors; and

(e) review interested person transactions.

The AC meets the external and internal auditors at least once a year and may meet them at any time, without the presence of the Company's management.

In reviewing the re-appointment of external auditors for the FY2019, the AC considered the adequacy of the resources, experience and competence of the external auditors. Consideration was also given to the working relationship and familiarity of the Group's business of the engagement partner and the key audit team.

The AC has reviewed the volume of non-audit services (FY2019: $33,620) provided to the Group by the external auditors and was satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. Please refer to Page 101 for the audit fees paid or payable to external auditors by the Group.

KPMG LLP has also confirmed that they are registered with the Accounting and Corporate Regulatory Authority and hence, the Company is in compliance with Rule 712 and Rule 715 (read with Rule 716) of the Catalist Rules in relation to the appointment of its auditors.

CORPORATE GOVERNANCE

Accordingly, the AC has recommended to the Board that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

The AC has the authority to investigate any matters within its terms of reference, full access to and co-operation by management and is authorized to seek independent professional advice to enable it to discharge its functions properly.

The Company has put in place a whistle-blowing framework, which provides staff with accessible channels within the Group for reporting possible improprieties in matters of financial reporting or other matters in confidence so that appropriate follow-up action will be taken. The contact numbers and email addresses of the whistle-blowing committee members are provided for reports to be made by staff and external parties.

The external auditors regularly update the AC on the changes to accounting standards and issues which will have a direct impact on financial statements.

The AC also considered the report from the external auditors, including their findings on the key areas of audit focus. Significant matters that were discussed with management and external auditors have been included as key audit matters ("**KAM**") in the independent auditors' report for the financial year ended 31 March 2019 on pages 44 to 47 of this Annual Report. In assessing the KAM, the AC considered the approach and methodology applied in the valuation of assets, including the estimates and key assumptions used. The AC concluded that management's accounting treatment and estimates adopted on the KAM were appropriate. No former partner or director of the Company's existing auditing firm acts as a member of the Company's AC.

PRINCIPLE 13 INTERNAL AUDIT

The Company has outsourced the internal audit review to an internal audit service provider, One e-Risk Services Pte Ltd. The internal auditor carried out its function according to the standards set by internationally-recognised professional bodies, such as the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The AC is responsible for the adequacy of the internal audit function, its resources and its standing within the Group to perform its functions properly. The internal auditors report primarily to the Chairman of the AC and propose the annual internal audit plan in consultation with the AC. An internal audit review was performed in April 2019 on a principal subsidiary. The AC oversees and monitors if the improvements suggested on internal controls are implemented.

SHAREHOLDERS RIGHTS AND RESPONSIBILITIES

PRINCIPLE 14 SHAREHOLDER RIGHTS
PRINCIPLE 15 COMMUNICATION WITH SHAREHOLDERS
PRINCIPLE 16 CONDUCT OF SHAREHOLDER MEETINGS

In line with continuous disclosure obligations of the Company pursuant to the Catalist Rules and the Companies Act, the Company endeavours to maintain constant and effective communications with shareholders through timely and comprehensive announcements. Material information that could have a material impact on the share price of the Company is released on a timely basis.

CORPORATE GOVERNANCE

The Company disseminates latest corporate news, strategies, announcements, notices of meetings, annual reports, circulars and press releases promptly through SGXNET. The Group's corporate governance practices are disclosed in annual reports of the Company to enable the shareholders to have a better understanding of the Group's stewardship role.

Shareholders are informed of general meetings through the announcement released on the SGXNet and notices contained in the Annual Report or circulars sent to all shareholders. These notices are also advertised in a national newspaper. All shareholders are entitled to attend the general meetings and are provided the opportunity to participate in the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance.

On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as "Relevant Intermediary" to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant Intermediary includes corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors. With this amended legislation, the Company allows relevant intermediaries to appoint more than two proxies to attend the Company's general meetings.

At the AGM and any other general meetings of the Company, shareholders are given the opportunities to express their views and ask the Board questions regarding the operations of the Company. The minutes of general meetings are available to shareholders upon request. The resolutions put to vote are by poll. The Company does not allow absentia voting as it is not practical to do so as the identity of the shareholder is difficult to verify. There are separate resolutions at general meetings on each substantially separate issue.

The Chairman of the AC, NC and RC will be present and available to address questions at the AGM. The external auditors will also be present to address any shareholders queries about the auditor's report.

In addition to the half yearly and full year financial results announcements and announcements on material information, annual reports that provide information on the prospects of the Company, Board of Directors, management, report on Code and audited financial statements for the past financial year were circulated to the shareholders prior to the AGM. Shareholders were encouraged to share their views on the Company's past year performance during the AGM. The annual report was uploaded to the Company's website for shareholders' viewing in addition to circulation and SGXNET announcement.

There is no formal dividend policy adopted by the Company. The Board, having considered the financial performance of the Group for the financial year ended 31 March 2019, did not recommend any dividend payment.

The Company currently does not have investor relations policy but considers advice from corporate lawyers and its Sponsor on appropriate disclosure requirements before announcing material information to the shareholders. The Company will consider appointing professional investor relations officer to manage the function should the need arises.

CORPORATE GOVERNANCE

Dealings in Securities

Under the Code of Best Practices on Securities Transactions adopted by the Company, an officer should not deal in his company's securities on short-term considerations. The Company and its officers should not deal in the Company's securities during the period commencing one month before the announcement of the Company's half-year and full year financial statements. In addition, the officers are also reminded that the law on insider dealing is applicable at all times, notwithstanding the window periods.

Interested Person Transaction

There were no interested person transactions entered into under shareholders' mandate or otherwise during the year under review that were $100,000 or more.

Non-sponsor Fees

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company is RHT Capital Pte. Ltd. There were no non-sponsor fees paid to RHT Capital Pte. Ltd. by the Company for the year ended 31 March 2019.

Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving the interest of the CEO, each Director or Controlling Shareholder which were either subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

Treasury Shares

There are no treasury shares held at the end of the financial year ended 31 March 2019.

APPENDIX

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION - APPENDIX 7F TO THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating to Mr Lim Kwang Joo, Mr Eng Ek Phang, Mr Koh Beng Leong and Mr Phoon Han Meng Linus, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

Name of Director	Lim Kwang Joo	Eng Ek Phang	Koh Beng Leong	Phoon Han Meng Linus
Date of Appointment	6 March 2000	12 August 2005	12 August 2005	30 March 2009
Date of last re-appointment (if applicable)	28 July 2016	28 July 2016	28 July 2016	28 July 2016
Age	79	70	53	49
Country of principal residence	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Lim Kwang Joo as a Director of the Company was recommended by the NC and the Board has accepted the recommendation after taking into consideration Mr Lim's qualifications, past experiences and overall contribution and performance since he was appointed as Executive Chairman of the Company.	The re-election of Mr Eng Ek Phang as a Director of the Company was recommended by the NC and the Board has accepted the recommendation after taking into consideration Mr Eng's qualifications, past experiences and overall contribution and performance since he was appointed as an Independent Director of the Company. The Board considers Mr Eng to be independent for the purpose of Rule 704(6) of the Catalist Rules of the SGX-ST.	The re-election of Mr Koh Beng Leong as a Director of the Company was recommended by the NC and the Board has accepted the recommendation after taking into consideration Mr Koh's qualifications, past experiences and overall contribution and performance since he was appointed as an Independent Director of the Company. The Board considers Mr Koh to be independent for the purpose of Rule 704(6) of the Catalist Rules of the SGX-ST.	The re-election of Mr Phoon Han Meng Linus as a Director of the Company was recommended by the NC and the Board has accepted the recommendation after taking into consideration Mr Phoon's qualifications, past experiences and overall contribution and performance since he was appointed as an Independent Director of the Company. The Board considers Mr Phoon to be independent for the purpose of Rule 704(6) of the Catalist Rules of the SGX-ST.

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Name of Director	Lim Kwang Joo	Eng Ek Phang	Koh Beng Leong	Phoon Han Meng Linus
Whether appointment is executive, and if so, the area of responsibility	Executive	Non-Executive and Independent	Non-Executive and Independent	Non-Executive and Independent
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman	Lead Independent Director, Chairman of the Nominating and Audit Committees and Member of the Remuneration Committee	Chairman of the Remuneration Committee and Member of the Nominating and Audit Committees.	Member of the Nominating, Remuneration and Audit Committees.
Professional qualifications	Tertiary (Diploma)	C.A. (Singapore), FCCA (U.K.), C.A. (Malaysia), FCPA (Australia).	FCPA (Australia), CPA (Kampuchea), Master of Professional Accounting, Bachelor of Economics	Bachelor of Social Science (Honours 2nd Class Upper in Economics), Bachelor of Science (Faculty of Science Dean's List 1994)
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2019's Annual Report.	Please refer to the Board of Directors section in the Company's 2019's Annual Report.	Please refer to the Board of Directors section in the Company's 2019's Annual Report.	Please refer to the Board of Directors section in the Company's 2019's Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	78,833,333 ordinary shares held in the Company	None	None	4,778,100 ordinary shares held in the Company.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Lim Kwang Joo is the father of Mr Lim Fong Yee Roland, who is the Chief Executive Officer and Executive Director of the Company.	None	None	None
Conflict of interest (including any competing business)	None	None	None	None

APPENDIX

Name of Director	Lim Kwang Joo	Eng Ek Phang	Koh Beng Leong	Phoon Han Meng Linus
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)	Past (for the last 5 years) 1. Sunlight Electrical Pte Ltd 2. Sunlight Electrical (Vietnam) Co., Ltd Present None	Past (for the last 5 years) None Present 1. Bob Eng & Partners (Managing Partner) 2. BEP Consulting Pte Ltd (Managing Director)	Past (for the last 5 years) 1. Annaik Limited 2. Anxon Engineering Pte Ltd 3. Chaoda Valve Singapore Pte Ltd Present 1. Ann Aik Pte Ltd 2. Annaik & Partners (S) Pte Ltd 3. Anxon Eco Holdings Pte Ltd 4. Anxon Environmental Pte Ltd 5. Anxon Envirotech Pte Ltd 6. Ichinose Emico Valves (S) Pte Ltd 7. Pioneer Environmental Technology Pte Ltd 8. Metal Wang Pte Ltd 9. Wesco Steel Pte Ltd 10. Dalian Shicheng Property Development (S) Pte Ltd	Past (for the last 5 years) 1. Canopius Asia Pte Ltd Present None

APPENDIX

Name of Director	Lim Kwang Joo	Eng Ek Phang	Koh Beng Leong	Phoon Han Meng Linus
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is yes, full details must be given.				
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No

APPENDIX

Name of Director	Lim Kwang Joo	Eng Ek Phang	Koh Beng Leong	Phoon Han Meng Linus
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :— (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No

APPENDIX

Name of Director	Lim Kwang Joo	Eng Ek Phang	Koh Beng Leong	Phoon Han Meng Linus
Disclosure applicable to the appointment of Director only.				
Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes	Yes	Yes
If yes, please provide details of prior experience.	Mr Lim Kwang Joo is currently a director of the Company.	Mr Eng Ek Phang is currently a director of the Company.	Mr Koh Beng Leong is currently a director of the Company.	Mr Phoon Han Meng Linus is currently a director of the Company.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.				
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable. This is a re-election of a Director and Mr Lim Kwang Joo has prior experience as a director of an issuer listed on the SGX-ST.	Not applicable. This is a re-election of a Director and Mr Eng Ek Phang has prior experience as a director of an issuer listed on the SGX-ST.	Not applicable. This is a re-election of a Director and Mr Koh Beng Leong has prior experience as a director of an issuer listed on the SGX-ST.	Not applicable. This is a re-election of a Director and Mr Phoon Han Meng Linus has prior experience as a director of an issuer listed on the SGX-ST.

DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2019.

In our opinion:

(a) the financial statements set out on pages 48 to 135 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International); 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

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

Lim Kwang Joo
Lim Fong Yee Roland
Song Wei Ming
Eng Ek Phang
Koh Beng Leong
Phoon Han Meng Linus

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Lim Kwang Joo		
P5 Capital Holdings Ltd.		
- ordinary shares	78,833,333	78,833,333
Lim Fong Yee Roland		
P5 Capital Holdings Ltd.		
- ordinary shares	35,000,000	35,000,000
Song Wei Ming		
P5 Capital Holdings Ltd.		
- ordinary shares	41,496,633	41,496,633
Phoon Han Meng Linus		
P5 Capital Holdings Ltd.		
- ordinary shares	4,778,100	4,778,100

DIRECTORS' STATEMENT

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning or at the end of the financial year.

Except as disclosed above, there were no other changes in the interests in the Company between the end of the financial year and 21 April 2019.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE OPTIONS

During the financial year, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

AUDIT COMMITTEE

The members of the Audit Committee during the year and at the date of this report are:

Eng Ek Phang (Chairman)	Independent director
Koh Beng Leong	Independent director
Phoon Han Meng Linus	Independent director

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held two meetings since the last directors' report. In performing its functions, the Audit Committee met with the Company's external auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

(i) assistance provided by the Company's officers to the external auditors;

(ii) half yearly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;

DIRECTORS' STATEMENT

(iii) interested person transactions (as defined in Chapter 9 of the SGX Listing Manual); and

(iv) significant matters impacting the financial statements and the accounting principles and judgement of items as adopted by management for these significant matters.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditor of the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

LIM KWANG JOO
Director

LIM FONG YEE ROLAND
Director

1 July 2019

INDEPENDENT AUDITOR'S REPORT

Members of the Company
P5 Capital Holdings Ltd.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of P5 Capital Holdings Ltd. (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 March 2019, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information set out on pages 48 to 135.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s) 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 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the 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 *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

INDEPENDENT AUDITOR'S REPORT

THE KEY AUDIT MATTER	HOW WAS THE MATTER ADDRESSED IN OUR AUDIT
NET REALISABLE VALUE OF INVENTORIES *Refer to Note 2.4 – Use of estimates and judgements: Assessment of the allowance for inventory obsolescence or slow-moving inventories or for any shortfall in net realisable value ("NRV") of inventories and Note 11 – Inventories of S$1,951,420* Inventories are carried at the lower of cost and net realisable value in the financial statements. The determination of inventory to be written down and the amount of write down involves judgement. In particular, the Group holds significant amounts of inventories related to luxury furniture and lighting products which are sold primarily to a niche market. Judgement is required to assess the appropriate level of provisioning for items which may be ultimately sold below costs. Such judgement includes management's expectations for future sales and inventory liquidation plans. Due to the competitive market environment, there is a risk that the carrying value of inventories exceed the estimated net realisable value, resulting in losses.	We reviewed the basis for inventory provisions made in relation to lighting products. We reviewed the inventory aging report to determine the consistency of provisioning in line with policy and to identify any slow-moving inventories. We also reviewed the process for identifying specific inventory obsolescence issues for luxury furniture products. We compared the carrying values of inventories to recent sale transactions and, where available, publicly available market prices of similar products carried by the Group to identify inventories which are carried at higher than their net realisable values.
FINDINGS: We found that the Group's assessment of net realisable value of inventories and their estimated write-down of inventory values to be reasonable.	

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. We have obtained all other information prior to the date of this auditors' report.

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

INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditors' report, 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 SFRS(I)s, 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.

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

- 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 auditors' 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 auditors' 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

The engagement partner on the audit resulting in this independent auditors' report is Ong Li Qin.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
1 July 2019

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2019

		Group			Company		
	Note	2019	2018	1 Apr 2017	2019	2018	1 Apr 2017
		$	$	$	$	$	$
Assets							
Property, plant and equipment	4	624,854	532,497	4,337,029	–	–	–
Lease prepayment	5	–	–	148,736	–	–	–
Intangible assets	6	77,367	77,367	155,083	–	–	–
Subsidiaries	7	–	–	–	2,863,050	1,863,051	10,140,025
Associate	8	–	–	–	–	–	–
Deferred tax assets	9	–	–	43,498	–	–	–
Other investments	10	3,676,685	3,778,671	–	3,676,685	3,778,671	–
Contract assets	19	–	108,820	764,014	–	–	–
Trade and other receivables	12	–	–	–	2,832,800	2,852,800	1,220,265
Non-current assets		4,378,906	4,497,355	5,448,360	9,372,535	8,494,522	11,360,290
Inventories	11	1,951,420	2,157,614	9,987,769	–	–	–
Contract assets	19	81,412	1,071	–	–	–	–
Trade and other receivables	12	2,493,966	4,395,259	24,235,638	29,421	1,876,194	9,470
Other investments	10	–	–	414	–	–	–
Cash and cash held with financial institutions	13	8,327,945	7,135,168	3,019,397	6,756,188	6,554,323	22,055
Current assets		12,854,743	13,689,112	37,243,218	6,785,609	8,430,517	31,525
Total assets		17,233,649	18,186,467	42,691,578	16,158,144	16,925,039	11,391,815
Equity							
Share capital	14	19,263,691	19,263,691	19,263,691	19,263,691	19,263,691	19,263,691
Reserves	15	–	–	(2,153,918)	–	–	–
Accumulated losses		(5,235,207)	(3,816,132)	(2,744,332)	(3,256,564)	(2,583,499)	(8,013,914)
Total equity		14,028,484	15,447,559	14,365,441	16,007,127	16,680,192	11,249,777
Liabilities							
Deferred tax liabilities	9	–	–	50,248	–	–	–
Finance lease liabilities	16	114,438	62,206	–	–	–	–
Loans and borrowings	17	–	–	558,634	–	–	–
Non-current liabilities		114,438	62,206	608,882	–	–	–
Trade and other payables	18	951,378	1,062,038	19,554,264	151,017	244,847	142,038
Contract liabilities	19	2,115,721	1,603,516	2,082,564	–	–	–
Finance lease liabilities	16	23,628	11,148	4,402	–	–	–
Loans and borrowings	17	–	–	5,682,459	–	–	–
Current tax payable		–	–	393,566	–	–	–
Current liabilities		3,090,727	2,676,702	27,717,255	151,017	244,847	142,038
Total liabilities		3,205,165	2,738,908	28,326,137	151,017	244,847	142,038
Total equity and liabilities		17,233,649	18,186,467	42,691,578	16,158,144	16,925,039	11,391,815

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

YEAR ENDED 31 MARCH 2019

	Note	2019 $	2018 $
Continuing operations			
Revenue	19	10,330,928	8,911,666
Cost of sales		(6,235,436)	(6,035,255)
Gross profit		4,095,492	2,876,411
Other operating income	20	99,494	82,489
Distribution expenses		(1,540,987)	(1,395,187)
Administrative expenses		(3,698,481)	(2,789,030)
Other operating expenses		(242,648)	(169,759)
Impairment loss on trade receivables and contract assets		(53,196)	(25,176)
Results from operating activities		(1,340,326)	(1,420,252)
Finance income	21	89,935	24,889
Finance costs	21	(168,684)	(266,572)
Net finance costs		(78,749)	(241,683)
Loss before tax	22	(1,419,075)	(1,661,935)
Tax expense	23	–	–
Loss for the year from continuing operations		(1,419,075)	(1,661,935)
Discontinued operation			
Profit from discontinued operation (net of income tax)	24	–	590,135
Loss for the year		(1,419,075)	(1,071,800)
Loss per share – continuing operations			
Basic and diluted loss per share (cents)	25	(0.25)	(0.30)
Earnings per share – discontinued operation			
Basic and diluted earnings per share (cents)	25	–	0.11

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2019

	Note	2019 $	2018 $
Loss for the year		(1,419,075)	(1,071,800)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations		–	(203,583)
Exchange differences realised from discontinued operations	24	–	2,357,501
Other comprehensive income for the year, net of tax		–	2,153,918
Total comprehensive income for the year		(1,419,075)	1,082,118

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2019

	Share capital $	Translation reserve $	Accumulated losses $	Total equity $
At 1 April 2017	19,263,691	(2,153,918)	(2,744,332)	14,365,441
Total comprehensive income for the year				
Loss for the year	–	–	(1,071,800)	(1,071,800)
Other comprehensive income				
Foreign currency translation differences – foreign operations	–	(203,583)	–	(203,583)
Exchange differences realised from discontinued operations (see Note 24)	–	2,357,501	–	2,357,501
Total comprehensive income for the year	–	2,153,918	(1,071,800)	1,082,118
At 31 March 2018	19,263,691	–	(3,816,132)	15,447,559
At 1 April 2018	19,263,691	–	(3,816,132)	15,447,559
Adjustment on initial application of SFRS(I) 9 (net of tax)	–	–	–	–
Adjusted balance at 1 April 2018	19,263,691	–	(3,816,132)	15,447,559
Total comprehensive income for the year				
Loss for the year	–	–	(1,419,075)	(1,419,075)
Total comprehensive income for the year	–	–	(1,419,075)	(1,419,075)
At 31 March 2019	19,263,691	–	(5,235,207)	14,028,484

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

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Loss for the year		(1,419,075)	(1,071,800)
Adjustments for:			
Amortisation for lease prepayment		–	2,581
Amortisation of intangible assets		–	35,690
Depreciation of property, plant and equipment		191,625	337,486
Interest expense		4,571	126,369
Interest income		(89,935)	(8,222)
Net fair value loss on other investments		101,986	259,215
Write off of property, plant and equipment		–	8,067
Gain on disposal of property, plant and equipment		(2,155)	–
Gain on disposal of discontinued operation		–	(3,568,562)
Tax expense		–	158,073
		(1,212,983)	(3,721,103)
Change in inventories		206,194	1,579,750
Change in contract assets		28,479	(8,950)
Change in trade and other receivables		39,673	7,363,642
Change in trade and other payables		(110,660)	(6,439,748)
Change in contract liabilities		512,205	(228,869)
Cash used in operations		(537,092)	(1,455,278)
Tax paid		–	(181,884)
Net cash used in operating activities		(537,092)	(1,637,162)
Cash flows from investing activities			
Investment in unquoted investment fund		–	(4,039,500)
Acquisition of property, plant and equipment*		(197,086)	(495,442)
Disposal of discontinued operation	24	1,861,620	13,215,203
Deposits pledged		–	894,835
Interest received		89,935	8,222
Proceeds from disposal of property, plant and equipment		2,559	–
Net cash generated from investing activities		1,757,028	9,583,318

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

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

YEAR ENDED 31 MARCH 2019

	Note	2019 $	2018 $
Cash flows from financing activities			
Payment of finance lease liabilities		(22,588)	(10,754)
Proceeds from loans and borrowings		–	2,949,278
Proceeds from loan from a director/shareholder		–	350,000
Repayment of loan to a director/shareholder		–	(550,000)
Repayment of bank borrowings		–	(3,237,050)
Interest paid		(4,571)	(126,369)
Net cash generated from/(used in) financing activities		(27,159)	(624,895)
Net increase in cash and cash equivalents		1,192,777	7,321,261
Cash and cash equivalents at beginning of the year		7,135,168	(184,421)
Effect of exchange rate fluctuations on cash held		–	(1,672)
Cash and cash equivalents at end of the year	13	8,327,945	7,135,168

Non-cash transaction:

- In 2019, the Group acquired a motor vehicle (2018: motor vehicle and machinery) via hire purchase agreement amounting to $87,300 (2018: $174,983).

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 1 July 2019.

1. DOMICILE AND ACTIVITIES

P5 Capital Holdings Ltd. (the "Company") is incorporated in the Republic of Singapore and has its registered office and principal place of business at 213 Henderson Road #03-08 Henderson Industrial Park Singapore 159553.

The consolidated financial statements of the Group as at and for the year ended 31 March 2019 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). These are the Group's first financial statements prepared in accordance with SFRS(I) and SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* has been applied.

In the previous financial years, the financial statements were prepared in accordance with Financial Reporting Standards in Singapore (FRS). An explanation of how the transition to SFRS(I) and application of SFRS(I) 9 and SFRS(I) 15 have affected the reported financial position, financial performance and cash flows is provided in Note 31.

2.2 BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis except as otherwise stated in the notes below.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

In particular, the information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amount recognised in the financial statements and that have a significant risk or resulting in a material adjustment within the next financial year are described in the following notes:

Note 6 – impairment test of goodwill: key assumptions underlying recoverable amounts; and

Note 11 – assessment of the allowance for inventory obsolescence or slow-moving inventories or for any shortfall in net realisable value of inventories;

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Further information about the assumptions made in measuring fair values is included in Note 27 – Financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening SFRS(I) statements of financial position at 1 April 2017 for the purposes of the transition to SFRS(I), unless otherwise indicated.

The accounting policies have been applied consistently by Group entities.

3.1 BASIS OF CONSOLIDATION

Business combinations

Business combinations are accounted for using the acquisition method in accordance with SFRS(I) 3 *Business Combinations* as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 BASIS OF CONSOLIDATION (CONT'D)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of the subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in associates, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 BASIS OF CONSOLIDATION (CONT'D)

Accounting for subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 FOREIGN CURRENCY

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve ("translation reserve") in equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income, and are presented in the translation reserve in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets – Policy applicable from 1 April 2018

On initial recognition, a financial asset is classified as measured at: amortised cost or fair value through profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost are measured at fair value through profit or loss. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment – Policy applicable from 1 April 2018

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest – Policy applicable from 1 April 2018

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest – Policy applicable from 1 April 2018 (Cont'd)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable from 1 April 2018

Financial assets at fair value through profit or loss

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial assets – Policy applicable before 1 April 2018

The Group classified non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable before 1 April 2018

Financial assets at fair value through profit or loss

A financial asset was classified at fair value through profit or loss if it was classified as held for trading or was designated as such upon initial recognition. Financial assets were designated at fair value through profit or loss if the Group managed such investments and made purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs were recognised in profit or loss as incurred. Financial assets at fair value through profit or loss were measured at fair value, and changes therein, which takes into account any dividend income, were recognised in profit or loss.

Financial assets classified as held for trading comprise quoted equity securities and unquoted fund investment.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable before 1 April 2018 (Cont'd)

Loans and receivables

Loans and receivables were financial assets with fixed or determinable payments that were not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables were measured at amortised costs using effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, long-term trade receivables, and trade and other receivables, excluding prepayments.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised finance lease liabilities, loans and borrowings, and trade and other payables.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

(iii) Derecognition (Cont'd)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(vi) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(vii) Intra-group financial guarantees in separate financial statements

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are recognised initially at fair value and the initial fair value is amortised over the life of the guarantees. Subsequent to initial measurement, the financial guarantees are measured at the higher of the amortised amount and the amount of loss allowance.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 FINANCIAL INSTRUMENTS (CONT'D)

(vii) Intra-group financial guarantees in separate financial statements (Cont'd)

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Loss allowances for ECLs for financial guarantees issued are presented in the Company's statement of financial position as 'loans and borrowings'.

Intra-group financial guarantees in separate financial statements – Policy applicable before 1 April 2018

The policy applied in the comparative information presented for 2018 is similar to that applied for 2019. However, for subsequent measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the amount that would be recognised if they were accounted for as contingent liabilities.

3.4 PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Disposals

Gain or loss arising on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other operating expenses in profit or loss on the date of disposal.

Depreciation

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives are as follows:

Leasehold building	15 to 47 years
Freehold building	30 years
Plant and machinery	5 to 10 years
Renovation, furniture and fittings	4 to 8 years
Office equipment	1 to 10 years
Motor vehicles	5 to 6 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 LEASE PREPAYMENT

Lease prepayment for land use rights is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged to the profit or loss on a straight-line basis over the period of 47 years commencing from the date of land use rights approval.

3.6 INTANGIBLE ASSETS

(i) Goodwill

Goodwill that arises upon the acquisition of a subsidiary is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

Subsequent expenditure

Goodwill is measured at cost less accumulated impairment losses.

(ii) Technical know-how

Technical know-how acquired by the Group have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Technical know-how is amortised in profit or loss on a straight-line basis over the estimated useful life of 5 years from the date they are available for use.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.7 INVENTORIES

Inventories are measured at the lower of cost and net realisable value.

Cost (comprising direct labour, material costs, direct expenses and an appropriate allocation of production overheads) is calculated on a first-in, first-out basis. In the case of work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Cost may also include transfers from equity on qualifying cash flow hedges of foreign currency purchases of inventories. Allowance is made for damaged, obsolete and slow-moving inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to make the sale.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 IMPAIRMENT

(i) Non-derivative financial assets and contract assets

Policy applicable from 1 April 2018

The Group recognises loss allowances for ECLs on financial assets measured at amortised costs and contract assets (as defined in SFRS(I) 15).

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract assets.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 IMPAIRMENT (CONT'D)

(i) Non-derivative financial assets and contract assets (cont'd)

Policy applicable from 1 April 2018 (cont'd)

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset remains outstanding for more than the reasonable range of past due days, taking into consideration historical payment track records, current macroeconomics situation as well as the general industry trend.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as a default or being outstanding for more than the reasonable range of past due days;

- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or

- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 IMPAIRMENT (CONT'D)

(i) Non-derivative financial assets and contract assets (cont'd)

Policy applicable from 1 April 2018 (cont'd)

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Policy applicable before 1 April 2018

A financial asset not carried at fair value through profit or loss was assessed at the end of each reporting period to determine whether there was any objective evidence that it is impaired. A financial asset was impaired if objective evidence indicates that a loss event had occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that could be estimated reliably.

Objective evidence that financial assets (including equity securities) were impaired could include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer would enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlated with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost was objective evidence of impairment.

Loans and receivables

The Group considered evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables were assessed for specific impairment. All individually significant loans and receivables found not to be specifically impaired were then collectively assessed for any impairment that had been incurred but not yet identified. Loans and receivables that were not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group used historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions were such that the actual losses were likely to be greater or less than suggested by historical trends.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 IMPAIRMENT (CONT'D)

(i) Non-derivative financial assets and contract assets (cont'd)

Policy applicable before 1 April 2018 (cont'd)

Loans and receivables (cont'd)

An impairment loss in respect of a financial asset measured at amortised cost was calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continued to be recognised. When the Group considered that there are no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 LEASES

Leased assets

Leases, in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognised in the Group's statement of financial position.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- the fulfilment of the arrangement is dependent on the use of a specific asset or assets; and

- the arrangement contains a right to use the asset(s).

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 EMPLOYEE BENEFITS

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.11 PROVISIONS

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.12 REVENUE

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Sale of goods (i.e. furniture and lightings)

Revenue is recognised when goods are delivered to the customer and all criteria for acceptance have been satisfied. Generally, invoices are generated prior to revenue recognition. For protective reasons, a portion of the contract consideration may be received upfront. As the payment terms are for reasons other than financing, no financing component has been recognised. Invoices are payable ranging from before delivery to three months.

Products usually come with a standard warranty term of 1 year under which the customers are able to replace any defective products.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 REVENUE (CONT'D)

Bespoke carpentry services

Revenue from bespoke carpentry services are recognised over time as performance obligations are satisfied as work progresses. Invoices are generated based on the agreed billing milestone stipulated in the contracts. Invoices are usually payable within 30 days.

Revenue is recognised progressively based on the percentage of completion method. The stage of completion is typically assessed by reference to the cost incurred relative to total estimated costs (input method), which is commensurate with the pattern of transfer of control to the customer. The related costs are recognised in profit or loss when they are incurred, unless they relate to future performance obligations.

If the value of services rendered exceeds payments received from the customer, a contract asset is recognised and presented separately on the balance sheet. The contract asset is transferred to receivables when the entitlement to payment becomes unconditional. If the amounts invoiced to the customer exceeds the value of services rendered, a contract liability is recognised and separately presented on the statements of financial position.

3.13 GOVERNMENT GRANTS

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other operating income' on a systematic basis in the same periods in which the expenses are recognised.

3.14 FINANCE INCOME AND FINANCE COSTS

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at fair value to profit and loss; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised as it accrues in profit or loss, using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 FINANCE INCOME AND FINANCE COSTS (CONT'D)

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.15 TAX

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 TAX (CONT'D)

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities, such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.16 DISCONTINUED OPERATION

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business of geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative year.

3.17 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer ("CEO") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets.

3.19 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are not yet effective and have not been applied in preparing these financial statements. An explanation of the impact, if any, on adoption of these new requirements is provided in Note 32.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

4. PROPERTY, PLANT AND EQUIPMENT

	Note	Leasehold building	Freehold land	Freehold building	Plant and machinery	Renovation, furniture and fittings	Office equipment	Motor vehicles	Total
		$	$	$	$	$	$	$	$
Group									
Cost									
At 1 April 2017		4,384,542	444,692	960,456	2,583,208	474,399	1,364,239	382,650	10,594,186
Additions		–	–	–	99,855	386,706	105,419	78,445	670,425
Discontinued operation	24	(4,365,583)	(444,692)	(960,456)	(2,519,653)	(441,166)	(1,268,946)	(324,804)	(10,325,300)
Disposals/Write off		–	–	–	(133,337)	(18,676)	(47,422)	(57,090)	(256,525)
Effect of movements in exchange rates		(18,959)	–	–	(25,573)	–	(2,461)	(756)	(47,749)
At 31 March 2018		–	–	–	4,500	401,263	150,829	78,445	635,037
Additions		–	–	–	9,600	88,706	91,006	95,074	284,386
Disposals/Write off		–	–	–	–	(509)	–	–	(509)
At 31 March 2019		–	–	–	14,100	489,460	241,835	173,519	918,914

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Note	Leasehold building	Freehold land	Freehold building	Plant and machinery	Renovation, furniture and fittings	Office equipment	Motor vehicles	Total
		$	$	$	$	$	$	$	$
Group									
Accumulated depreciation and impairment losses									
At 1 April 2017		1,988,287	–	349,505	1,858,868	420,324	1,257,523	382,650	6,257,157
Depreciation for the year		124,462	–	16,008	99,201	40,972	50,306	6,537	337,486
Discontinued operation	24	(2,104,494)	–	(365,513)	(1,810,805)	(421,338)	(1,191,916)	(324,804)	(6,218,870)
Disposals/Write off		–	–	–	(133,335)	(12,670)	(45,363)	(57,090)	(248,458)
Effect of movements in exchange rates		(8,255)	–	–	(13,779)	–	(1,985)	(756)	(24,775)
At 31 March 2018		–	–	–	150	27,288	68,565	6,537	102,540
Depreciation for the year		–	–	–	2,020	90,130	66,386	33,089	191,625
Disposals/Write off		–	–	–	–	(105)	–	–	(105)
At 31 March 2019		–	–	–	2,170	117,313	134,951	39,626	294,060
Carrying amounts									
At 1 April 2017		2,396,255	444,692	610,951	724,340	54,075	106,716	–	4,337,029
At 31 March 2018		–	–	–	4,350	373,975	82,264	71,908	532,497
At 31 March 2019		–	–	–	11,930	372,147	106,884	133,893	624,854

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

At 31 March 2019, the carrying amount of property, plant and equipment of the Group held under finance lease arrangements amounted to $133,893 (2018: $71,908; 1 Apr 2017: $19,927).

5. LEASE PREPAYMENT

	Note	Land use rights $
Group		
Cost		
At 1 April 2017		246,163
Discontinued operation	24	(239,230)
Effect of movements in exchange rates		(6,933)
At 31 March 2018 and 31 March 2019		–
Accumulated amortisation		
At 1 April 2017		97,427
Amortisation for the year		2,581
Discontinued operation	24	(97,228)
Effect of movements in exchange rates		(2,780)
At 31 March 2018 and 31 March 2019		–
Carrying amounts		
At 1 April 2017		148,736
At 31 March 2018 and 31 March 2019		–

Amortisation charge is recognised in the following accounts:

	Group 2018 $
Cost of sales	860
Administrative expenses	1,721
	2,581

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

6. INTANGIBLE ASSETS

Group	Note	Technical know-how $	Goodwill $	Total $
Cost				
At 1 April 2017		972,560	77,367	1,049,927
Discontinued operation	24	(972,560)	–	(972,560)
At 31 March 2018 and 31 March 2019		–	77,367	77,367
Accumulated amortisation				
At 1 April 2017		894,844	–	894,844
Amortisation for the year		35,690	–	35,690
Discontinued operation	24	(930,534)	–	(930,534)
At 31 March 2018 and 31 March 2019		–	–	–
Carrying amounts				
At 1 April 2017		77,716	77,367	155,083
At 31 March 2018 and 31 March 2019		–	77,367	77,367

Amortisation charge is recognised in cost of sales.

Sources of estimation uncertainty

The Group assesses annually for impairment of goodwill. An impairment exists when the carrying value of the cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. Where value-in-use calculations are undertaken, management must estimate the expected future cash flows from the cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

6. INTANGIBLE ASSETS (CONT'D)

Impairment testing for cash-generating units containing goodwill

For the purpose of goodwill testing, goodwill is allocated to the Group's cash-generating unit (CGU) identified as P5 Pte Ltd, a subsidiary.

The recoverable amount of the CGU was based on its value-in-use, which was determined by discounting the future cash flows generated from continuing use of the CGU based on the following key assumptions:

- Cash flows were projected based on actual operating results and the CGU's five-year business plans. The terminal growth rate of 3.7% (2018: 3.7%; 1 Apr 2017: 3.7%) was determined based on the nominal gross domestic product (GDP) rates of the country in which the subsidiary is based.

- A discount rate of 12% (2018: 12%; 1 Apr 2017: 12%) was applied in determining the recoverable amount. The discount rate was estimated based on the weighted cost of capital of the subsidiary.

No sensitivity analysis was disclosed as the Group believes that any reasonable change in the key assumptions is not likely to materially cause the recoverable amount to be lower than its carrying amount.

7. SUBSIDIARIES

	Company		
	2019	2018	1 Apr 2017
	$	$	$
Investments in subsidiaries, at cost	3,049,050	2,049,051	21,444,791
Impairment losses	(186,000)	(186,000)	(11,304,766)
	2,863,050	1,863,051	10,140,025

Movements in impairment losses on investments in subsidiaries during the year are as follows:

	$
At 1 April 2017	11,304,766
Disposal of subsidiaries	(11,118,766)
At 31 March 2018 and 31 March 2019	186,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

7. SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity held by the Group		
			2019	2018	1 Apr 2017
			%	%	%
P5 Pte Ltd[1]	Sale and distribution of furniture, kitchen and wardrobe systems and decorative lighting	Singapore	100	100	100
P5 Luminaire Pte. Ltd.[1]	Sale and distribution of lightings	Singapore	100	100	–
P5 Studio Pte. Ltd.[1]	Supply of contract furniture and bespoke carpentry works	Singapore	100	100	–
Sunlight Electrical Pte Ltd[1#]	Fabrication and manufacturing of low voltage switchgear and provision of automation and lighting products	Singapore	–	–	100
Sunlight Electrical International Pte Ltd[1#]	Investment holding	Singapore	–	–	100
Sunlight Electrical (Vietnam) Co., Ltd.[2#]	Manufacturing and assembly of low voltage switchgear and provision of related services	Vietnam	–	–	100
Sunlight Switchgear Sdn. Bhd.[2#]	Manufacturing of low voltage switchgear	Malaysia	–	–	100

[1] Audited by KPMG LLP Singapore.

[2] Audited by member firm of KPMG International.

[#] Disposed in 2018 as part of the sale of the Group's Switchgear business (see Note 24).

8. ASSOCIATE

	Group 1 Apr 2017 $
Investment in associate	40
Impairment losses	(40)
	–

In 2018, the associate was disposed as part of the sale of the Group's Switchgear business (see Note 24).

Details of the associate is as follows:

Name of associate	Principal activities	Country of incorporation	Ownership 2019 %	 2018 %	 1 Apr 2017 %
Sunlight Energy International Pte. Ltd. and its subsidiaries ("SLE Group")	Manufacture and assemble medium and low-voltage electric circuit breakers and related devices	Singapore	–	–	40

The associate is audited by other certified public accountants. The associate is not significant as defined under Listing Rule 718 of the Singapore Exchange Listing Manual. For this purpose, an associate company is considered significant if the Group's share of its net tangible assets represents 20% or more of the Group's consolidated net tangible assets, or if the Group's share of its pre-tax profits accounts for 20% or more of the Group's consolidated pre-tax profits.

The following tables summarise the financial information of the associate, as adjusted for any differences in accounting policies and fair value adjustments. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in the associate, which is accounted for using the equity method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

8. ASSOCIATE (CONT'D)

	1 Apr 2017 $
Percentage of interest	40%
Assets and liabilities	
Non-current assets	180,169
Cash and cash equivalents	783
Current assets, excluding cash and cash equivalents	95,502
Current trade and other payables	(1,364,027)
Net liabilities	(1,087,573)
Group's share of net liabilities	(435,029)
Impairment losses	(40)
Associates losses in excess of equity interest	435,069
Carrying amounts in the statement of financial position	–

	2018 $
Results	
Revenue	–
Loss before tax	(16,529)
Tax expense	–
Loss after tax	(16,529)
Other comprehensive income	–
Total comprehensive income	(16,529)
Total comprehensive income attributable to owners	(16,529)
Group's share of total comprehensive expense	(6,612)
Associate losses in excess of equity interest	6,612
Group's share of results of associate (net of tax)	–

There were no significant capital commitments and contingent liabilities as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

9. DEFERRED TAX ASSETS/(LIABILITIES)

(a) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets			Liabilities		
	2019	2018	1 Apr 2017	2019	2018	1 Apr 2017
	$	$	$	$	$	$
Property, plant and equipment	–	–	–	–	–	(64,613)
Inventories	–	–	25,058	–	–	–
Others	–	–	32,805	–	–	–
Deferred tax assets/ (liabilities)	–	–	57,863	–	–	(64,613)
Set off of tax	–	–	(14,365)	–	–	14,365
Net deferred tax assets/ (liabilities)	–	–	43,498	–	–	(50,248)

Movement in deferred tax balances

	At 1 April 2017	Charged to profit or loss for discontinued operation	Discontinued operation (note 24)	Exchange difference	At 31 March 2018 and 31 March 2019
	$	$	$	$	$
Property, plant and equipment	(64,613)	12,555	51,153	905	–
Inventories	25,058	(6,221)	(18,569)	(268)	–
Others	32,805	(8,145)	(24,310)	(350)	–
	(6,750)	(1,811)	8,274	287	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

9. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

(b) Unrecognised deferred tax assets

The movement in unutilised tax losses and deductible temporary differences during the year is as follows:

	Group	
	2019	2018
	$	$
At 1 April	1,297,466	8,085,242
Discontinued operation	–	(7,491,541)
Movement during the year	1,207,588	703,765
At 31 March	2,505,054	1,297,466

Deferred tax assets for the Group have not been recognised in respect of the above items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits. The capital allowances and tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the Group operates. The capital allowances and tax losses do not expire under current tax legislation.

10. OTHER INVESTMENTS

	Group			Company		
	2019	2018	1 Apr 2017	2019	2018	1 Apr 2017
	$	$	$	$	$	$
Non-current investment						
Unquoted investment fund	3,676,685	3,778,671	–	3,676,685	3,778,671	–
Current investment						
Quoted equity securities	–	–	414	–	–	–
	3,676,685	3,778,671	414	3,676,685	3,778,671	–

The Group's exposure to foreign currency and equity price risk related to other investments is disclosed in Note 27.

11. INVENTORIES

	Group		
	2019	2018	1 Apr 2017
	$	$	$
Raw materials	–	–	5,335,235
Work-in-progress	–	–	1,533,740
Finished goods	1,852,231	2,157,614	2,809,279
Goods-in-transit	99,189	–	309,515
	1,951,420	2,157,614	9,987,769

The cost of inventories included in the Group's cost of sales amounted to $5,377,237 (2018: $18,092,956). In 2019, the write-down of inventories to net realisable value which are included in cost of sales is $Nil (2018: $47,526).

The movement in allowance for inventory obsolescence during the year is as follows:

	Note	Group	
		2019	2018
		$	$
At 1 April		535,212	906,165
Allowance for inventory obsolescence (net)	22	242,648	176,474
Allowance utilised		(55,816)	(9,457)
Discontinued operation		–	(537,059)
Effect of movements in exchange rate		–	(911)
At 31 March		722,044	535,212

Allowance for stock obsolescence of $242,648 and $176,474 were made in 2019 and 2018, respectively based on management's assessment of future demand of certain aged products.

Source of estimation uncertainty

The Group has assessed the net realisable value of its inventories on an annual basis. Inventories have been written down to net realisable value to be consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. Estimates of net realisable value are based on the most reliable evidence available at the balance sheet date. These estimates take into consideration market demand, competition, selling price and cost directly relating to events occurring after the end of the financial year, to the extent that such events confirm conditions existing at the end of the financial year.

12. TRADE AND OTHER RECEIVABLES

	Group			Company		
	2019	2018	1 Apr 2017	2019	2018	1 Apr 2017
	$	$	$	$	$	$
Trade receivables	987,865	1,401,945	19,926,155	–	–	–
Impairment losses	(114,395)	(89,909)	(610,237)	–	–	–
	873,470	1,312,036	19,315,918	–	–	–
Unbilled receivables	346,004	73,274	3,619,630	–	–	–
	1,219,474	1,385,310	22,935,548	–	–	–
Loans to subsidiaries	–	–	–	2,832,800	2,852,800	1,220,265
Other receivables	14,847	1,861,741	76,322	14,847	1,861,620	–
Deposits	477,871	299,072	229,046	–	–	–
Financial assets measured at amortised costs	1,712,192	3,546,123	23,240,916	2,847,647	4,714,420	1,220,265
Prepayments	781,774	821,813	930,796	14,574	14,574	9,470
GST receivables	–	27,323	63,926	–	–	–
	2,493,966	4,395,259	24,235,638	2,862,221	4,728,994	1,229,735
Non-current	–	–	–	2,832,800	2,852,800	1,220,265
Current	2,493,966	4,395,259	24,235,638	29,421	1,876,194	9,470
	2,493,966	4,395,259	24,235,638	2,862,221	4,728,994	1,229,735

In 2018, the purchase consideration receivable from the sale of the Group's Switchgear business (Note 24) amounting to $1,861,620 included in other receivables was received subsequent to year end.

The loans to subsidiaries are unsecured, interest-free and repayable on demand. There is no allowance for doubtful debts arising from the loans to subsidiaries.

The Group and the Company's exposure to credit and foreign currency risks, impairment losses for trade and other receivables, and the sensitivity analysis for trade and other receivables is disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

13. CASH AND CASH HELD WITH FINANCIAL INSTITUTIONS

	Note	Group			Company		
		2019	2018	1 Apr 2017	2019	2018	1 Apr 2017
		$	$	$	$	$	$
Cash at bank and in hand		2,311,309	2,126,948	2,124,562	739,552	1,546,103	22,055
Fixed deposits with banks		6,016,636	5,008,220	894,835	6,016,636	5,008,220	–
		8,327,945	7,135,168	3,019,397	6,756,188	6,554,323	22,055
Bank overdrafts	17	–	–	(2,308,983)	–	–	–
		8,327,945	7,135,168	710,414	6,756,188	6,554,323	22,055
Fixed deposits with banks pledged as security		–	–	(894,835)			
Cash and cash equivalents in the statement of cash flows		8,327,945	7,135,168	(184,421)			

In 2017, fixed deposits of $894,835 were pledged by a former subsidiary to banks for banking facilities granted to the subsidiary.

The weighted average effective interest rate per annum relating to fixed deposits with banks at the reporting date for the Group and the Company are 1.75% (2018: 1.20%; 1 Apr 2017: 0.13%) and 1.75% (2018: 1.20%; 1 Apr 2017: 0.13%), respectively. Interest rates reprice at intervals of one to twelve months.

The Group and the Company's exposure to foreign currency risk for cash and cash held with financial institutions are disclosed in Note 27.

14. SHARE CAPITAL

	2019	2018	1 Apr 2017
	No. of shares	No. of shares	No. of shares
Company			
At 1 April	557,524,443	557,524,443	521,246,666
Issued during the year	–	–	36,277,777
At 31 March	557,524,443	557,524,443	557,524,443

14. SHARE CAPITAL (CONT'D)

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All issued shares are fully paid, with no par value. All ordinary shares rank equally with regard to the Company's residual assets.

Capital management

The Group defines capital as share capital, translation reserve and accumulated losses.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes on the Group's approach to capital management during the year.

The Company and its subsidiaries are not subject to externally imposed capital requirements.

15. RESERVES

	Group			Company		
	2019	2018	1 Apr 2017	2019	2018	1 Apr 2017
	$	$	$	$	$	$
Translation reserve	–	–	(2,153,918)	–	–	–

Translation reserve

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

16. FINANCE LEASE LIABILITIES

	2019			2018			1 Apr 2017		
	Payments	Interest	Principal	Payments	Interest	Principal	Payments	Interest	Principal
	$	$	$	$	$	$	$	$	$
Group									
Within 1 year	28,416	4,788	23,628	13,332	2,184	11,148	5,199	797	4,402
After 1 year but within 5 years	137,729	23,291	114,438	74,400	12,194	62,206	–	–	–
	166,145	28,079	138,066	87,732	14,378	73,354	5,199	797	4,402

The finance lease liabilities relate to hire purchase liabilities secured on certain motor vehicles and machineries of the Group (see Note 4). Under the terms of the finance lease agreements, no contingent rents are payable. Interest is charged at the rate of 2.80% to 2.99% (2018: 1.88% to 2.80%; 1 Apr 2017: 2.99%) per annum.

The Group and the Company's exposure to liquidity risk, interest rate risk and foreign currency risk for finance lease liabilities are disclosed in Note 27.

17. LOANS AND BORROWINGS

	Note	1 Apr 2017 Due within one year	 Due after one year	 Total
		$	$	$
Group				
Secured bank loans	(i)	278,477	558,634	837,111
Unsecured bank loans	(ii)	3,094,999	–	3,094,999
Bank overdrafts (unsecured)	(iii)	2,308,983	–	2,308,983
		5,682,459	558,634	6,241,093

As at 1 April 2017, the amounts due to financial institutions comprise:

(i) Bank loans of $837,111 secured on a former subsidiary's leasehold building with a carrying amount of $2,012,049 and guaranteed up to $1,593,000 by the Company. The long-term loan was repayable in monthly instalments over a period of 10 years commencing December 2009 and bore interest of 2.18% to 6.50% per annum. Interest rates were repriced annually.

(ii) Unsecured short-term borrowings of $3,094,999 were guaranteed by the Company. The weighted average effective interest rate of the unsecured short-term borrowings was 5.00% per annum.

(iii) The unsecured bank overdrafts of $2,308,983 were guaranteed by the Company. The weighted average effective interest rate of the bank overdrafts was 5.11% per annum. Interest rates were repriced at intervals of one month.

These amounts due to financial institutions were disposed as part of the Group's sale of the Switchgear business. Refer to Note 24 for details.

NOTES TO THE FINANCIAL STATEMENTS

17. LOANS AND BORROWINGS (CONT'D)

Term and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

				1 Apr 2017	
	Currency	Nominal interest rate	Year of maturity	Face value	Carrying amount
Group				$	$
Secured bank loans	SGD	BCFR* + 0.75%	2019	837,111	837,111
Unsecured bank loans	SGD	prime/ prime + 0.75%	2016 – 2017	3,094,999	3,094,999
Bank overdrafts	SGD	prime/ prime + 1.25%	2016 – 2017	2,308,983	2,308,983
				6,241,093	6,241,093

* BCFR: Bank's Commercial Financing Rate

The Group and the Company's exposure to liquidity risk, interest rate risk and foreign currency risk for loans and borrowings are disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

17. LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities					
	Secured bank loans $	Unsecured bank loans $	Bank overdrafts $	Finance lease liabilities $	Loan from a director/ shareholder $	Total $
Balance at 1 April 2017	837,111	3,094,999	2,308,983	4,402	200,000	6,445,495
Changes from financing cash flows						
Proceeds from borrowings	–	2,949,278	–	–	–	2,949,278
Repayment of borrowings	(142,472)	(3,094,578)	–	–	–	(3,237,050)
Proceeds from loan from a director/shareholder	–	–	–	–	350,000	350,000
Repayment of loan from a director/shareholder	–	–	–	–	(550,000)	(550,000)
Payment of finance lease liabilities	–	–	–	(10,754)	–	(10,754)
Interest paid	(21,629)	(69,525)	(28,522)	(1,860)	(4,833)	(126,369)
Total changes from financing cash flows	(164,101)	(214,825)	(28,522)	(12,614)	(204,833)	(624,895)
Changes arising from discontinued operation	(694,639)	(2,949,699)	(1,777,293)	(95,277)	–	(5,516,908)
Other changes						
Liability-related						
New finance lease	–	–	–	174,983	–	174,983
Change in bank overdraft	–	–	(531,690)	–	–	(531,690)
Interest expense	21,629	69,525	28,522	1,860	4,833	126,369
Total liability-related other changes	21,629	69,525	(503,168)	176,843	4,833	(230,338)
Balance at 31 March 2018	–	–	–	73,354	–	73,354
Balance at 1 April 2018	–	–	–	73,354	–	73,354
Changes from financing cash flows						
Payment of finance lease liabilities	–	–	–	(22,588)	–	(22,588)
Interest paid	–	–	–	(4,571)	–	(4,571)
Total changes from financing cash flows	–	–	–	(27,159)	–	(27,159)
Other changes						
Liability-related						
New finance lease	–	–	–	87,300	–	87,300
Interest expense	–	–	–	4,571	–	4,571
Total liability-related other changes	–	–	–	91,871	–	91,871
Balance at 31 March 2019	–	–	–	138,066	–	138,066

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

18. TRADE AND OTHER PAYABLES

	Group			Company		
	2019	2018	1 Apr 2017	2019	2018	1 Apr 2017
	$	$	$	$	$	$
Trade payables and accruals	745,800	931,571	18,666,043	151,017	244,847	142,038
Other payables	84,052	–	564,950	–	–	–
Accruals for employee benefits	38,961	46,907	123,271	–	–	–
Loan from a director	–	–	200,000	–	–	–
Financial liabilities	868,813	978,478	19,554,264	151,017	244,847	142,038
GST payables	82,565	83,560	–	–	–	–
	951,378	1,062,038	19,554,264	151,017	244,847	142,038

The loan from a director was unsecured, interest free and fully repaid in 2018.

The Group and the Company's exposure to liquidity risk and foreign currency risk for trade and other payables are disclosed in Note 27.

19. REVENUE

	Continuing operations		Discontinued operation (Note 24)		Group	
	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$
Revenue from contracts with customers	10,330,928	8,911,666	–	17,133,143	10,330,928	26,144,809

The following tables provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Furniture segment

Nature of goods or services	The Group sells and distributes furniture, kitchen, and wardrobe systems to its customers.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance has been met.

19. REVENUE (CONT'D)

Furniture segment (cont'd)

Significant payment terms	Payment is received just before or when the goods are delivered to customers. For protective reasons, a portion of the contract consideration may be received upfront. As such, no financing component has been recognised as the payment terms are for reasons other than financing.
Obligations for returns and refunds, if any	Customers are not entitled to returns or refunds; unless due to defective products.
Obligations for warranties	Products usually come with a standard warranty term of 1 year, under which customers are able to replace any defective products.

Lightings segment

Nature of goods or services	The Group sells and distributes lighting products to its customers.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance has been met.
Significant payment terms	Payment is received before or when the goods are delivered to customers. For certain corporate customers, the payment terms are governed by contracts signed with customers. For protective reasons, a portion of the contract consideration may be received upfront. As such, no financing component has been recognised as the payment terms are for reasons other than financing.
Obligations for returns and refunds, if any	Customers are not entitled to returns or refunds; unless due to defective products.
Obligations for warranties	Products usually come with a standard warranty term of 1 year, under which customers are able to replace any defective products.

Bespoke carpentry segment

Nature of goods or services	The Group supplies contract furniture and bespoke carpentry works to its customers. Bespoke carpentry services are constructed and tailored to specifications detailed in contracts with customers.
When revenue is recognised	The Group has assessed that these contracts qualify for over time revenue recognition as bespoke carpentry works have no alternative use for the Group due to the contractual restrictions, and the Group generally has enforceable rights to payment for performance completed till date. The stage of completion is assessed by reference to the contract costs incurred till date in proportion to the total estimated contract costs of each contract.

19. REVENUE (CONT'D)

Bespoke carpentry segment (cont'd)

Significant payment terms	Progress billings to the customer are based on a payment schedule in the contract that is dependent on the achievement of specified milestones. If the value of the services rendered exceeds payments received from the customer, a contract asset is recognised. Where the period between the satisfaction of a performance obligation and payment by the customer exceeds a year, the Group adjust the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of good or service to a customer and the payment date is one year or less.

The construction contracts qualify for over time revenue recognition. Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs incurred to fulfil a contract are capitalised only if the costs relate directly to the contract, generate or enhance resources used in satisfying future performance obligations, and are expected to be recovered. These costs would be amortised consistently with the pattern of revenue for the related contract. Other costs are expensed as incurred. The Group has applied the practical expedient and recognised the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

Low Voltage Switchgear and generator control panels segment (discontinued in 2018)

Nature of goods or services	The Group manufactured and sold electrical switchboards and generator control panels.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance has been met.
Significant payment terms	The payment terms are governed by contracts signed with customers. For protective reasons, a portion of the contract consideration may be received upfront. As such, no financing component has been recognised as the payment terms are for reasons other than financing.
Obligations for returns and refunds, if any	Customers are not entitled to returns or refunds.
Obligations for warranties	Products usually come with a standard warranty term of 1 year, under which customers are able to replace any defective products.

19. REVENUE (CONT'D)

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition.

	Furniture		Lighting		Bespoke carpentry		Low voltage switchgear (discontinued)		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$	$	$	$	$
Primary geographical markets										
Singapore	6,524,666	4,452,105	1,458,343	4,229,211	2,347,919	230,350	–	12,140,068	10,330,928	21,051,734
Vietnam	–	–	–	–	–	–	–	5,093,075	–	5,093,075
	6,524,666	4,452,105	1,458,343	4,229,211	2,347,919	230,350	–	17,233,143	10,330,928	26,144,809
Major products/ service line										
Sales of goods	6,524,666	4,452,105	1,458,343	4,229,211	–	–	–	17,233,143	7,983,009	25,914,459
Bespoke carpentry services	–	–	–	–	2,347,919	230,350	–	–	2,347,919	230,350
	6,524,666	4,452,105	1,458,343	4,229,211	2,347,919	230,350	–	17,233,143	10,330,928	26,144,809
Timing of revenue recognition										
Products transferred at a point in time	6,524,666	4,452,105	1,458,343	4,229,211	–	–	–	17,233,143	7,983,009	25,914,459
Products and services transferred over time	–	–	–	–	2,347,919	230,350	–	–	2,347,919	230,350
	6,524,666	4,452,105	1,458,343	4,229,211	2,347,919	230,350	–	17,233,143	10,330,928	26,144,809

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

19. REVENUE (CONT'D)

CONTRACT BALANCES

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

	Note	2019 $	2018 $	1 Apr 2017 $
Trade receivables, net	12	1,219,474	1,385,310	22,935,548
Contract assets		81,412	109,891	764,014
Contract liabilities		2,115,721	1,603,516	2,082,564

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date for lighting and bespoke carpentry works. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for sale of furniture, lightings and bespoke carpentry works.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

	Contract assets		Contract liabilities	
	2019 $	2018 $	2019 $	2018 $
Opening balance	109,891	764,014	1,603,516	2,082,564
Revenue recognised that was included in the contract liability balance at the beginning of the year	–	–	(1,318,111)	(1,807,695)
Increases due to cash received, excluding amounts recognised as revenue during the year	–	–	1,830,316	1,578,826
Contract assets reclassified to trade receivables	(26,310)	(101,939)	–	–
Changes in measurement of progress	26,541	110,889	–	–
Effect of disposal on of discontinued operation	–	(663,073)	–	(250,179)
Impairment loss on contract assets	(28,710)	–	–	–
Ending balance	81,412	109,891	2,115,721	1,603,516

Significant judgements are used to estimate total contract costs to complete. In making these estimates, management has relied on the expertise of craftsmen to determine the progress of the construction and also on past experience of completed projects. The estimated total contract costs are reviewed every reporting period and adjusted where necessary, with the corresponding adjustment to profit margin being recognised prospectively from the date of change.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

19. REVENUE (CONT'D)

CONTRACT BALANCES (CONT'D)

The Group's exposure to impairment losses for contract assets is disclosed in Note 27.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or

- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

20. OTHER OPERATING INCOME

	Group	
	2019	2018
	$	$
Gain on disposal of property, plant and equipment	2,155	–
Government grants	30,407	14,439
Miscellaneous income	66,932	68,050
	99,494	82,489

21. NET FINANCE COSTS

	Group	
	2019	2018
	$	$
Interest income	89,935	8,222
Net foreign exchange gain	–	16,667
Finance income	89,935	24,889
Interest paid and payable to		
- finance lease creditors	(4,571)	(910)
- others	–	(4,833)
Net foreign exchange loss	(62,127)	–
Net fair value loss on investment	(101,986)	(260,829)
Finance costs	(168,684)	(266,572)
Net finance costs recognised in profit or loss	(78,749)	(241,683)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

22. LOSS BEFORE TAX

The following items have been included in arriving at loss before tax of the continuing operations:

	Note	Group	
		2019	2018
		$	$
Staff costs		(2,893,239)	(1,725,349)
Contributions to defined contribution plans		(226,940)	(165,977)
Allowance for inventory obsolescence	11	(242,648)	(97,711)
Depreciation of property, plant and equipment	4	(191,625)	(59,416)
Audit fees paid and payable to auditors of the Company		(89,000)	(95,000)
Non-audit fees paid and payable to auditors of the Company		(33,620)	(12,006)
Operating lease expenses		(1,096,041)	(894,755)

23. TAX EXPENSE

	Group	
	2019	2018
	$	$
Current tax expense		
Current year	–	–
	–	–
Deferred tax expense		
Movements in temporary differences	–	–
Total tax expense	–	–
Reconciliation of effective tax		
Loss before tax	(1,419,075)	(1,661,935)
Tax calculated using Singapore tax rate of 17% (2018: 17%)	(241,243)	(282,529)
Expenses not deductible for tax purposes	69,172	162,889
Tax-exempt income	(33,219)	–
Change in unrecognised temporary differences	205,290	119,640
	–	–

NOTES TO THE FINANCIAL STATEMENTS

24. DISCONTINUED OPERATION

On 30 September 2017, the Group sold its entire Switchgear business (see Note 26).

	Group 2018 $
Results of discontinued operation	
Revenue	17,233,143
Expenses	(20,053,497)
Results from operating activities	(2,820,354)
Income tax expenses	(158,073)
Results from operating activities, net of tax	(2,978,427)
Gain on disposal of discontinued operation	3,568,562
Profit for the year	590,135
Basic and diluted earnings per share (cents)	0.11

	Group 2018 $
Cash flows from discontinued operation	
Net cash from operating activities	1,878,789
Net cash used in investing activities	(1,328,977)
Net cash from financing activities	682,854
Net cash flows for the year	1,232,666

Effect of disposal on of discontinued operation:

	Group 2018 $
Property, plant and equipment	4,106,430
Lease prepayment	142,002
Intangible assets	42,026
Deferred tax assets	42,879
Inventories	6,110,395
Trade and other receivables	14,916,792
Other financial assets	2,028
Cash and cash equivalents	3,562,090
Loans and borrowings	(5,516,908)
Deferred tax liabilities	(51,153)
Trade and other payables	(13,056,090)
Income tax payables	(364,934)
Net assets disposed	9,935,557
Provision for ex-gratia payment	1,000,000
Foreign currency translation reserve	2,357,501
Gain on disposal of discontinued operation	3,568,562
Purchase consideration	16,861,620
Less: remaining purchase consideration receivable	(1,861,620)
Cash and cash equivalents disposed of	(1,784,797)
Net cash inflow	13,215,203

NOTES TO THE FINANCIAL STATEMENTS

25. LOSS PER SHARE

Basic loss per share

The calculation of basic earnings per share at 31 March 2019 was based on a weighted average number of ordinary shares outstanding of 557,524,443 (2018: 557,524,443), calculated as follows:

	2019	2018		
	Continuing operations $	Continuing operations $	Discontinued operation $	Total $
Basic (loss)/earnings per share is based on:				
(Loss)/Profit attributable to ordinary shareholders	(1,419,075)	(1,661,935)	590,135	(1,071,800)
Weighted average number of ordinary shares during the year	557,524,443	557,524,443	557,524,443	557,524,443
Basic (loss)/earnings per share	(0.25)	(0.30)	0.11	(0.19)

Diluted loss per share

There were no instruments that would have an effect of diluting the earnings of the Group that existed during or as at the end of the financial year.

26. OPERATING SEGMENTS

The Group has three reportable segments (excluding the low voltage switchgear business that was sold during the year), as described below, which are the Group's strategic business units. The strategic business units offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Low voltage switchgear (discontinued operation)	:	Manufacture and sale of electrical switchboards and generator control panels
Furniture	:	Sale and distribution of furniture, kitchen and wardrobe systems and decorative lighting
Lighting	:	Sale and distribution of lightings
Contract	:	Supply of contract furniture and bespoke carpentry works

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

26. OPERATING SEGMENTS (CONT'D)

Information about reportable segments

	Furniture		Lighting		Contract		Low voltage switchgear (discontinued)		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$	$	$	$	$
Group										
External revenue	4,860,893	4,452,105	1,458,343	4,229,211	4,011,692	230,350	–	17,233,143	10,330,928	26,144,809
Depreciation and amortisation	(72,581)	(34,141)	(45,598)	(13,325)	(73,446)	(10,176)	–	(279,844)	(191,625)	(337,486)
Reportable segment (loss)/ profit before tax	99,482	(216,793)	(774,366)	(53,271)	(70,901)	(441,922)	–	748,208	(745,785)	36,222
Other material non-cash items:										
Allowance for inventory obsolescence	23,094	28,897	219,554	68,814	–	–	–	78,763	242,648	176,474
Impairment loss on receivables	–	–	53,196	24,317	–	–	–	859	53,196	25,176
Capital expenditure	163,791	142,981	16,604	181,455	103,991	233,381	–	112,608	284,386	670,425
Reportable segment assets	3,289,066	3,026,098	1,685,009	2,298,221	1,797,280	657,190	–	–	6,771,355	5,981,509
Reportable segment liabilities	1,407,031	1,303,172	932,272	857,453	726,648	392,178	–	–	3,065,951	2,552,803

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

26. OPERATING SEGMENTS (CONT'D)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2019 $	2018 $
Revenue		
Total revenue for reportable segments	10,330,928	26,144,809
Elimination of discontinued operation	–	(17,233,143)
Consolidated revenue	10,330,928	8,911,666
Loss before tax		
Total (loss)/profit for reportable segments	(745,785)	36,222
Unallocated amounts:		
- Interest income	89,935	8,222
- Other corporate expenses	(661,239)	(697,342)
- Net fair value loss on investment	(101,986)	(260,829)
Elimination of discontinued operation	–	(748,208)
Consolidated loss before tax	(1,419,075)	(1,661,935)
Assets		
Total assets for reportable segments	6,771,355	5,981,509
Investment in unquoted investment fund	3,676,685	3,778,671
Other unallocated amounts	6,785,609	8,426,287
Consolidated total assets	17,233,649	18,186,467
Liabilities		
Total liabilities for reportable segments	3,065,951	2,552,803
Other unallocated amounts	139,214	186,105
Consolidated total liabilities	3,205,165	2,738,908

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of business operations. Segment assets are based on the geographical location of the assets.

	2019		2018	
	External revenues $	Non-current assets $	External revenues $	Non-current assets $
Continuing operation				
Singapore	10,330,928	4,378,906	8,911,666	4,497,355
Discontinued operation				
Singapore	–	–	12,140,068	–
Vietnam	–	–	5,093,075	–
Malaysia	–	–	–	–
Total	–	–	17,233,143	–

27. FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group activities.

The Group's Audit Committee oversees how management monitors the compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment in unquoted fund investment.

The carrying amounts of financial assets and contract assets represent the Group and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not require any collateral in respect of their financial assets.

Impairment losses on financial assets and contract assets recognised in profit or loss were as follows:

	2019 $	2018 $
Impairment loss on trade receivables and contract assets arising from contracts with customers	53,196	25,176

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

27. FINANCIAL INSTRUMENTS (CONT'D)

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Details of concentration of revenue are included in Note 26.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information, and in some cases bank references. Sale limits are established for each customer and these limits are reviewed periodically. Customers failing to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

The Group limits its exposure to credit risk from trade receivables by establishing maximum payment periods of up to three months for individual and corporate customers respectively.

The Group does not require collateral in respect of trade receivables. The Group does not have trade receivables and contract assets for which no loss allowance is recognised because of collateral.

Exposure to credit risk

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group Carrying amount		
	2019 $	2018 $	1 Apr 2017 $
Singapore	1,300,886	1,495,201	20,038,498
Vietnam	–	–	3,661,064
	1,300,886	1,495,201	23,699,562

The exposure to credit risk for trade receivables and contract assets at the reporting date by type of counterparties was:

	Group		
	2019 $	2018 $	1 Apr 2017 $
Corporate customers	724,749	1,439,570	23,627,093
Individual customers	576,137	55,631	72,469
	1,300,886	1,495,201	23,699,562

27. FINANCIAL INSTRUMENTS (CONT'D)

Trade receivables and contract assets (cont'd)

Exposure to credit risk (Cont'd)

At the reporting date, the Group's credit risk is mainly from trade receivables due from ten (2018: nine; 1 Apr 2017: four) customers amounting to 47% (2018: 32%; 1 Apr 2017: 45%) of trade receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

A summary of the exposure to credit risk for trade receivables and contract assets is as follows:

	Group			
	2019		2018	1 Apr 2017
	Not credit-impaired	Credit-impaired		
	$	$	$	$
Trade receivables and contract assets	1,300,886	114,395	1,585,110	24,309,799
Loss allowance	–	(114,395)	(89,909)	(610,237)
Total	1,300,886	–	1,495,201	23,699,562

Comparative information under FRS 39

An analysis of the credit quality of trade receivables and contract assets that were neither past due nor impaired and the ageing of trade receivables and contract assets that were past due but not impaired is as follows:

	Group	
	2018	1 Apr 2017
	$	$
Group		
Neither past due nor impaired	640,713	12,118,442
Past due but not impaired		
Past due 1 to 30 days	134,025	5,272,851
Past due 31 to 90 days	340,108	3,654,969
More than 90 days	380,355	2,653,300
Total not impaired trade receivables and contract assets	1,495,201	23,699,562

The Group's impaired trade receivables at 31 March 2018 had a gross carrying amount of $89,909 (1 Apr 2017: $610,237).

27. FINANCIAL INSTRUMENTS (CONT'D)

Expected credit loss assessment for customers as at 1 April 2018 and 31 March 2019

The Group uses an allowance matrix to measure the ECLs of trade receivables from customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the type of product purchased.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for individual customers as at 31 March 2019:

	Group			
	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
	%	$	$	
Current (not past due)	–	720,617	–	No
Past due 1 to 30 days	–	111,214	–	No
Past due 31 to 90 days	–	65,663	–	No
More than 90 days	22.09	517,787	(114,395)	Yes
		1,415,281	(114,395)	

Loss rates are based on actual credit loss experience over the past three years. These rates are adjusted by scalar factors to reflect the differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. As at 31 March 2019, no scalar factors have been applied.

Movements in allowance for impairment in respect of trade receivables and contract assets

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

	Group
	Individual impairments
	$
At 1 April 2017 per FRS 39	610,237
Impairment loss recognised, net of write back	25,176
Discontinued operation	(545,329)
Effect of movement in exchange rates	(175)
At 31 March 2018 per FRS 39	89,909

27. FINANCIAL INSTRUMENTS (CONT'D)

Movements in allowance for impairment in respect of trade receivables and contract assets (cont'd)

	Group Lifetime ECL $
At 1 April 2018 per FRS 39	89,909
Adjustment on initial application of SFRS(I) 9	–
At 1 April 2018 per SFRS(I) 9	89,909
Impairment loss recognised	57,613
Amounts reversed	(4,417)
Amounts written off	(28,710)
At 31 March 2019 per SFRS(I) 9	114,395

Contract assets with a contractual amount of $28,710 written off during 2019 are still subject to enforcement activity.

The following significant changes in the gross carrying amounts of trade receivables and contract assets contributed to the changes in the impairment loss allowance during 2018:

- Decrease in the Group's credit-impaired balance of $545,329 resulted in disposal of discontinued operations in 2018.

Loans to subsidiaries

The Company held loans to subsidiaries of $2,832,800 (2018: $2,852,800; 1 Apr 2017: $1,220,265). These balances are amounts lent to subsidiaries to satisfy short term funding requirements. The Company has considered qualitative factors in the assessment of ECLs for these receivables. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $8,327,945 and $6,756,188 respectively at 31 March 2019 (2018: $7,135,168 and $6,554,323; 1 Apr 2017: $3,019,397 and $22,055 respectively) with reputable financial institutions.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

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27. FINANCIAL INSTRUMENTS (CONT'D)

Other receivables

Other receivables are short-term in nature. Impairment on other receivables has been measured on the 12-month expected loss basis and reflects the short maturities of exposures. The Group considers its other receivables to have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on other receivables is insignificant.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

27. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

The following are the expected contractual undiscounted cash outflows of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

		Cash outflows		
	Carrying amount	Contractual cash flows	Within one year	Within one to five years
Group	$	$	$	$
31 March 2019				
Non-derivative financial liabilities				
Trade and other payables *	868,813	(868,813)	(868,813)	–
Finance lease liabilities	138,066	(166,145)	(28,416)	(137,729)
	1,006,879	(1,034,958)	(897,229)	(137,729)
31 March 2018				
Non-derivative financial liabilities				
Trade and other payables *	978,478	(978,478)	(978,478)	–
Finance lease liabilities	73,354	(87,732)	(13,332)	(74,400)
	1,051,832	(1,066,210)	(991,810)	(74,400)
1 April 2017				
Non-derivative financial liabilities				
Loans and borrowings	6,241,093	(6,479,613)	(5,885,402)	(594,211)
Trade and other payables *	19,554,264	(19,554,264)	(19,554,264)	–
Finance lease liabilities	4,402	(5,199)	(5,199)	–
	25,799,759	(26,039,076)	(25,444,865)	(594,211)
Company				
31 March 2019				
Non-derivative financial liabilities				
Trade and other payables	151,017	(151,017)	(151,017)	–
	151,017	(151,017)	(151,017)	–
31 March 2018				
Non-derivative financial liabilities				
Trade and other payables	244,847	(244,847)	(244,847)	–
	244,847	(244,847)	(244,847)	–
1 April 2017				
Non-derivative financial liabilities				
Trade and other payables	142,038	(142,038)	(142,038)	–
Intra-group guarantee	–	(6,241,093)	(6,241,093)	–
	142,038	(6,383,131)	(6,383,131)	–

* Excludes GST payables

27. FINANCIAL INSTRUMENTS (CONT'D)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-bearing financial instruments. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates. The Group does not use any derivative financial instruments to hedge its interest rate risk.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, was as follows:

	Group Carrying amount		
	2019	2018	1 Apr 2017
	$	$	$
Fixed rate instrument			
Fixed deposits with banks	6,016,636	5,008,220	894,835
Variable rate instrument			
Loans and borrowings	–	–	6,241,093

Sensitivity analysis

The Group does not account for any fixed rate financial assets and liabilities at FVTPL. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rate would have increased or decreased equity by approximately $60,166 (2018: $50,082; 1 Apr 2017: $8,948) for the Group. This analysis assumes that all other variables, in particularly foreign currency exchange rates, remains constant.

For variable rate financial liabilities, a change of 100 basis points ("bp") in interest rates at the reporting date would have increased/(decreased) the Group's profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2018 and 2019.

NOTES TO THE FINANCIAL STATEMENTS

27. FINANCIAL INSTRUMENTS (CONT'D)

Interest rate risk (cont'd)

Sensitivity analysis (cont'd)

	Group Profit before tax			
	2019 and 2018		1 Apr 2018	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	$	$	$	$
Group				
Variable rate instrument	–	–	(62,411)	62,411

Currency risk

The Group is exposed to foreign currency risk on sales, purchases and borrowings, including inter-company sales, purchases and inter-company balances that are denominated in currencies other than the respective functional currencies of the Group's entities. The currencies giving rise to this risk are primarily Singapore dollar, US dollar, Euro and Malaysia ringgit.

There is no formal hedging policy with respect to foreign currency exposure. Exposure to currency risk is monitored on an on-going basis and the Group endeavours to keep the net exposures at an acceptable level.

The Group's exposure to foreign currency risk was as follows:

	Singapore dollar	US dollar	Euro	Malaysia ringgit
	$	$	$	$
Group				
31 March 2019				
Trade and other receivables	–	–	9,511	–
Other investments	–	3,676,685	–	–
Cash and cash held with financial institutions	–	885	625	–
Trade and other payables	–	(5,925)	(54,472)	–
Net financial assets/(liabilities)	–	3,671,645	(44,336)	–
31 March 2018				
Trade and other receivables	–	–	1,098	–
Other investments	–	3,778,671	–	–
Cash and cash held with financial institutions	–	722	820	–
Trade and other payables	–	(5,733)	(63,122)	–
Net financial assets/(liabilities)	–	3,773,660	(61,204)	–
1 April 2017				
Trade and other receivables	4,190,452	52,649	45,415	–
Cash and cash held with financial institutions	9,295	196,871	105,227	9,251
Trade and other payables	(756,162)	(1,612,917)	(1,646,530)	(814,612)
Net financial assets/(liabilities)	3,443,585	(1,363,397)	(1,495,888)	(805,361)

27. FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (cont'd)

Sensitivity analysis

A 5% strengthening of the Singapore dollar against the following currencies of the Group entities at the reporting date would increase/(decrease) the Group's profit before tax by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2018 and 2019, that the reasonably possible foreign exchange rate variances were different, as indicated below:

	Group	
	Increase/(Decrease)	
	2019	2018
	$	$
Singapore dollar	–	–
US dollar	183,582	188,683
Euro	(2,217)	(3,060)
Malaysia ringgit	–	–

A 5% weakening of Singapore dollar against the above functional currencies of the Group entities at the reporting date would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables, in particular interest rates, remain constant.

As all the Company's transactions are denominated in Singapore dollar, the Company is not exposed to currency risk.

Price risk - sensitivity analysis

For unquoted investment fund classified as FVTPL, a 10% increase in the underlying net asset value per share at the reporting date would have increased profit or loss before tax by $367,669 (2018: $377,867). A 10% decrease would have had the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

Determination of fair values

A number of the Group's accounting and disclosures require the determination of fair value, for financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

27. FINANCIAL INSTRUMENTS (CONT'D)

Determination of fair values (cont'd)

Other investments

The fair value of quoted equity securities is determined by reference to their closing bid price at the reporting date.

The fair value of unquoted investment fund is determined by reference to their closing net asset value per share provided by professional fund managers at the reporting date.

Finance lease liabilities

The fair value of finance lease liabilities is estimated as the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date for homogeneous lease agreements.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash held with financial institutions, and trade and other payables) are reasonable approximations of their fair values because of the short period to maturity.

For loans to subsidiaries classified as non-current, the effect of discounting is assessed to be immaterial.

Accounting classifications and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value.

27. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (cont'd)

Fair values versus carrying amounts (cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$	$	$	$	$	$	$	$
Group									
31 March 2019									
Financial asset measured at fair value									
Other investments	10	3,676,685	–	–	3,676,685	–	–	3,676,685	3,676,685
Financial assets not measured at fair value									
Trade and other receivables#	12	–	1,712,192	–	1,712,192				
Cash and cash held with financial institutions	13	–	8,327,945	–	8,327,945				
		–	10,040,137	–	10,040,137				
Financial liabilities not measured at fair value									
Trade and other payables*	18	–	–	(868,813)	(868,813)				
Finance lease liabilities	16	–	–	(138,066)	(138,066)				
		–	–	(1,006,879)	(1,006,879)				

Excludes prepayments and GST receivables

* Excludes GST payables

27. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (cont'd)

Fair values versus carrying amounts (cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$	$	$	$	$	$	$	$
Group									
31 March 2018									
Financial asset measured at fair value									
Other investments	10	3,778,671	–	–	3,778,671	–	–	3,778,671	3,778,671
Financial assets not measured at fair value									
Trade and other receivables[#]	12	–	3,546,123	–	3,546,123				
Cash and cash held with financial institutions	13	–	7,135,168	–	7,135,168				
		–	10,681,291	–	10,681,291				
Financial liabilities not measured at fair value									
Trade and other payables[*]	18	–	–	(978,478)	(978,478)				
Finance lease liabilities	16	–	–	(73,354)	(73,354)				
		–	–	(1,051,832)	(1,051,832)				

Excludes prepayments and GST receivables

* Excludes GST payables

27. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (cont'd)

Fair values versus carrying amounts (cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$	$	$	$	$	$	$	$
Group									
1 April 2017									
Financial asset measured at fair value									
Other investments	10	414	–	–	414	414	–	–	414
Financial assets not measured at fair value									
Trade and other receivables#	12	–	23,240,916	–	23,240,916				
Cash and cash held with financial institutions	13	–	3,019,397	–	3,019,397				
		–	26,260,313	–	26,260,313				
Financial liabilities not measured at fair value									
Trade and other payables*	18	–	–	(19,554,264)	(19,554,264)				
Loans and borrowings	17	–	–	(6,241,093)	(6,241,093)				
Finance lease liabilities	16	–	–	(4,402)	(4,402)				
		–	–	(25,799,759)	(25,799,759)				

Excludes prepayments and GST receivables

* Excludes GST payables

27. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (cont'd)

Fair values versus carrying amounts (cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$	$	$	$	$	$	$	$
Company									
31 March 2019									
Financial asset measured at fair value									
Other investments	10	3,676,685	–	–	3,676,685	–	–	3,676,685	3,676,685
Financial assets not measured at fair value									
Trade and other receivables#	12	–	2,847,647	–	2,847,647				
Cash and cash held with financial institutions	13	–	6,756,188	–	6,756,188				
		–	9,603,835	–	9,603,835				
Financial liability not measured at fair value									
Trade and other payables	18	–	–	(151,017)	(151,017)				

Excludes prepayments

27. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (cont'd)

Fair values versus carrying amounts (cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss $	Loans and receivables $	Other financial liabilities $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Company									
31 March 2018									
Financial asset measured at fair value									
Other investments	10	3,778,671	–	–	3,778,671	–	–	3,778,671	3,778,671
Financial assets not measured at fair value									
Trade and other receivables#	12	–	4,714,420	–	4,714,420				
Cash and cash held with financial institutions	13	–	6,554,323	–	6,554,323				
		–	11,268,743	–	11,268,743				
Financial liability not measured at fair value									
Trade and other payables	18	–	–	(244,847)	(244,847)				
1 April 2017									
Financial assets not measured at fair value									
Trade and other receivables#	12	–	1,220,265	–	1,220,265				
Cash and cash held with financial institutions	13	–	22,055	–	22,055				
		–	1,242,320	–	1,242,320				
Financial liability not measured at fair value									
Trade and other payables	18	–	–	(142,038)	(142,038)				

Excludes prepayments

NOTES TO THE FINANCIAL STATEMENTS

27. FINANCIAL INSTRUMENTS (CONT'D)

VALUATION TECHNIQUES AND SIGNIFICANT UNOBSERVABLE INPUTS

The following tables show the valuation techniques used in measuring level 3 fair values, as well as the significant unobservable inputs used.

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investment in unquoted fund investment	The fair values of unquoted financial assets are based on bid prices provided by brokers or valuation provided by professional fund managers. These financial assets are in diversified portfolios of various asset classes managed by professional fund managers.	Net asset value ("NAV") per share of US$1,133.14	The estimated fair value increases with higher NAV per share

LEVEL 3 FAIR VALUES

The following table shows a reconciliation from the opening balances to the ending balances for level 3 fair values:

	Group	
	2019	2018
	$	$
At 1 April	3,778,671	–
Purchase	–	4,039,500
Net fair value loss on investment	(101,986)	(260,829)
At 31 March	3,676,685	3,778,671

28. OPERATING LEASES

At 31 March, the Group has the following commitments for future minimum lease payments under non-cancellable operating leases:

	2019	2018
	$	$
Within one year	793,536	1,021,335
After one year but within five years	756,452	741,367
After five years	–	–
	1,549,988	1,762,702

The Group leases office equipment and premises for production, warehouse and office premises under operating leases.

Subsequent to year end, the Group novated an operating lease arrangement to a third party. The lease contains a commitment for a non-cancellable term amounting to $90,000, with $55,000 being repayable within one year and $35,000 within one to five years.

29. CONTINGENT LIABILITIES

As at the reporting date:

(i) the Company has given unsecured guarantees of $Nil (2018: $Nil; 1 Apr 2017: $5,403,982) to banks in respect of banking facilities extended to wholly-owned subsidiaries; and

(ii) the Group has outstanding unsecured bankers' guarantees of approximately $Nil (2018: $1,148,279; 1 Apr 2017: $1,510,135), issued in favour of third parties in the ordinary course of business and for the security deposit required under a lease agreement.

NOTES TO THE FINANCIAL STATEMENTS

30. RELATED PARTIES

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The directors and senior management team are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2019	**2018**
	$	**$**
Short-term employee benefits	722,770	919,557
Contributions to defined contribution plans	42,361	50,724
	765,131	970,281

The Company's directors receiving remuneration and fees from the Group as at the reporting date:

	Number of directors	
	2019	**2018**
$250,000 to $499,999	–	–
Below $250,000	6	6
	6	6

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) at 31 March 2018 that are applicable for annual period beginning on 1 April 2018.

As stated in Note 2.1, these are the first financial statements of the Group and of the Company prepared in accordance with SFRS(I).

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of the opening SFRS(I) statements of financial position at 1 April 2017 (the Group's date of transition), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

In preparing the opening SFRS(I) statement of financial position, the Group has adjusted amounts reported previously in the financial statements prepared in accordance with previous FRS.

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

In addition to the adoption of the new framework, the Group also concurrently applied the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date.

- SFRS(I) 15 *Revenue from Contracts with Customers* which includes clarifications to IFRS 15 *Revenue from Contracts with Customers* issued by the IASB in April 2016;

- SFRS(I) 9 *Financial Instruments* which includes amendments arising from IFRS 4 *Insurance Contracts* issued by the IASB in September 2016;

- requirements in SFRS(I) 1 arising from the amendments to IFRS(I) – *Deletion of short-term exemptions for first-time adopters* issued by the IASB in December 2016;

- requirements in SFRS(I) 1-28 *Investments in Associates and Joint Ventures* arising from the amendments to IAS 28 – *Measuring an associate or joint venture at fair value issued by the IASB* in December 2016; and

- SFRS(I) INT 22 *Foreign Currency Transactions and Advance Consideration*.

The application of the above standards and interpretations do not have a material effect on the financial statements, except for SFRS(I) 15 and SFRS(I) 9.

An explanation of how the transition from previous FRS to SFRS(I) and the adoption of SFRS(I) 9 and SFRS(I) 15 have affected the Group's financial position, financial performance and cash flows, and the Company's financial position is set out under the summary of quantitative impact and the accompanying notes.

Summary of quantitative impact

The following reconciliations summarise the impacts on initial application of SFRS(I) 1, SFRS(I) 15 and SFRS(I) 9 on the Group's and the Company's financial positions as at 1 April 2017, 31 March 2018 and 1 April 2018. There were no material adjustments to the Group's profit or loss and other comprehensive income for the year ended 31 March 2018 and statement of cash flows for the year ended 31 March 2018 arising on the transition to SFRS(I).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

RECONCILIATION OF THE GROUP'S EQUITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31 March 2018				1 April 2018	
	Note	FRS framework $	SFRS(I) 1 $	SFRS(I)15 $	SFRS(I) framework $	SFRS(I) 9 $	SFRS(I) framework $
Assets							
Property, plant and equipment	4	532,497	–	–	532,497	–	532,497
Lease prepayment	5	–	–	–	–	–	–
Intangible assets	6	77,367	–	–	77,367	–	77,367
Subsidiaries	7	–	–	–	–	–	–
Associate	8	–	–	–	–	–	–
Deferred tax assets	9	–	–	–	–	–	–
Other investments	10	3,778,671	–	–	3,778,671	–	3,778,671
Contract assets	19	–	–	108,820	108,820	–	108,820
Trade and other receivables	12	108,820	–	(108,820)	–	–	–
Non-current assets		4,497,355	–	–	4,497,355	–	4,497,355
Inventories	11	2,244,084	–	(86,470)	2,157,614	–	2,157,614
Contract assets	19	–	–	1,071	1,071	–	1,071
Trade and other receivables	12	4,490,607	–	(95,348)	4,395,259	–	4,395,259
Cash and cash held with financial institutions	13	7,135,168	–	–	7,135,168	–	7,135,168
Current assets		13,869,859	–	(180,747)	13,689,112	–	13,689,112
Total assets		18,367,214	–	(180,747)	18,186,467	–	18,186,467
Equity							
Share capital	14	19,263,691	–	–	19,263,691	–	19,263,691
Accumulated losses		(3,816,132)	–	–	(3,816,132)	–	(3,816,132)
Total equity		15,447,559	–	–	15,447,559	–	15,447,559
Liabilities							
Deferred tax liabilities	9	–	–	–	–	–	–
Finance lease liabilities	16	62,206	–	–	62,206	–	62,206
Loans and borrowings	17	–	–	–	–	–	–
Non-current liabilities		62,206	–	–	62,206	–	62,206
Trade and other payables	18	2,846,301	–	(1,784,263)	1,062,038	–	1,062,038
Contract liabilities	19	–	–	1,603,516	1,603,516		1,603,516
Finance lease liabilities	16	11,148	–	–	11,148	–	11,148
Loans and borrowings	17	–	–	–	–	–	–
Current tax payable		–	–	–	–	–	–
Current liabilities		2,857,449	–	(180,747)	2,676,702	–	2,676,702
Total liabilities		2,919,655	–	(180,747)	2,738,908	–	2,738,908
Total equity and liabilities		18,367,214	–	(180,747)	18,186,467	–	18,186,467

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

RECONCILIATION OF THE GROUP'S EQUITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	FRS framework $	1 April 2017 SFRS(I) 1 $	SFRS(I)15 $	SFRS(I) framework $
Assets					
Property, plant and equipment	4	4,337,029	–	–	4,337,029
Lease prepayment	5	148,736	–	–	148,736
Intangible assets	6	155,083	–	–	155,083
Subsidiaries	7	–	–	–	–
Associate	8	–	–	–	–
Deferred tax assets	9	43,498	–	–	43,498
Other investments	10	–	–	–	–
Contract assets	19	–	–	764,014	764,014
Trade and other receivables	12	764,014	–	(764,014)	–
Non-current assets		5,448,360	–	–	5,448,360
Inventories	11	9,987,769	–	–	9,987,769
Contract assets	19	–	–	–	–
Trade and other receivables	12	24,235,638	–	–	24,235,638
Other investments	10	414	–	–	414
Cash and cash held with financial institutions	13	3,019,397	–	–	3,019,397
Current assets		37,243,218	–	–	37,243,218
Total assets		42,691,578	–	–	42,691,578
Equity					
Share capital	14	19,263,691	–	–	19,263,691
Reserves	15	(2,153,918)	–	–	(2,153,918)
Accumulated losses		(2,744,332)	–	–	(2,744,332)
Total equity		14,365,441	–	–	14,365,441
Liabilities					
Deferred tax liabilities	9	50,248	–	–	50,248
Finance lease liabilities	16	–	–	–	–
Loans and borrowings	17	558,634	–	–	558,634
Non-current liabilities		608,882	–	–	608,882
Trade and other payables	18	21,636,828	–	(2,082,564)	19,554,264
Contract liabilities	19	–	–	2,082,564	2,082,564
Finance lease liabilities	16	4,402	–	–	4,402
Loans and borrowings	17	5,682,459	–	–	5,682,459
Current tax payable		393,566	–	–	393,566
Current liabilities		27,717,255	–	–	27,717,255
Total liabilities		28,326,137	–	–	28,326,137
Total equity and liabilities		42,691,578	–	–	42,691,578

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

RECONCILIATION OF THE COMPANY'S EQUITY
STATEMENT OF FINANCIAL POSITION FOR THE COMPANY

			31 March 2018			1 April 2018	
	Note	FRS framework	SFRS(I) 1	SFRS(I)15	SFRS(I) framework	SFRS(I) 9	SFRS(I) framework
		$	$	$	$	$	$
Assets							
Subsidiaries	7	1,863,051	–	–	1,863,051	–	1,863,051
Other investments	10	3,778,671	–	–	3,778,671	–	3,778,671
Trade and other receivables	12	–	2,852,800	–	2,852,800	–	2,852,800
Non-current assets		5,641,722	2,852,800	–	8,494,522	–	8,494,522
Trade and other receivables	12	4,728,994	(2,852,800)	–	1,876,194	–	1,876,194
Cash and cash held with financial institutions	13	6,554,323	–	–	6,554,323	–	6,554,323
Current assets		11,283,317	(2,852,800)	–	8,430,517	–	8,430,517
Total assets		16,925,039	–	–	16,925,039	–	16,925,039
Equity							
Share capital	14	19,263,691	–	–	19,263,691	–	19,263,691
Accumulated losses		(2,583,499)	–	–	(2,583,499)	–	(2,583,499)
Total equity		16,680,192	–	–	16,680,192	–	16,680,192
Liabilities							
Trade and other payables	18	244,847	–	–	244,847	–	244,847
Current liabilities		244,847	–	–	244,847	–	244,847
Total liabilities		244,847	–	–	244,847	–	244,847
Total equity and liabilities		16,925,039	–	–	16,925,039	–	16,925,039

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

RECONCILIATION OF THE COMPANY'S EQUITY
STATEMENT OF FINANCIAL POSITION FOR THE COMPANY

			1 April 2017		
	Note	FRS framework	SFRS(I) 1	SFRS(I)15	SFRS(I) framework
		$	$	$	$
Assets					
Subsidiaries	7	10,140,025	–	–	10,140,025
Trade and other receivables	12	–	1,220,265	–	1,220,265
Non-current assets		10,140,025	1,220,265	–	11,360,290
Trade and other receivables	12	1,229,735	(1,220,265)	–	9,470
Cash and cash held with financial institutions	13	22,055	–	–	22,055
Current assets		1,251,790	(1,220,265)	–	31,525
Total assets		11,391,815	–	–	11,391,815
Equity					
Share capital	14	19,263,691	–	–	19,263,691
Accumulated losses		(8,013,914)	–	–	(8,013,914)
Total equity		11,249,777	–	–	11,249,777
Liabilities					
Trade and other payables	18	142,038	–	–	142,038
Current liabilities		142,038	–	–	142,038
Total liabilities		142,038	–	–	142,038
Total equity and liabilities		11,391,815	–	–	11,391,815

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

NOTES TO THE RECONCILIATIONS

A. SFRS(I) 1

In adopting SFRS(I) in 2019, the Group has applied the transition requirements in SFRS(I) 1 with 1 April 2017 as the date of transition. SFRS(I) 1 generally requires that the Group applies SFRS(I) that are effective as at 31 March 2019 on a retrospective basis, as if such accounting policy had always been applied, subject to the mandatory exceptions and optional exemptions in SFRS(I) 1. Except as described below, the application of the mandatory exceptions and optional exemptions in SFRS(I) 1 did not have any significant impact on the financial statements.

Presentation of intercompany loans

On adopting SFRS(I) 1, loans to subsidiaries included in "Trade and other receivables" were reclassified to non-current on the basis that the Company does not expect them to be repaid within the next 12 months.

B. SFRS(I) 15

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group adopted SFRS(I) 15 using the retrospective approach. All requirements of SFRS(I) 15 has been applied retrospectively, except for the application of the practical expedients as described below, and the information presented for 2018 has been restated.

The Group has applied the following practical expedients as allowed under SFRS(I) 1.

- Completed contracts that began and ended in the same annual reporting period in 2018 and contracts completed at 1 April 2017 are not restated.

- For completed contracts that have variable consideration, the Group used the transaction price at the date the contract was completed to restate comparative information.

- For contracts modified before 1 April 2017, the Group has reflected the aggregate effect of all the modifications that occurred before 1 April 2017 when identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price to the satisfied and unsatisfied performance obligations.

- For the year ended 31 March 2018, the Group did not disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the Group expects to recognise that amount as revenue.

The impact upon the adoption of SFRS(I) 15 on the Group's consolidated statement of financial position are described below. The application of SFRS(I) 15 did not have any significant impact on the Group's profit or loss and other comprehensive income for the year ended 31 March 2018 and statement of cash flows for the year ended 31 March 2018.

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

NOTES TO THE RECONCILIATIONS (CONT'D)

B. SFRS(I) 15 (cont'd)

(i) Presentation of contract assets and liabilities

On adopting SFRS(I) 15, the Group has also changed the presentation of the following amounts:

(a) Work in progress relating to contract revenue classified as 'Inventories' of $86,470 as at 31 March 2018 and $Nil as at 1 April 2017 were reclassified to 'Contract assets' and 'Contract liabilities';

(b) Retention sums classified as 'Trade and other receivables' of $108,820 as at 31 March 2018 and $764,014 as at 1 April 2017 were reclassified to 'Contract assets'; and

(c) 'Advances from customers' classified as 'Trade and other payables' of $1,688,915 as at 31 March 2018 and $2,082,564 as at 1 April 2017 were reclassified to 'Contract assets' and 'Contract liabilities'

C. SFRS(I) 9

SFRS(I) 9 *Financial instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. It also introduces a new 'expected credit loss' (ECL) model and a new general hedge accounting model. The Group adopted SFRS(I) 9 from 1 April 2018.

In accordance with the exemption in SFRS(I) 1, the Group elected not to restate information for 2018. Accordingly, the information presented for 2018 is presented, as previously reported, under FRS 39 *Financial Instruments: Recognition and Measurement.* Differences in the carrying amount of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in retained earnings and reserves as at 1 April 2018.

Arising from this election, the Group is exempted from providing disclosures required by SFRS(I) 7 *Financial Instruments: Disclosures* for the comparative period to the extent that these disclosures relates to items with the scope of SFRS(I) 9. Instead, disclosures under FRS 107 *Financial Instruments: Disclosures* relating to items within the scope of FRS 39 are provided for the comparative period.

Changes in accounting policies resulting from the adoption of SFRS(I) 9 have been generally applied by the Group retrospectively, except as described below.

- The following assessment were made on the basis of facts and circumstances that existed at 1 April 2018
  - The determination of the business model within which a financial asset is held;
  - The determination of whether the contractual terms of a financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding;
  - The designation and revocation of previous designation of certain financial assets measured at FVTPL

The impact upon adoption of SFRS(I) 9, including the corresponding tax effects, are described below.

NOTES TO THE FINANCIAL STATEMENTS

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

NOTES TO THE RECONCILIATIONS (CONT'D)

C. SFRS(I) 9 (cont'd)

(i) Classification and measurement of financial assets and financial liabilities

Under SFRS(I) 9, financial assets are classified in the following categories: measured at amortised costs, FVOCI – debt instrument, FVOCI – equity instrument, or FVTPL. The classification of financial assets under SFRS(I) 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. SFRS(I) 9 eliminates the previous FRS 39 categories of held to maturity, loans and receivables and available for sale. Under SFRS(I) 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

For an explanation of how the Group classifies and measures financial assets and related gains and losses under SFRS(I) 9, see Note 3.3 and 3.8.

The adoption of SFRS(I) 9 has not had a significant effect on the Group's accounting policies for financial liabilities.

The following tables and the accompanying notes below explain the original measurement categories under FRS 39 and the new measurement categories under SFRS(I) 9 for each class of the Group's and the Company's financial assets and financial liabilities as at 1 April 2018.

	Note	Original classification under FRS 39	New classification under SFRS(I) 9	Original carrying amount under FRS 39 $	New carrying amount under SFRS(I) 9 $
Group					
Financial assets					
Other investments	(a)	Held-for-trading at FVTPL	Mandatorily at FVTPL	3,778,671	3,778,671
Trade and other receivables	(b)	Loans and receivables	Amortised cost	3,546,123	3,546,123
Cash and cash equivalents		Loans and receivables	Amortised cost	7,135,168	7,135,168
Total financial assets				14,459,962	14,459,962
Company					
Financial assets					
Other investments	(a)	Held-for-trading at FVTPL	Mandatorily at FVTPL	3,778,671	3,778,671
Trade and other receivables	(b)	Loans and receivables	Amortised cost	4,714,420	4,714,420
Cash and cash equivalents		Loans and receivables	Amortised cost	6,554,323	6,554,323
Total financial assets				15,047,414	15,047,414

31. EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

NOTES TO THE RECONCILIATIONS (CONT'D)

C. SFRS(I) 9 (cont'd)

(i) Classification and measurement of financial assets and financial liabilities (cont'd)

(a) Under FRS 39, these other investments were designated as FVTPL because they were managed on a fair value basis and their performance was monitored on this basis. These assets have been classified as mandatorily measured under FVTPL under SFRS(I) 9.

(b) Trade and other receivables that were classified as loans and receivables under FRS 39 are now classified at amortised cost.

(ii) Impairment of financial assets

SFRS(I) 9 replaces the 'incurred loss' model in FRS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI and intra-group financial guarantee contracts, but not to equity investments. The adoption of the new impairment model under SFRS(I) 9 does not affect the carrying amount of intra-group financial guarantee contracts at 1 April 2018, as the amount initially recognised less the cumulative amount of income recognised in accordance with SFRS(I) 15 is higher than the estimated ECL amount.

As a result of the adoption of SFRS(I) 9, the Group presented impairment loss related to trade receivables and contract assets, separately in the statement of profit or loss. As a result, the Group reclassified impairment loss amounting to $25,176, recognised under FRS 39, from 'other operating expenses' to 'impairment loss on trade receivables and contract assets' in the consolidated statement profit or loss for the year ended 31 March 2018.

Impairment losses on other financial assets are presented under 'other operating expenses', similar to the presentation under FRS 39, and not presented separately in the statement of profit or loss due to materiality considerations.

The application of SFRS(I) 9 did not have any significant impact on the financial statements.

Additional information about how the Group and the Company measure the allowance for impairment is described in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

32. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 April 2018 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new SFRS(I)s, interpretations and amendments to SFRS(I)s are effective for annual periods beginning after 1 April 2018:

APPLICABLE TO 2020 FINANCIAL STATEMENTS

- SFRS(I) 16 *Leases*

- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*

- *Prepayment Features with Negative Compensation* (Amendments to SFRS(I) 9)

- *Income Tax Consequences of Payments on Financial Instruments Classified as Equity* (Amendments to SFRS(I) 1-12)

- *Borrowing Costs Eligible for Capitalisation* (Amendments to SFRS(I) 1-23)

The Group has assessed the estimated impact that initial application of SFRS(I) 16 will have on the financial statements. The Group's assessment of SFRS(I) 16, which is expected to have a more significant impact on the Group, is as described below.

SFRS(I) 16

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. SFRS(I) 16 replaces existing lease accounting guidance, including SFRS(I) 1-17 *Leases,* SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease,* SFRS(I) INT 1-15 *Operating Leases – Incentives* and SFRS(I) INT 1-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease.* The standard is effective for annual periods beginning on or after 1 April 2019, with early adoption permitted.

The Group plans to apply SFRS(I) 16 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting SFRS(I) 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information. The Group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that they will apply SFRS(I) 16 to all contracts entered into before 1 April 2019 and identified as leases in accordance with SFRS(I) 1-17 and SFRS(I) INT 4.

NOTES TO THE FINANCIAL STATEMENTS

32. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED (CONT'D)

SFRS(I) 16 (cont'd)

The Group and the Company as lessee

The Group expects to measure lease liabilities by applying a single discount rate to their portfolio of showroom, office space, warehouse, workshop and office equipment leases. Furthermore, the Group is likely to apply the practical expedient to recognise amounts of ROU assets equal to their lease liabilities at 1 April 2019. For lease contracts that contain the option to renew, the Group is expected to use hindsight in determining the lease term.

The Group expects their existing operating lease arrangements to be recognised as ROU assets with corresponding lease liabilities under SFRS(I) 16. The Group will include the payments due under the lease in their lease liability.

As at 1 April 2019, the Group expects an increase in ROU assets of $1,434,249 and an increase in lease liabilities of $1,434,249.

The nature of expenses related to those leases will change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge for ROU assets and interest expense on lease liabilities.

No significant impact is expected for the Group's finance leases.

SHAREHOLDINGS STATISTICS

AS AT 11 JUNE 2019

No of Issued Shares	: 557,524,443
Class of shares	: Ordinary shares
No of Subsidiary Holdings Held	: Nil
Voting rights	: 1 vote for each ordinary share (excluding treasury shares)

There are no treasury shares held by the Company as at 11 June 2019.

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 11 June 2019, 62.7% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited has been complied with.

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	19	1.74	951	0.00
100 – 1,000	100	9.17	63,152	0.01
1,001 - 10,000	176	16.13	927,500	0.17
10,001 - 1,000,000	741	67.92	111,675,620	20.03
1,000,001 and above	55	5.04	444,857,220	79.79
Total	1,091	100.00	557,524,443	100.00

TOP 20 SHAREHOLDERS

S/No.	Name of Shareholder	No. of Shares	%
1	Lim Kwang Joo	78,833,333	14.14
2	Citibank Nominees Singapore Pte Ltd	53,222,466	9.55
3	Song Poo Hok	48,000,000	8.61
4	Lim Fong Yee Roland	35,000,000	6.28
5	Yao Hsiao Tung	25,866,666	4.64
6	Ngo Wei-Tze Calvin or Hon Su Sian	16,750,000	3.00
7	Tan Boon Seng	14,666,666	2.63
8	Tan Beng Hui	11,621,700	2.08
9	Ang Leng Hong	8,533,333	1.53
10	Poo Chooi Yee	8,333,333	1.49
11	Han Hwee Too @ Han Wee Choo	7,997,200	1.43
12	DBS Nominees Pte Ltd	7,827,800	1.40
13	Lim Shao-Lin	7,684,149	1.38
14	Song Yu Li (Song Youli)	7,250,000	1.30
15	Stott James Ian	6,727,000	1.21
16	Lim Yoke Eng	6,002,700	1.08
17	Ang Jui Khoon	5,881,733	1.05
18	Tan Yow Tong	5,500,000	0.99
19	Tjioe Tjiong Bin	5,200,000	0.93
20	Phoon Han Meng Linus	4,778,100	0.86
		365,676,179	65.58

SHAREHOLDINGS STATISTICS

AS AT 11 JUNE 2019

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholder	Number of shares registered in the name of the substantial shareholder	Number of shares in which the substantial shareholder is deemed to have an interest	Total	Percentage (%)
Lim Kwang Joo	78,833,333	-	78,833,333	14.14
Song Poo Hok	48,000,000	-	48,000,000	8.61
Song Wei Ming[1]	-	41,496,633	41,496,633	7.44
Lim Fong Yee Roland	35,000,000	-	35,000,000	6.28

Note:

(1) Mr Song Wei Ming's deemed interest arises from the 41,496,633 shares held by Citibank Nominees Singapore Pte Ltd.

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

P5 CAPITAL HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
Company Registration No. 199806046G

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of the Company will be held at 213 Henderson Road #02-08 Henderson Industrial Park Singapore 159553 on Friday, 26 July 2019 at 9.00 a.m. to transact the following business: -

ORDINARY BUSINESS

1 To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2019 and together with the Independent Auditors' Report thereon. **[Resolution 1]**

2(a) To re-elect Mr Lim Kwang Joo* who is retiring in accordance with Regulation 103 of the Company's Constitution, as Director of the Company.
[Resolution 2(a)]

[See Explanatory Note (i)]

2(b) To re-elect Mr Eng Ek Phang* who is retiring in accordance with Regulation 103 of the Company's Constitution, as Director of the Company.
[Resolution 2(b)]

[See Explanatory Note (ii)]

2(c) To re-elect Mr Koh Beng Leong* who is retiring in accordance with Regulation 103 of the Company's Constitution, as Director of the Company.
[Resolution 2(c)]

[See Explanatory Note (iii)]

2(d) To re-elect Mr Phoon Han Meng Linus* who is retiring in accordance with Regulation 103 of the Company's Constitution, as Director of the Company.
[Resolution 2(d)]

[See Explanatory Note (iv)]

3 To approve the payment of Directors' fees of S$76,000 for the financial year ended 31 March 2019. (2018: S$76,000) **[Resolution 3]**

4 To re-appoint Messrs KPMG LLP as Auditors and to authorise the Directors to fix their remuneration.
[Resolution 4]

* For details of their disclosure to Rule 720(5) of the Catalist Rules, please refer to page 35 to 40 of the Annual Report

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

SPECIAL BUSINESS

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

5 **Authority to allot and issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual – Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited**

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual - Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

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

(ii) make or grant offers, agreements or options (collectively "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance to the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per cent (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued (including shares to be issued in pursuance to the Instruments) other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraphs (i) and (ii) above, the percentage of 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 of the Company at the date this Resolution is passed, after adjusting for:-

(a) new shares arising from the conversion or exercise of any convertible securities outstanding and/or subsisting at the time this authority is given;

(b) new shares arising from the exercise of share options or vesting of share awards outstanding and/or subsisting at the time of the passing of this Resolution provided 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 the Company's shares;

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

(3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting ("**AGM**") of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note (v)] **[Resolution 5]**

6 To transact any other business that may be properly transacted at an AGM.

By Order of the Board

Ong Bee Hoon
Company Secretary

Singapore

10 July 2019

Explanatory Notes:

(i) Mr Lim Kwang Joo, if re-elected, will remain a director and the executive chairman of the Company.

(ii) Mr Eng Ek Phang, if re-elected, will remain a director of the Company and chairman of the nominating and audit committees and a member of the remuneration committee and will be considered as an independent director.

(iii) Mr Koh Beng Leong, if re-elected, will remain a director of the Company and Chairman of the remuneration committee and member of the nominating and audit committees and will be considered as an independent director.

(iv) Mr Phoon Han Meng Linus, if re-elected, will remain a director of the Company and member of the nominating, renumeration and audit committees and will be considered as an independent director.

(v) The Resolution 5, if passed, will authorise and empower the Directors of the Company from the date of the above AGM until the next AGM to allot and issue shares and /or convertible securities. The aggregate number of shares and/or convertible securities which the Directors may allot and issue under this Resolution shall not exceed in aggregate one hundred percent (100%) of the total issued shares (excluding treasury shares and subsidiary holdings), of which the total number of shares and/or convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed fifty percent (50%) of the total issued shares (excluding treasury shares and subsidiary holdings) at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, whichever is earlier. However, notwithstanding the cessation of this authority, the Directors are empowered to issue shares pursuant to any Instruments issued under this authority.

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

Proxies:

1. A Member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the AGM (the "Meeting") is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. Where a member (other than a Relevant Intermediary*) appoints two proxies, he/she shall specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy in the instrument appointing the proxies.

3. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

4. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. The appointment of proxy must be executed under seal or the hand of its duly authorised officer or attorney in writing.

5. The instrument appointing a proxy must be deposited at the registered office of the Company at 213 Henderson Road #03-08 Henderson Industrial Park Singapore 159553, not less than 48 hours before the time appointed for holding of the AGM.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Chapter 19) or wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board (the "Board") established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Board, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal data privacy:

Where a member of the Company submits an instrument 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.

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P5 CAPITAL HOLDINGS LTD.
(Incorporated in the Republic of Singapore
under the Companies Act, Cap 50)
Company Registration No. 199806046G

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting 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 Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM – ANNUAL GENERAL MEETING

I/We____NRIC/Passport/Co. Reg. No.________________

of____

being a member/members of **P5 CAPITAL HOLDINGS LTD.** hereby appoint

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

and/or (delete as appropriate)

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

as my/our proxy/proxies to attend, speak and to vote for me/us on my/our behalf at the Annual General Meeting of P5 CAPITAL HOLDINGS LTD. to be held at 213 Henderson Road #02-08 Henderson Industrial Park Singapore 159553 on Friday, 26 July 2019 at 9.00 a.m. and at any adjournment thereof.

(Please indicate with a " √ " in the spaces provided whether you wish your vote(s) to be cast for or against the Ordinary Resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.)

No.	Ordinary Resolutions	*No. of Votes For	*No. of Votes Against
	Ordinary Business:		
1.	Adoption of Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2019 and the auditors' report thereon		
2.	Re-election of Directors:		
	(a) Mr Lim Kwang Joo		
	(b) Mr Eng Ek Phang		
	(c) Mr Koh Beng Leong		
	(d) Mr Phoon Han Meng Linus		
3.	Approval of Directors' fees		
4.	Re-appointment of KPMG LLP as the Company's Auditors		
	Special Business:		
5.	Authority for Directors to allot and issue shares and convertible securities pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual – Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited		

* If you wish to exercise all your votes "For" or "Against" the relevant resolution, please tick (√) within the relevant box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the relevant resolution, please indicate the number of shares in the boxes provided.

Dated this ________ day of ____________________ 2019.

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

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

IMPORTANT :
PLEASE READ NOTES OVERLEAF

P5 CAPITAL HOLDINGS LTD.
PROXY FORM

Continuation Sheet 1

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 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company (other than a Relevant Intermediary*), entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member (other than a Relevant Intermediary*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).

5. Subject to note 9, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 213 Henderson Road #03-08 Henderson Industrial Park Singapore 159553 not less than forty-eight (48) hours before the time appointed for the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized 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 authorized. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

8. A corporation which is a member may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a certificate under the seal of the corporation be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

9. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting 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 Meeting.

   * A Relevant Intermediary is:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Annual General Meeting, 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 Company's Notice of Annual General Meeting.

P5 CAPITAL HOLDINGS LTD.
(Incorporated In Singapore)
Reg. No.: 199806046G

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