能源生化有限公司

LERENO BIO-CHEM LTD

BUILDING ON PROGRESS. FOR TOMORROW, TODAY.

ANNUAL REPORT 2015

LERENO BC

Investing for the Next Generation

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

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

The contact person for the Sponsor is Ms Amanda Chen, Registered Professional, RHT Capital Pte. Ltd., Six Battery Road #10-01, Singapore 049909, Telephone (65) 6381 6757.

TABLE OF CONTENTS

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

THE GLOBAL BUSINESS OUTLOOK

Global growth will receive a boost from lower oil prices, which reflects to an important extent the higher supply. But this boost is projected to be more than offset by negative factors, including investment weakness as adjustment to diminished expectations as medium-term growth continues in many advanced and emerging market economies.

According to the latest report from the World Economic Output, in the emerging markets and developing economies, growth is projected to remain broadly stable at 4.3 percent in 2015 and to increase to 4.7 percent in 2016.

As has always been our forte, Lereno Bio-Chem Ltd ("LBC") will continue to vigilantly monitor the global economic trends to look for opportunities that will help us overcome the many challenges facing the group in markets in which we operate.

EDUCATION

It is said that when one door closes another open, it is my pleasure as Chairman of The Board of Lereno Bio-Chem Ltd to announce to all shareholders that after much deliberation and acting pro-actively the management with the full support of the board has been presented an opportunity to exit the bio-fuel and oleo chemical industry which has been impacted by the volatility in global oil prices.

The Board of LBC after carefully studying various opportunities have entered into talks with a progressive rapidly growing company involved in the education sector in Singapore and the region with a view of acquiring a stake and be actively involved in taking the company to the next level.

Within the past nine years, there has been a 53 percent enrolment increase globally, just within the higher education sector. Many multi-national and private companies have stepped in to fill this need, spawning dramatic growth in the educational private sector. Indeed, UNESCO identifies private education institutions as the fastest growing sector worldwide

LBC is in talks with HTwo Education Holdings Pte Ltd ("HTwo Holdings") which is a Singapore based, home-grown investment company, whose focus is on the construction and acquisition of various educational businesses and concerns, with an objective and design, to cultivate a holistic upbringing in the interest of children, both in Singapore and the Region. HTwo Holdings develops holistically designed curriculums and facilities, the objective of which is to present children with a platform that yields positive development in Singapore and in the Region, to receive quality one-stop programmes and services that would enrich their entire childhood.

The Board of LBC is looking forward to investing in this new future for the company, a future that invest in human resource, develops talent and imparts knowledge.

CONCLUSION

The Board of LBC has empowered the Management to continue to pursue new opportunities to keep the Company competitive and increase its business performance. As always, I am very grateful to the Shareholders, Directors and employees and customers for their continued support and patience.

TAN SRI DATO' KAMARUZZAMAN BIN SHARIFF
Chairman
Lereno Bio-Chem Ltd

BOARD OF DIRECTORS

BOARD OF DIRECTORS

TAN SRI DATO' KAMARUZZAMAN BIN SHARIFF, 73

Tan Sri Dato' Kamaruzzaman bin Shariff was appointed as an independent and Non-Executive Director of the Company on 1 August 2003. He was appointed as a Non-Executive Chairman and a member of the Remuneration Committee since 28 August 2003. He became the Chairman of the Remuneration Committee since 5 July 2004. He was also appointed as a member of the Nominating Committee on 15 November 2007. His last re-appointment as a Director was on 24 July 2014.

He obtained a Bachelor of Arts degree from the University of Malaya in 1964, a Diploma of Public Administration from Carleton University, Canada in 1969 and a Masters in Public Administration from Syracuse University, USA in 1979. He served the Malaysian Civil Service for 38 years where he held various senior positions in the Federal and State Government, having served the last six (6) years as the Mayor of Kuala Lumpur from 1995 to 2001. His other postings include Secretary General of the Ministry of Defence from 1992 to 1995, Deputy Director General of the Public Services Department in 1992, Penang State Secretary from 1988 to 1992, Secretary in the Cabinet Division of the Prime Minister's Department from 1983 to 1987, Director of External Assistance and General Affairs in the Economic Planning Unit of the Prime Minister's Department from 1980 to 1983 and senior positions in the Public Services Department from 1972 to 1980 and the Ministry of Education from 1964 to 1972. He has vast administrative, strategic planning and management experience by virtue of his long service in the Malaysian Civil Service.

He currently sits as the Executive Chairman of Emas Kiara Industries Berhad and as the Non-Executive Chairman of Bintai Kinden Corporation Berhad and Carimin Petroleum Berhad. He is also a Director of Kontena National Berhad. He is also active in various charitable and voluntary organizations, including the Rotary Club DiRaja Kuala Lumpur, Lions Club and the Malaysian Humanitarian Foundation.

ONG PUAY KOON, 71

Mr Ong Puay Koon was appointed as a Director, Deputy Chairman and Chief Executive Officer of the Company on 20 June 2002. He ceased to be Deputy Chairman and was appointed Executive Vice Chairman on 29 August 2003. On 5 September 2006, Mr Ong was re-designated as Managing Director and Chief Executive Officer. Mr Ong has also been appointed as a member of the Company's Risk Management Committee on 26 May 2007.

Mr Ong graduated with a Diploma in Electrical Engineering from Singapore Polytechnic in 1965 and was admitted as an Associate Member of the Institution of Incorporated Engineers, UK in 1978. He has extensive experience in mechanical and electrical engineering, and construction, and also covers project management and project financing. Mr Ong ventured with a Bumiputra partner and the Kinden Corporation of Japan to form Bintai Kinden Corporation Berhad ("BKCB") which was subsequently listed on the Main Board of the Kuala Lumpur Stock Exchange ("KLSE") in 1998. Mr Ong is a substantial shareholder of BKCB.

Mr Ong's last re-appointment as a Director was on 24 July 2014.

BOARD OF DIRECTORS

ONG CHOON LUI, 43

Mr Ong Choon Lui was appointed as an Executive Director of the Company on 9 September 2003. He stepped down as a member of the Company's Risk Management Committee on 8 November 2010. Mr Ong obtained his Bachelor Degree in Engineering (Honours Second Class Upper Division) from Nanyang Technological University, School of Electrical and Electronics Engineering, Singapore, in 1997. He began his engineering profession in 1997 as an electrical engineer with Bechtel International, Inc. where he was principally involved in electrical contracting, design and research for electrical system of industrial chemical plants. Mr Ong was attached with Kinden Corporation of Japan between 2000 – 2001. He has been a managing director of Bintai Kinden Corporation Berhad since June 2011.

Mr Ong's last re-election as a Director of the Company was on 27 July 2012.

WONG HEANG FINE, 57

Mr Wong Heang Fine was appointed as a Director of the Company on 1 September 2001 and sits on the Board as an independent and Non-Executive Director of the Company. He is a member of the Audit Committee and Remuneration Committee of the Company. He stepped down as Chairman of the Risk Management Committee of the Company on 8 November 2010. Mr Wong joined Temasek as Corporate Advisor on 7 November 2014 with the task of overseeing the merger of Surbana International Consultants and Jurong International Holdings. On 16 February 2015, he was appointed as Group CEO for the merged entity that provides sustainable urban life-cycle solutions globally. Prior to this Mr Wong was the CEO of Residential, CapitaLand Singapore. He was also the President of Real Estate Developers' Association of Singapore (REDAS) for Term 2011 to 2012. He had also held appointment as the President and CEO of Sembcorp Engineers and Constructors Pte Ltd (now know as Sembawang Engineers and Constructors) from 2002 to 2006. Mr Wong was also the President and CEO of Cathay Organisation Holdings Ltd from 1999 to 2002. Mr Wong's previous appointments included senior positions with L&M Group Investments Ltd, Singapore Technologies Industrial Corporation, SAFE Bintan Resort, Bintan Industrial Estate Management, InterIsland Marketing Service and the Economic Development Board.

Mr Wong holds a Bachelor of Science (Mechanical Engineering – First Class Honours) from the University of Leeds and Master of Science (Engineering Production and Management) degree from the University of Birmingham.

Mr Wong's last re-election as a Director was on 26 July 2013.

BOARD OF DIRECTORS

GOH YEOW TIN, 64

Mr Goh Yeow Tin was appointed as an independent and Non-Executive Director of the Company on 1 October 2007. He was appointed as a member of the Remuneration Committee on 25 May 2010. On 8 November 2010, he was appointed as Chairman of the Risk Management Committee of the Company. On 24 May 2011, Mr Goh was appointed as a member of the Company's Audit Committee and Nominating Committee respectively. On 16 February 2012, Mr Goh was appointed as the Chairman of the Nominating Committee.

Mr Goh holds a Bachelor Degree in Mechanical Engineering (Hons) and a Masters Degree in Industrial Engineering. Mr Goh is currently the Non-Executive Chairman of Seacare Medical Holdings Pte Ltd and Seacare Manpower Pte Ltd. Mr Goh began his career with the Economic Development Board ("EDB") where he headed the Local Industries Unit and was subsequently appointed as a Director of EDB's Automation Applications Centre located in the Singapore Science Park. Mr Goh was the founding member of the Association of Small and Medium Enterprise ("ASME") and founded International Franchise Pte Ltd, a pioneer in franchising business in Singapore. Mr Goh was previously the Deputy Managing Director of Tonhow Industries Ltd, the first SESDAQ listed plastic injection moulding company. Prior to his present business, Mr Goh was the Vice-President of Times Publishing Ltd and was responsible for the Group's Retail and Distribution businesses. Mr Goh is also a member of the Singapore Institute of Directors and an Independent Director of Sheng Siong Group Ltd, Singapore Post Limited, AsiaPhos Limited and Vicom Limited. In recognition of his many years of social and community services, Mr Goh was awarded the Public Service Medal in 1996 and the Public Service Star in 2006 by the President of the Republic of Singapore.

Mr Goh's last re-election as a Director was on 24 July 2014.

YAP BOH PIN, 74

Mr Yap Boh Pin was appointed to the Board as an independent and Non-Executive Director on 1 April 2004. He relinquished his position as Chairman of the Nominating Committee of the Company on 16 February 2012 and remains as a member of the Nominating Committee. He was appointed as a member to the Risk Management Committee on 8 November 2010 and was appointed the Chairman of the Company's Audit Committee on 24 May 2011. Mr Yap is currently the managing director of B.P.Y. Private Limited, a firm of management consultants which provides financial planning, financial accounting, reviewing internal control systems as well as corporate secretarial services. Between July 1975 and January 1999, Mr Yap was a senior partner at Yap Boh Pin & Co, which provided advice on auditing, taxation, liquidation and corporate restructuring matters. He is also a director of TeleChoice International Limited and Asia Mobile Holdings Pte Ltd (a subsidiary of Singapore Technologies Telemedia Pte Ltd). Mr Yap also holds directorship in Overseas Realty (Ceylon) Plc, a public listed company in Sri Lanka.

He has also held directorships in various public companies between 1975 and 2000, including Singapore Land Limited, L&M Investments Limited and Pan Pacific Public Company Limited. During his appointment by these companies, Mr Yap was a member of their executive committee and/or audit committee, assisting in the evaluation and recommendation of changes to their system of internal controls as well as corporate governance.

Beyond the corporate sector, Mr Yap is actively involved in various non-profit, educational and social welfare organisations. He is a honorary council member of the Singapore Hokkien Huay Kuan and member of the Audit Committee of Chinese Development Assistance Council. He is also a member of the Board of Directors and Finance Committee of Singapore Heart Foundation. At end January 2008, Mr Yap was appointed as Director, ACS (International) and Chairman of the Finance Committee.

Mr Yap qualified as Chartered Accountant from the Institute of Chartered Accountants in England and Wales in 1966. He is a Fellow of both the Institute of Certified Public Accountants of Singapore, and the Institute of Chartered Accountants in England and Wales.

Mr Yap's last re-appointment as a Director was on 24 July 2014.

CORPORATE DATA

BOARD OF DIRECTORS

Tan Sri Dato' Kamaruzzaman Bin Shariff, *Non-Executive Chairman and Independent Director*
Mr Ong Puay Koon, *Managing Director and Chief Executive Officer*
Mr Ong Choon Lui, *Executive Director*
Mr Goh Yeow Tin, *Non-Executive and Independent Director*
Mr Wong Heang Fine, *Non-Executive and Independent Director*
Mr Yap Boh Pin, *Non-Executive and Independent Director*

AUDIT COMMITTEE

Mr Yap Boh Pin *(Chairman)*
Mr Goh Yeow Tin
Mr Wong Heang Fine

REMUNERATION COMMITTEE

Tan Sri Dato' Kamaruzzaman Bin Shariff *(Chairman)*
Mr Goh Yeow Tin
Mr Wong Heang Fine

NOMINATING COMMITTEE

Mr Goh Yeow Tin *(Chairman)*
Mr Yap Boh Pin
Tan Sri Dato' Kamaruzzaman Bin Shariff

RISK MANAGEMENT COMMITTEE

Mr Goh Yeow Tin *(Chairman)*
Mr Ong Puay Koon
Mr Yap Boh Pin

COMPANY SECRETARIES

Ms Pan Mi Keay
Mr Lee Wei Hsiung

SHARE & WARRANT REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services
80 Robinson Road
#02-00
Singapore 068898

INDEPENDENT AUDITOR

Foo Kon Tan LLP
(formerly known as Foo Kon Tan Grant Thornton LLP)
Public Accountants and Chartered Accountants
47 Hill Street, #05-01
Singapore Chinese Chamber of
Commerce & Industry Building
Singapore 179365
Partner-in-charge: Mr Raymond Kong Chih Hsiang
(Since FY 31 March 2015)

PRINCIPAL BANKERS

United Overseas Bank Limited
Oversea-Chinese Banking Corporation Limited

REGISTERED OFFICE

LERENO BIO-CHEM LTD
(Registration No. 197401961C)
31 Jurong Port Road
#02-12M Jurong Logistics Hub
Singapore 619115
Tel: 6686 0208
Fax: 6266 6198
Our website: www.lerenobc.com.sg

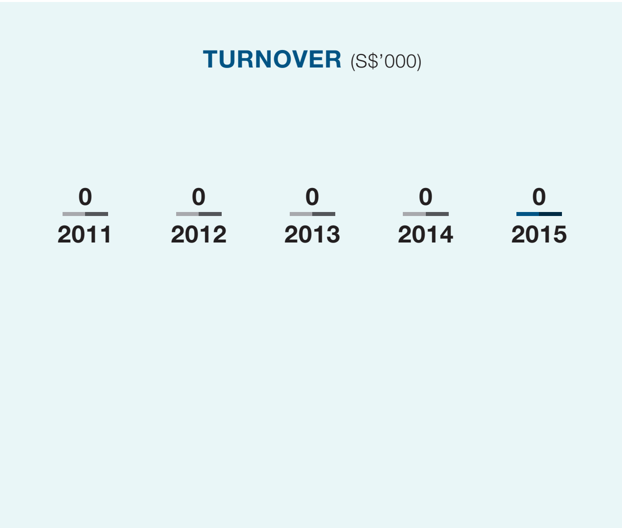
SPONSOR

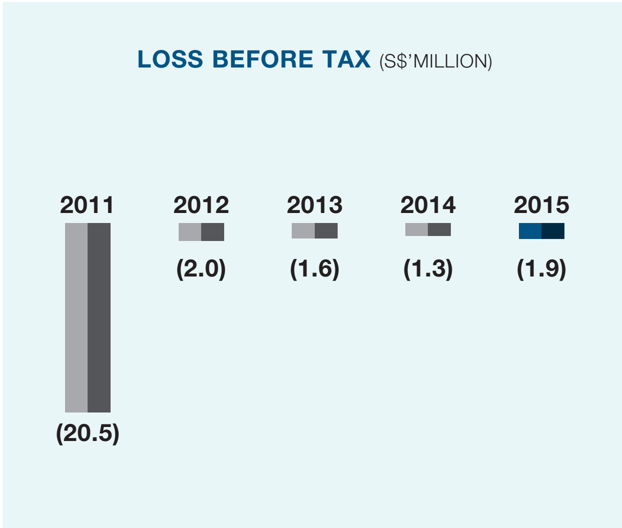
RHT Capital Pte. Ltd.
Six Battery Road #10-01
Singapore 049909

SENIOR MANAGEMENT

NAME	DESIGNATION	AGE	QUALIFICATION	EXPERIENCE
ONG AI KOON	Chief Financial Officer	41	Bachelor of Commence (Accounting), ISCA, CPA Australia, CIMA	Ms Ong joined the Company on 1 December 2003 and was recently appointed Chief Financial Officer on 1 March 2012. Ms Ong has more than 10 years of experience dealing in various aspect of work in the area of human resource, administration, finance & accounting. Ms Ong obtained a Bachelor of Commerce (Accounting) from University of New South Wales, Australia in 1997 and a Diploma in Compensation & Benefits Management from Singapore Human Resources Institute (SHRI) in 2008. Ms Ong qualified as a Certified Public Accountant (CPA), Singapore since August 2006 and was a Certified Practising Accountant (CPA), Australia since July 2002. Ms Ong trained at Coopers & Lybrand and Moore Stephens in Singapore and she joined Bintai Kindenko Pte Ltd ("BKPL") in 2000 and is now an executive director of BKPL.

FINANCIAL HIGHLIGHTS



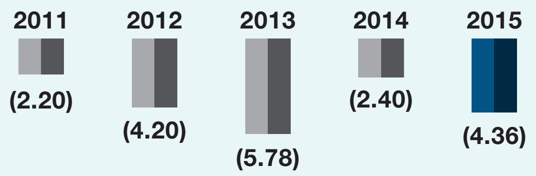


FINANCIAL HIGHLIGHTS FOR THE PAST FIVE YEARS

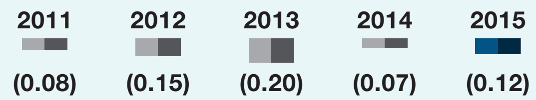
	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
	S$'000	S$'000	S$'000	S$'000	S$'000
Turnover	**0**	0	0	0	0
Loss before tax	**(1,962)**	(1,323)	(1,642)	(1,962)	(20,481)
Loss after tax	**(1,962)**	(1,323)	(1,642)	(1,962)	(20,481)
Loss attributable to shareholders	**(1,962)**	(1,323)	(1,642)	(1,962)	(20,481)
Shareholder equity	**(4,359)**	(2,397)	(5,777)	(4,228)	(2,154)
	Cents	Cents	Cents	Cents	Cents
EPS	**(0.05)**	(0.04)	(0.05)	(0.07)	(0.82)
NTA per share	**(0.12)**	(0.07)	(0.20)	(0.15)	(0.08)

FINANCIAL HIGHLIGHTS

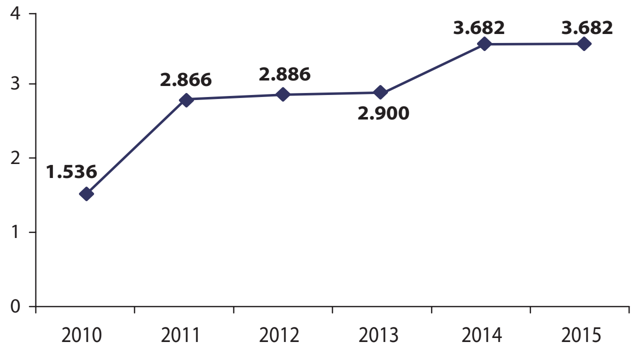
SHAREHOLDER EQUITY (S$'MILLION)



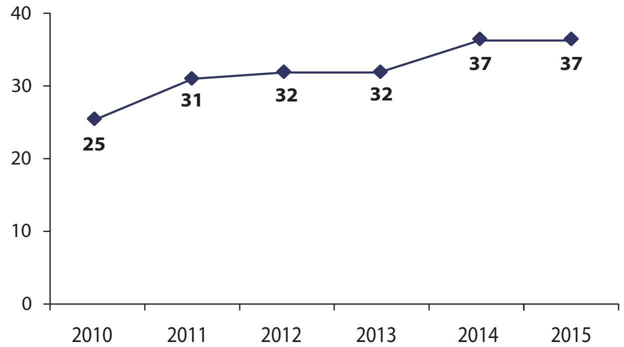
NET TANGIBLE ASSETS PER SHARE (CENTS)



NO. OF ISSUED SHARES (S$'BILLION)



SHARE CAPITAL (S$'MILLION)



FINANCIAL CONTENTS

STATEMENT OF CORPORATE GOVERNANCE

Lereno Bio-Chem Ltd (the "Company") is committed to ensuring and maintaining a high standard of corporate governance within the Group to ensure transparency and protection of the interests of the Company's shareholders. Other than as explained, the Group has substantially complied with the recommendations of the Code of Corporate Governance 2012 (the "Code").

This report describes the main corporate governance framework and practices of the Company with specific reference made to each of the principles of the Code. The Company will continue to maintain its systems and corporate governance processes to ensure compliance with the Code.

BOARD MATTERS

Principle 1: Board's Conduct of its Affairs

The Board of Directors (the "Board") comprises 2 Executive and 4 Non-Executive and Independent Directors having the appropriate mix of core competencies and diversity of experience to direct and lead the Company to protect and enhance long-term shareholders' value. As at the date of this report, the Board comprises the following members:

Tan Sri Dato' Kamaruzzaman Bin Shariff	(Non-Executive Chairman and Independent Director)
Ong Puay Koon	(Managing Director and Chief Executive Officer)
Ong Choon Lui	(Executive Director)
Goh Yeow Tin	(Non-Executive and Independent Director)
Wong Heang Fine	(Non-Executive and Independent Director)
Yap Boh Pin	(Non-Executive and Independent Director)

The Board oversees the management of the Company. It sets the corporate strategies of the Group and sets directions and goals for the management. It supervises the management and monitors performance of these goals to enhance shareholders' value. The Board is responsible for the overall corporate governance of the Group.

The primary functions of the Board, apart from its statutory responsibilities, are:

– evaluating and approving corporate policies, budgets and strategic direction of the Group;
– monitoring and reviewing the financial performance including approval of all financial results announcements;
– approving annual results and accounts;
– approving and authorising of major investment transactions such as fund raising exercises;
– authorising of material acquisitions and disposal of non-core assets and investments;
– assuming responsibility for corporate governance;
– establishing a framework of prudent and effective controls which enables risk to be assessed and managed; and
– succession planning and management development.

Newly-appointed Directors are oriented on the Group's strategic direction, business operations and governance practices upon their appointment. Existing Directors of the Company are encouraged to participate in seminars and/or discussion groups to be kept abreast of latest developments, such as relevant changes to statutes and regulatory requirements applicable to the Group. To keep abreast with developments in corporate, financial, legal and other compliance requirements, the Directors received relevant trainings and updates on relevant new laws, regulations and changing commercial risks from time to time when appropriate during the year under review.

STATEMENT OF CORPORATE GOVERNANCE

To facilitate effective management, the Board has formed Board Committees namely the Audit Committee, the Nominating Committee and the Remuneration Committee to assist in carrying out and discharging its duties and responsibilities efficiently and effectively. More information on these committees is set out below. The Board accepts that while these Board Committees have the authority to examine particular issues and will report to the Board their decisions and recommendations, the ultimate responsibility for the final decision on all matters lies with the entire Board.

These Board Committees function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis. The effectiveness of each Board Committee is also constantly reviewed by the Board.

The Company has adopted internal guidelines setting forth matters that require Board approval. The types of material transactions that require Board approval under such guidelines include, but are not limited to, those listed below: -

(a) approval of results announcements;
(b) approval of annual financial statements;
(c) declaration of interim dividends and proposal of final dividends;
(d) convening of shareholders' meetings;
(e) approval of corporate strategy;
(f) authorisation of merger and acquisition transactions; and
(g) authorisation of major transactions.

The Board meets regularly, at least four times a year to review the quarterly financial results and as warranted by circumstances to deliberate on urgent substantive matters or when required to address any specific significant matters that may arise from time to time. The Articles of Association of the Company permit the Board to hold its meetings via telephone conference and other electronic or telegraphic means. The attendance of Directors at meetings of the Board and the meetings of the various Board Committees as well as the frequency of meetings during the financial year are set out in the following Table 1:

Table 1
Directors' attendance at Board and Board Committee Meetings held for the financial year ended 31 March 2015

	BOARD	**AUDIT COMMITTEE**	**REMUNERATION COMMITTEE**	**NOMINATING COMMITTEE**
Name of Director	**No. of Meetings attended**			
Tan Sri Dato' Kamaruzzaman Bin Shariff	8/9	–	1/1	1/1
Ong Puay Koon	9/9	–	–	–
Ong Choon Lui	6/9	–	–	–
Goh Yeow Tin	9/9	4/4	1/1	1/1
Wong Heang Fine	8/9	4/4	1/1	–
Yap Boh Pin	9/9	4/4	–	1/1

STATEMENT OF CORPORATE GOVERNANCE

Principle 2: Board Composition and Guidance

The Board now comprises 2 Executive Directors and 4 Non-Executive and Independent Directors.

The criterion for independence is based on the definition given in the Code. The Board considers an "independent" director as one who has no relationship with the Company, its related companies, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement of the conduct of the Group's affairs with a view to the best interests of the Group. With the majority of our Directors being non-executive and independent from management, the Board is able to exercise objective judgement on corporate affairs and no individual or small group of individuals is able to dominate the Board's decision making. The independence of each Director is reviewed annually by the Nominating Committee (the "NC") which confirms that the Independent Directors make up at least one-third of the Board.

The following Independent Non-Executive Directors have served on the Board for more than nine years, from the date of their first appointment as Directors of the Company:

(a) Tan Sri Dato' Kamaruzzaman Bin Shariff, who was appointed from 1 August 2003;
(b) Mr Wong Heang Fine, who was appointed from 1 September 2001; and
(c) Mr Yap Boh Pin, who was appointed from 1 April 2004.

Notwithstanding that the abovementioned Independent Non-Executive Directors have served on the Board for more than nine years, based on the declarations of independence provided and the assessment of the NC, the Board reviewed and was of the view that the they are able to exercise independent and objective judgement and there are no relationship or circumstance which will affect their judgement and ability to discharge their duties and responsibilities as independent directors. The Board does not consider it to be in the interests of the Company and shareholders to require all directors who have served more than 9 years or longer to retire and favours ensuring continuity and stability.

The Board members possess wide ranging experiences in the areas of strategic planning, business and management, and accounting and finance for the industry which the Group operates in. The profiles of the Board members are set out on pages 4 to 7 of this annual report.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possess the necessary core competencies for effective functioning and informed decision-making. The NC opined that the current size of the Board is appropriate, taking into account the nature and scope of the Group's operations.

The Non-Executive Directors constructively challenge and help develop proposals on strategy and also review the performance of management in meeting agreed goals and objectives, and monitor the reporting of performance.

Particulars of interests of Directors who held office at the end of the financial year in shares, debentures, warrants and share awards and/or share options in the Company and in related corporations (other than wholly-owned subsidiaries) are set out in the Directors' Report on pages 27 to 30 of this annual report.

STATEMENT OF CORPORATE GOVERNANCE

Principle 3: Chairman and Chief Executive Officer

The Company believes that a clear division of responsibilities between the Non-Executive Chairman and Chief Executive Officer ("CEO") ensures proper balance of power, increased accountability and greater capacity of the Board for independent decision-making. The positions of the Non-Executive Chairman and CEO are held by Tan Sri Dato' Kamaruzzaman Bin Shariff and Mr Ong Puay Koon respectively and they are not related to each other.

The Chairman's duties and responsibilities include:

- scheduling meetings to enable the Board to perform its duties responsibly;
- preparing meeting agenda in consultation with the CEO;
- ensuring the proper conduct of meetings and accurate documentation of the proceedings;
- ensuring smooth and timely flow of information between the Board and management and between the Company and its shareholders;
- facilitating the effective contribution of Non-Executive Directors;
- promoting high standards of corporate governance; and
- ensuring compliance with internal policies and guidelines of the Company.

The CEO's duties and responsibilities include:

- improving, developing, extending, maintaining, advising and promoting the Company's and the Group's businesses to protect and further the reputation, interest and success of the Company and the Group;
- undertaking such duties and exercising such powers in relation to the Company, the Group and their businesses as the Board shall from time to time properly assign to or vest in him in his capacity as CEO and all other matters incidental to the same; and
- overseeing, formulating and implementing corporate strategies and directions for the affairs of the Group.

Principle 4: Board Membership

The NC currently comprises the following:

Goh Yeow Tin	(Chairman of NC and Non-Executive & Independent Director)
Yap Boh Pin	(Member and Non-Executive & Independent Director)
Tan Sri Dato' Kamaruzzaman Bin Shariff	(Member and Non-Executive & Independent Director)

The Board considers that the members of the NC have sufficient expertise and experience to discharge its responsibilities properly.

The NC is established for the purpose of ensuring that there is a formal and transparent process for all board appointments. It has adopted written terms of reference defining its membership, administration and duties.

STATEMENT OF CORPORATE GOVERNANCE

The duties and responsibilities of the NC as set out in the Terms of Reference approved by the Board include the following:

– to make recommendations to the Board on all Board appointments and re-elections/re-appointments;
– to review the Board structure, size and composition and make recommendations to the Board with regards to any necessary adjustment;
– to make recommendations on re-nomination of any director having regard to composition of the Board and each Director's competencies, commitment, contribution and performance; to determine annually whether or not a director is independent in accordance to the Code and any other salient factors; and ensure that the Board comprises at least one-third of Independent Directors;
– to make recommendation to the Board on the performance criteria and appraisal process to be used for the evaluation of the effectiveness of the Board as a whole and Board committees as well as the contribution of each Director, which criteria and process shall be subject to the Board's approval.to review the training and professional development programs for the Board; and
– to review a Director's multiple board representations on various companies and deciding whether or not such Director is able to and has been adequately carrying out his duties as Director.

Pursuant to the Articles of Association of the Company, one-third of the Directors (except the Managing Director) must retire from office at an Annual General Meeting of the Company. Therefore, all the Directors must retire and may submit themselves for re-election at regular intervals at least once in every three years.

When a director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a director of the Company. The NC is of the view that Directors with multiple board representations and other principal commitments, have also ensured that sufficient time and attention are given to the affairs of each company. The Board has not fixed the maximum number of listed company board representations and other principal commitments which any Director may hold. It will do so when deemed necessary.

The search and nomination process for new directors (if any) will be conducted through contacts and recommendations that go through the normal selection process, to ensure the search for the right candidates is as objective and comprehensive as possible.

Key information of each Director is set out on pages 5 to 7 of this Annual Report.

Principle 5: Board Performance

The NC has set up a framework for the formal assessment of the performance of the Board as a whole, its Board Committees and of the contribution of each individual director to the effectiveness of the Board. The NC has established objective performance criteria by which the performances of the Board and its Board Committee may be evaluated.

Framework for assessment of Board performance

Based on the recommendations by the NC, the Board has established processes and objective performance criteria for evaluating the effectiveness of the Board as a whole and its Board committees and of the contribution of each individual director to the effectiveness of the Board. The Board has performed the necessary assessment for the financial year.

STATEMENT OF CORPORATE GOVERNANCE

In evaluating the Board's performance, the NC considers a set of quantitative and qualitative performance criteria. The performance criteria for the Board and its Board committees evaluations were in respect of size and composition, processes, information, performance, meeting attendance, participation and contributions of the Board and its Board committees in relation to discharging its principal functions and responsibilities and targets.

Principle 6: Access to Information

We believe that in order to ensure that the Board is able to fulfill its duties and responsibilities, management is required to provide timely, adequate and complete information that requires the Board's decision as well as periodic reports on material operational and financial matters of the Company and of the Group.

As a general rule, the Board papers are required to be sent by management to Directors at least seven days before the Board meeting so that the members may better understand the matters before the Board meeting and discussion may be focused on questions that the Board has.

The Directors have separate and independent access to the Company's senior management and/or the Joint Company Secretaries, who are responsible for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with. Under the Articles of Association of the Company, the decision to appoint or remove the Company Secretaries can only be taken by the Board as a whole. The Company Secretaries or their respective representatives administer, attend and prepare minutes of Board and Board committee meetings as well as Shareholders' meetings. They assist the Chairman in ensuring that Board procedures are followed and regularly reviewed to ensure effective functioning of the Board, and that the Company's Memorandum and Articles of Association and relevant rules and regulations, including requirements of the Companies Act, Cap. 50 and the Listing Manual Section B: Catalist Rules of Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist Rules") are complied with. They also assist the Chairman and the Board in implementing and strengthening corporate governance practices and processes with a view to enhancing long-term shareholders' value. They are also the primary channel of communication between the Company, the Company's Catalist Sponsor and the SGX-ST.

The Directors may communicate directly with the management and the Joint Company Secretaries on all matters whenever they deem necessary.

The Board has the right to seek independent professional advice as and when necessary to enable it to discharge its responsibilities effectively. Subject to the approval of the Chairman, the Directors of the Company, whether as a group or individually, may seek and obtain independent professional advice to assist them in their duties, at the expense of the Company.

STATEMENT OF CORPORATE GOVERNANCE

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

The Remuneration Committee ("RC") comprises three members, all of whom are Non-Executive and Independent Directors:

Tan Sri Dato' Kamaruzzaman Bin Shariff	(Chairman of RC and Non-Executive and Independent Director)
Goh Yeow Tin	(Member and Non-Executive and Independent Director)
Wong Heang Fine	(Member and Non-Executive and Independent Director)

The RC is established for the purpose of ensuring that there is a formal and transparent procedure for determining the remuneration packages of individual directors and key management personnel. In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors. The overriding principle is that no Director should be involved in deciding his own remuneration.

The duties and responsibilities of the RC as set out in the Terms of Reference approved by the Board include the following:

– to review the remuneration packages and terms of employment of all Executive Directors, the CEO and key management personnel;
– to review and recommend Directors' fees;
– to review remuneration of all managerial staff that are related to any of the Directors, the CEO and any substantial shareholder of the Company;
– to review and make recommendation to the Board on the implementation of any appropriate long term incentive schemes for the Directors and employees of the Group;
– to review and ensure that the level and structure of remuneration of the Directors and key management personnel should be aligned with the long-term interest of the Company;
– to structure a significant and appropriate proportion of executive directors' and key management personnel's remunerations so as to link rewards to corporate and individual performance; and to ensure such remunerations should be aligned with the interests of shareholders and promote the long-term success of the Company; and
– to review and ensure the remuneration of non-executive directors should be appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the directors, and they should not be over-compensated to the extent that their independence may be compromised.

The RC will seek independent expert professional advice on remuneration matters whenever there is a need to consult externally.

LBC Restricted Share Scheme ("RSS") and LBC Performance Share Scheme ("PSS")

The Remuneration Committee administers the LBC RSS and LBC PSS.

The information required to be disclosed pursuant to Rule 851 of the Catalist Rules is set out on pages 27 to 30 of this annual report.

STATEMENT OF CORPORATE GOVERNANCE

Catalist Rule 851(1)(c) of the Catalist Rules is not applicable as the Company does not have a parent company.

No participant of the RSS and PSS received any award available under the RSS and PSS for the financial year under review and there were no shares granted under the RSS and PSS for the financial year under review.

Principle 8: Level and Mix of Remuneration

The remunerations of Executive Directors are based on service agreements entered into with the Company.

The remunerations of the Non-Executive Directors are set out in accordance with a framework comprising basic and Board Committees' fees. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of Directors are taken into account. Directors' fees are paid subject to approval of shareholders at the annual general meeting.

Principle 9: Disclosure on Remuneration

A breakdown, showing the level and mix of each Director's remuneration for the financial year ended 31 March 2015 is as follows:

Name	Directors' Fee	Base/Fixed Salary	Restricted/ Performance Share Award	Other Benefits	Total
Directors					
S$250,000 to $399,999	–	99%	–	1%	100%
Ong Puay Koon#					
$150,001 to $249,999					
Ong Choon Lui#	–	91%	–	9%	100%
S$150,000 and below					
Tan Sri Dato' Kamaruzzaman Bin Shariff	100%	0%	0%	0%	100%
Yap Boh Pin	100%	0%	0%	0%	100%
Wong Heang Fine	100%	0%	0%	0%	100%
Goh Yeow Tin	100%	0%	0%	0%	100%

Note: Other benefits include allowance, benefits in kind and employer CPF contributions

In view of the competitive pressure in the talent market, the Company is only disclosing the bands of remuneration for each Director.

STATEMENT OF CORPORATE GOVERNANCE

The remuneration of the key executive (excluding Directors) of the Group for the financial year ended 31 March 2015 is as follows:

Name	Base/Fixed Salary	Restricted/ Performance Share Award	Other Benefits	Total
S$150,000 and below				
Ong Ai Koon#	77%	–	23%	100%
Ong Ai Ghee#	86%	–	14%	100%

Note: Other benefits include allowance, benefits in kind and employer CPF contributions

Mr Ong Puay Koon is the father of Mr Ong Choon Lui, Ms Ong Ai Koon and Ms Ong Ai Ghee.

In view of the competitive pressure in the talent market, the Company is only disclosing the band of remuneration for the key executives.

Immediate Family Member of Directors or the CEO

Save as disclosed above, there were no other employees of the Group who are immediate family member of Directors or the CEO of the Company, and whose remuneration exceeded $150,000 for the financial year ended 31 March 2015.

The Company adopts a remuneration policy for staff comprising fixed and variable components. The fixed component is in the form of a base salary and allowance. The variable component is in the form of a variable bonus that is linked to the performance of the Company and individual.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to shareholders in compliance with the statutory requirements and the Catalist Rules.

Price sensitive information will be publicly released via SGXNET either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports will be announced or issued within legally prescribed periods.

STATEMENT OF CORPORATE GOVERNANCE

Principle 11: Risk Management and Internal Controls

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities. The Board recognises that the internal control framework is designed to manage instead of eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. Notwithstanding the aforesaid, procedures are in place to identify major business risks and evaluate potential financial effects. In addition, the AC reviews and evaluates annually the adequacy and effectiveness of the Group's system of internal controls, including financial, operational compliance and information technology controls and risk management.

The external auditors carry out, in the course of their statutory audit, an annual review of the effectiveness of the Company's material internal controls to the extent laid out in their audit plan. Material internal control weaknesses noted during their audit (if any) and the auditors' recommendations are reported to the Board and the Audit Committee. Steps are taken to rectify any weaknesses reported.

The Board of Directors has set up a Risk Management Committee ("RMC") to review the overall risk management guidelines/framework, review and recommend risk limits, assess the adequacy and effectiveness of the risk management policies and systems and to assist in reviewing the risks for significant transactions. The RMC has its own written terms of reference.

The RMC comprises the following three members:

Goh Yeow Tin	(Chairman of RMC and Non-Executive and Independent Director)
Ong Puay Koon	(Member and Managing Director and Chief Executive Officer)
Yap Boh Pin	(Member and Non-Executive and Independent Director)

The risks for less significant transactions are reviewed by the Group Management Committee ("GMC"). The GMC's responsibilities include amongst other things, the monitoring and improvement of the overall effectiveness of the Group's risk management system and to review the risk limits to manage its overall risk exposure. The GMC reports to the RMC on any matters relating to risk that it wishes to refer to the RMC.

The GMC comprises the following two members:

Ong Puay Koon	(Chairman of GMC and Managing Director and Chief Executive Officer)
Ong Choon Lui	(Member and Executive Director)

Details of the various risk factors and the management of such risks are outlined in Note 28 of the financial statements.

In view of the above and based on the statutory audits by the external auditors and assurance from the Management, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls in place are adequate and effective to provide reasonable assurance of achieving its internal control objectives and to address financial, operational and compliance and information technology risks, and risk management systems.

STATEMENT OF CORPORATE GOVERNANCE

The Board has received assurance from the Chief Executive Officer and Chief Financial Officer that:

(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
(b) that the Group's risk management and internal control systems are sufficiently effective.

Principle 12: Audit Committee

The Audit Committee ("AC") comprises three members, all of whom are Non-Executive and Independent Directors:

Yap Boh Pin	(Chairman of AC and Non-Executive and Independent Director)
Wong Heang Fine	(Member and Non-Executive and Independent Director)
Goh Yeow Tin	(Member and Non-Executive and Independent Director)

The members of the AC have many years of experience in business management and financial services. The Chairman of the AC is a very experienced and qualified accountant and the other members have significant experience in financial management. The Board views the members of the AC to have sufficient financial management expertise and experience to discharge their responsibilities properly.

The primary responsibility of the AC is to provide the support and assistance to the Board in ensuring that a high standard of corporate governance is maintained and preserved at all times. It acts as a conduit between the Board and external auditors. The AC has full access to all management personnel and can call upon any member of management and staff or any member of the Board to attend its meetings.

The AC has written Terms of Reference approved by the Board. The AC's responsibilities include the following:

– to review the audit plan of the Company's internal and external auditors and ensure the adequacy of the Company's system of accounting controls and the co-operation given by the Company's management to the external and internal auditors;
– to review the Group's financial and operating performance;
– to review interested person transactions in accordance with the requirements of the Catalist Rules;
– to review the cost effectiveness, independence and objectivity of the external auditors and having reviewed the scope and value of non-audit services provided to the Group by the external auditors;
– to evaluate and report to the Board at least annually the adequacy and effectiveness of the Group's system of internal controls, including financial, operational and compliance, information technology controls and risk management via reviews carried out internally or with the assistance of any competent third parties;
– to review and make recommendations to the Board on the appointment and re-appointment of internal and external auditors of the Company and the Group;
– to review annual financial statements of the Company and the consolidated financial statements of the Group, prior to submission to the Board together with the external auditors' reports on those financial statements; and other related matters raised by the Board.

The AC has power to conduct or authorise investigations on any matter within the AC's scope of responsibility.

STATEMENT OF CORPORATE GOVERNANCE

The AC conducts reviews of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services does not prejudice the independence and objectivity of the auditors. The aggregate amount of fees paid to the External Auditors of the Company and subsidiaries for audit services was S$90,175 for the financial year ended 31 March 2015. For the financial year ended 31 March 2015, there were no non-audit fees paid to the auditors.

The AC also met with the external auditors without the presence of the Company's management to discuss audit related matters at least once a year.

The AC has recommended that Foo Kon Tan LLP be nominated for re-appointment as auditors at the forthcoming Annual General Meeting. In recommending the re-appointment of the auditors, the AC considered and reviewed a number of key factors, including amongst other things, adequacy of the resources and experience of supervisory and professional staff as well as audit engagement partner to be assigned to the audit; and size and complexity of the Group and its businesses and operations.

The Directors and the AC are satisfied that the appointment of different auditors, Messrs Ong Boon Bah & Co, Malaysia for the group subsidiary, LBC Estate Holdings Sdn Bhd would not compromise the standard and effectiveness of the audit of the Group.

Accordingly, the Company has complied with Rules 712 and 716 of the Catalist Rules.

The Company has put in place arrangements for a whistle-blowing framework by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters with the AC. The objective for such arrangement is to ensure independent investigation of such matters and for appropriate follow-up action, all whistle-blowing reports will be addressed to the AC Members through designated email addresses.

By briefings and advices given by the external auditors, the AC and Management are always kept abreast of changes to accounting standards and issues which have a direct impact on financial statements.

Principle 13: Internal Audit

Since 2010/2011, given the very limited extent of operations of the Group, no independent internal audit work was undertaken and the Board and AC themselves undertook to provide the necessary oversight of controls over the Group's assets and processes. The Group will review the internal audit functions of the Group upon the increase of its operations from the acquisition of new assets and/or businesses.

Principle 14: Shareholder Rights
Principle 15: Communication with Shareholders
Principle 16: Conduct of Shareholder Meetings

The Board ensures that all the Company's shareholders are treated fairly and equitably as well as recognises, protects and facilitates the exercise of shareholders' rights.

STATEMENT OF CORPORATE GOVERNANCE

The Board is mindful of the obligations to provide timely disclosure of material information in accordance with the Corporate Disclosure Policy of the SGX-ST. The Company does not practice selective disclosure. All material and price sensitive information are publicly released via SGXNET either before the Company meets with any group of investors or analysts or simultaneously with such meetings.

Information is disseminated to shareholders on a timely basis through:

(a) SGXNET announcements (which are reviewed by the Company's Catalist Sponsor) and news releases;
(b) Annual Report prepared and issued to all shareholders;
(c) Press releases on major developments of the Group; and
(d) Notices of and explanatory memoranda for annual general meetings ("AGMs") and extraordinary general meetings ("EGMs").

The Company's AGMs are the principal forums for dialogue with shareholders and to understand the views of the shareholders. The Chairmen of the AC, RC and NC are usually available at the AGMs to answer any question relating to the work of these Board Committees. The External Auditors are also present to assist the Directors in addressing any relevant queries by the shareholders.

Shareholders are encouraged to attend the AGMs/EGMs to ensure high level of accountability and to stay informed of the Group's strategy and goals. Notice of such meetings will be advertised in newspapers and announced on SGXNET.

The Articles of Association allow a member of the Company to appoint up to two proxies to attend and vote instead of the member. The Company is not implementing absentia-voting methods such as by mail, email or fax until security, integrity and other pertinent issues are satisfactorily resolved. Separate resolutions on each distinct issue are tabled at general meetings and voting on each resolution by poll is carried out systematically with proper recording of votes cast and the resolution passed.

Minutes or notes of general meetings are prepared by the Company and these may be made available to shareholders upon their written application and payment of administrative fees incurred by the Company.

The Group does not have a concrete dividend policy at present. No dividend was declared in respect of the financial year ended 31 March 2015 as the Company was not profitable.

SECURITIES TRANSACTIONS

The Company has internal compliance policies to provide guidance to its officers with regard to dealing in its securities. Officers are advised not to deal in the Company's securities on short-term considerations.

The Company has in place a policy prohibiting share dealings by Directors and employees of the Group for the period of one month prior to the announcement of the Group's full year results, and for the period of two weeks before the announcement of the Group's quarterly results, and ending on the date of the announcement of the relevant results. Directors and employees are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading periods.

STATEMENT OF CORPORATE GOVERNANCE

INTERESTED PERSON TRANSACTIONS

There was no interested person transactions in respect of the financial year ended 31 March 2015.

The Group has not obtained a shareholder's mandate pursuant to Rule 920 of the Catalist Rules of the SGX-ST.

MATERIAL CONTRACTS

There was no material contract entered into by the Company or any of its subsidiary companies involving the interest of the CEO, any Director, or controlling shareholder in respect of the financial year ended 31 March 2015.

NON-SPONSORSHIP FEES

There was no non-sponsorship fees paid to the Company's Sponsor, RHT Capital Pte. Ltd. for the financial year ended 31 March 2015.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

The directors submit this annual report to the members together with the audited consolidated financial statements of the Group and statement of financial position of the Company for the financial year ended 31 March 2015.

Names of directors

The directors of the Company in office at the date of this report are:

Tan Sri Dato' Kamaruzzaman Bin Shariff
Ong Puay Koon
Ong Choon Lui
Goh Yeow Tin
Wong Heang Fine
Yap Boh Pin

Arrangements to enable directors to acquire shares or debentures

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement of which the object was to enable the directors to acquire benefits through the acquisition of shares in or debentures of the Company or of any other corporate body, except as described in "Share Schemes in the Company" below.

Directors' interest in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act, Cap. 50, none of the directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Number of ordinary shares			
	Shares registered in the name of director		**Shares in which director is deemed to have an interest**	
	As at 1.4.2014	**As at 31.3.2015 and 21.4.2015**	**As at 1.4.2014**	**As at 31.3.2015 and 21.4.2015**
The Company – Lereno Bio-Chem Ltd.				
Tan Sri Dato' Kamaruzzaman Bin Shariff	8,691,200	**8,691,200**	–	**–**
Ong Puay Koon	64,862,035	**64,862,035**	973,366,090	**973,366,090**
Ong Choon Lui	53,729,217	**53,729,217**	–	**–**
Goh Yeow Tin	3,857,600	**3,857,600**	–	**–**
Wong Heang Fine	5,006,400	**5,006,400**	32,000	**32,000**
Yap Boh Pin	7,262,400	**7,262,400**	–	**–**
The fellow subsidiaries – MAE Engineers Pte. Ltd.				
Ong Puay Koon	–	**–**	1,500,002	**1,500,002**
Lereno Bio-Chem Holdings Pte. Ltd.				
Ong Puay Koon	–	**–**	100	**100**
LBC Estate Holdings Sdn Bhd				
Ong Puay Koon	–	**–**	2,000,000	**2,000,000**

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

Directors' benefits

Since the end of the previous financial year, no director has received or has become entitled to receive a benefit under a contract which is required to be disclosed under Section 201(8) of the Companies Act, Cap. 50, except as disclosed in the accompanying financial statements and in this report.

Share schemes in the Company

The following table sets out the information required to be disclosed pursuant to Catalist Rule 851 of the Listing Manual:

(a) Restricted Share Scheme ("RSS") Share awards granted to directors of the Company:

Name of Participant	Awards under RSS granted during the financial year ended 31.3.2015	Aggregate awards granted since the commencement of the RSS to end of financial year ended 31.3.2015	Aggregate awards issued since the commencement of the RSS to end of financial year ended 31.3.2015	Aggregate awards under RSS not yet issued at end of financial year ended 31.3.2015
Directors				
Tan Sri Dato' Kamaruzzaman Bin Shariff	–	315,000	315,000	–
Ong Puay Koon[(1)]	–	3,800,000	3,800,000	–
Ong Choon Lui[(2)(4)]	–	1,956,000	1,956,000	–
Wong Heang Fine	–	340,000	340,000	–
Yap Boh Pin	–	265,000	265,000	–
Associate of a controlling shareholder				
Ong Ai Koon[(3)(4)]	–	1,242,000	1,242,000	–

Notes:

(1) Ong Puay Koon ("OPK") is also controlling shareholder of the Company

(2) Ong Choon Lui is the son of OPK

(3) Ong Ai Koon is the daughter of OPK

(4) An associate of a controlling shareholder

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

Share Schemes in the Company (Continued)

(b) Performance Share Scheme ("PSS") Share awards granted to directors of the Company:

Name of Participant	Awards under PSS granted during the financial year ended 31.3.2015	Aggregate awards granted since the commencement of the PSS to end of financial year ended 31.3.2015	Aggregate awards issued since the commencement of the PSS to end of financial year ended 31.3.2015	Aggregate awards under PSS not yet issued at end of financial year ended 31.3.2015
Directors				
Tan Sri Dato' Kamaruzzaman Bin Shariff	–	891,000	891,000	–
Ong Puay Koon(1)	–	11,533,000	11,533,000	–
Ong Choon Lui(2)(4)	–	391,000	391,000	–
Goh Yeow Tin	–	411,000	411,000	–
Wong Heang Fine	–	789,000	789,000	–
Yap Boh Pin	–	789,000	789,000	–
Associate of a controlling shareholder				
Ong Ai Koon(3)(4)	–	915,000	915,000	–

Notes:

(1) Ong Puay Koon ("OPK") is also controlling shareholder of the Company

(2) Ong Choon Lui is the son of OPK

(3) Ong Ai Koon is the daughter of OPK

(4) An associate of a controlling shareholder

(c) During the financial year, no new ordinary shares in the capital of the Company were granted pursuant to RSS and no ordinary shares in the capital of the Company were issued to eligible participants of the Group pursuant to the RSS.

During the financial year, no new ordinary shares in the capital of the Company were granted and issued to the eligible participants of the Group pursuant to the PSS.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

Share Schemes in the Company (Continued)

(d) Categories of persons to whom the shares were granted since the commencement of the RSS and PSS on 14 July 2007 to 31 March 2015:

Category	No. of persons	No. of RSS & PSS shares granted
Executive directors	**3**	**47,351,000**
Non-executive directors	**7**	**6,056,000**
Employees	**22**	**27,881,000**
Total	**32**	**81,288,000**

(i) The persons to whom the shares have been granted do not have the right to participate, by virtue of the share schemes, in any share issue of any other Company.

(ii) The aggregate number of shares granted for the financial year ended 31 March 2015 is Nil shares.

(iii) The aggregate number of shares granted since the commencement of the RSS and PSS on 14 July 2007 to 31 March 2015 is 81,288,000 shares.

(iv) The shares of the Company issued under the RSS and PSS at the end of the financial year are set out in Note 12 to the financial statements.

Audit Committee

The audit committee at the end of the financial year comprises the following members:

Yap Boh Pin (Chairman)
Goh Yeow Tin
Wong Heang Fine

The audit committee performs the functions set out in Section 201B(5) of the Companies Act, Cap. 50, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the committee reviewed the following:

(i) overall scope of external audit and the assistance given by the Company's officers to the auditors. It met with the Company's external auditor to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;

(ii) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;

(iii) the adequacy, effectiveness and efficiency of the Company's risk management, internal financial systems and operating controls, including computerised information system control and security, compliance controls and risk management, and all other material controls, and any related significant findings and recommendations of the auditors, together with management's responses thereto at least on an annual basis;

(iv) the quarterly financial information and the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2015 as well as the auditor's report thereon; and

(v) interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

Audit Committee (Continued)

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 auditor and reviews the level of audit and non-audit fees.

The audit committee is satisfied with the independence and objectivity of the external auditor and has recommended to The Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, Foo Kon Tan LLP, Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the directors

....
ONG PUAY KOON

....
ONG CHOON LUI

Dated: 29 June 2015

STATEMENT BY DIRECTORS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

In the opinion of the directors, the accompanying statements of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows, together with the notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Group for the financial year ended on that date, and at the date of this statement except as disclosed in Note 2, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

....
ONG PUAY KOON

....
ONG CHOON LUI

Dated: 29 June 2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LERENO BIO-CHEM LTD.

Report on the financial statements

We have audited the accompanying financial statements of Lereno Bio-Chem Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and of the Company as at 31 March 2015, the 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 a summary of significant accounting policies and other explanatory information.

Management's responsibility 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 Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards, 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the 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 Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015, and the results, changes in equity and the cash flows of the Group for the financial year ended on that date.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LERENO BIO-CHEM LTD.

Emphasis of matter

The Group incurred losses and total comprehensive loss of $1,962,000 and $1,962,000 (2014: $1,308,000 and $1,323,000) and reported net operating cash outflows of $930,000 (2014: $1,217,000) for the financial year ended 31 March 2015; and as at that date, the Group's and the Company's current liabilities exceeded the Group's and the Company's current assets by $4,392,000 and $4,341,000 (2014: $2,437,000 and $2,418,000), respectively; and the Group and the Company have a net deficit in equity of $4,359,000 and $4,308,000 (2014: $2,397,000 and $2,378,000) respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern and for its listing status to be maintained.

The validity of the going concern assumption on which these financial statements are prepared depends on the continuing financial support from one of the Company's substantial shareholders to meet its liabilities and its normal operating expenses to be incurred.

If financial support is withheld and the Group and the Company are unable to generate sufficient revenues and/or raise new funds from lenders, third parties and shareholders or through the injection or acquisition of new businesses, it may not be able to continue in operational existence for the foreseeable future, and the Group and the Company may be unable to discharge its liabilities in the normal course of business. Adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities respectively, and to provide further liabilities that may arise. No such adjustments have been made to these financial statements. In forming our opinion, we have considered the adequacy of the disclosure of this matter in the financial statements. Our opinion is not qualified in respect of this matter.

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 subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 29 June 2015

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2015

		The Group		The Company	
		2015	2014	2015	2014
	Note	$'000	$'000	$'000	$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	**33**	43	**33**	43
Subsidiaries	5	**–**	–	**–**	–
Associate company	6	**–**	–	**–**	–
Other assets	7	**–**	–	**–**	–
		33	43	**33**	43
Current Assets					
Other receivables	8	**52**	55	**52**	53
Prepayments		**17**	32	**16**	31
Amounts due from subsidiaries	9	**–**	–	**–**	–
Amounts due from associate company and related parties	10	**8**	8	**8**	8
Cash and bank balances	11	**79**	184	**44**	113
Asset held-for-sale	12	**–**	–	**–**	–
		156	279	**120**	205
Total assets		**189**	322	**153**	248
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	13	**36,825**	36,825	**36,825**	36,825
Reserves	14	**(41,184)**	(39,222)	**(41,133)**	(39,203)
Total equity		**(4,359)**	(2,397)	**(4,308)**	(2,378)
Non-Current Liability					
Obligations under hire-purchase	15	**–**	3	**–**	3
Current Liabilities					
Other payables	16	**4,512**	2,680	**4,425**	2,587
Provision for litigation claims	17	**–**	–	**–**	–
Amounts due to related parties	10	**36**	36	**36**	36
Total current liabilities		**4,548**	2,716	**4,461**	2,623
Total equity and liabilities		**189**	322	**153**	248

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	Year ended 31 March 2015 $'000	Year ended 31 March 2014 $'000
Other income	18	**44**	304
Expenses:			
– Audit fees			
– auditors of the Company		**(90)**	(90)
– other auditors		**(2)**	(10)
– Depreciation of property, plant and equipment	4	**(10)**	(18)
– Legal and other professional fees		**(288)**	(236)
– Staff costs	19	**(1,326)**	(819)
– Operating lease expenses		**(147)**	(159)
– Compensation/provision for litigation claims		**–**	(74)
– Others		**(143)**	(217)
– Interest expense on finance lease		**–**	(4)
Share of associate company's results, net of tax		**–**	–
Loss before taxation	20	**(1,962)**	(1,323)
Taxation	21	**–**	–
Total loss for the year		**(1,962)**	(1,323)
Other comprehensive expense after tax:			
Item that will be reclassified subsequently to profit or loss			
Currency translation differences		**–**	15
Other comprehensive expense for the year, net of tax		**–**	15
Total comprehensive expense for the year		**(1,962)**	(1,308)
Loss for the year attributable to:			
Equity holders of the Company		**(1,962)**	(1,323)
Non-controlling interests		**–**	–
		(1,962)	(1,323)
Total comprehensive expense attributable to:			
Equity holders of the Company		**(1,962)**	(1,308)
Non-controlling interests		**–**	–
		(1,962)	(1,308)
Loss per share			
– Basic loss per share	22	(0.05) cents	(0.04) cents
– Diluted loss per share	22	(0.05) cents	(0.04) cents

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	Share capital $'000	Translation reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 April 2013		32,137	(110)	(37,804)	(5,777)
Loss for the year		–	–	(1,323)	(1,323)
Other comprehensive expense		–	15	–	15
Total comprehensive expense for the year		–	15	(1,323)	(1,308)
Transaction with owners					
Issue of ordinary shares	13	4,688	–	–	4,688
Balance at 31 March 2014		**36,825**	**(95)**	**(39,127)**	**(2,397)**
Loss for the year		**–**	**–**	**(1,962)**	**(1,962)**
Other comprehensive expense		**–**	**–**	**–**	**–**
Total comprehensive expense for the year		**–**	**–**	**(1,962)**	**(1,962)**
Balance at 31 March 2015		**36,825**	**(95)**	**(41,089)**	**(4,359)**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Year ended 31 March 2015 $'000	Year ended 31 March 2014 $'000
Cash Flows from Operating Activities		
Loss before taxation	**(1,962)**	(1,323)
Adjustments for:		
Depreciation of property, plant and equipment (Note 4)	**10**	18
Gain on disposal of property, plant and equipment	**–**	(3)
Interest expense	**–**	4
Operating loss before working capital changes	**(1,952)**	(1,304)
Decrease in operating receivables	**3**	13
Decrease/(increase) in prepayments	**15**	(17)
Increase in operating payables	**1,004**	95
Cash used in operations	**(930)**	(1,213)
Interest paid	**–**	(4)
Net cash used in operating activities	**(930)**	(1,217)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment (Note 4)	**–**	(49)
Net proceeds from disposal of property, plant and equipment	**–**	39
Net cash used in from investing activities	**–**	(10)
Cash Flows from Financing Activities		
Payment made to hire-purchase creditors	**(6)**	(50)
Decrease in amounts due to related parties	**–**	(12)
Increase in loan from a director	**831**	1,247
Net cash generated from financing activities	**825**	1,185
Net decrease in cash and cash equivalents	**(105)**	(42)
Cash and cash equivalents at beginning	**184**	211
Effect of exchange differences on opening cash and cash equivalents	**–**	15
Cash and cash equivalents at end (Note 11)	**79**	184

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

1 GENERAL INFORMATION

The financial statements of the Company and of the Group for the year ended 31 March 2015 were authorised for issue in accordance with a resolution of the directors on the date of the Statement By Directors.

The Company is incorporated as a limited liability company and domiciled in Singapore and listed on the Catalist Exchange of Singapore.

The registered office of the Company is located at 31 Jurong Port Road, Jurong Logistics Hub, #02-12M, Singapore 619115.

The principal activity of the Company is investment holding. The principal activities of the Group are the production of bio-diesel and related oleochemicals through its associate, Lereno Sdn Bhd. Details of the principal activities of the subsidiaries and associate are disclosed in Note 5 and 6 respectively.

2 GOING CONCERN

The financial statements have been prepared on a going concern basis. The Group incurred losses and total comprehensive loss of $1,962,000 and $1,962,000 (2014: $1,308,000 and $1,323,000) and reported net operating cash outflows of $930,000 (2014: $1,217,000) for the financial year ended 31 March 2015; and as at that date, the Group's and the Company's current liabilities exceeded the Group's and the Company's current assets by $4,392,000 and $4,341,000 (2014: $2,437,000 and $2,418,000), respectively; and the Group and the Company have a net deficit in equity of $4,359,000 and $4,308,000 (2014: $2,397,000 and $2,378,000), respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern and for its listing status to be maintained.

As of the date of this report, the directors believe that the Group and Company will be able to meet their obligations as and when they fall due in the next 12 months based on the continuing financial support from one of the Company's substantial shareholders to meet its liabilities and its normal operating expenses to be incurred.

If the Group and the Company are unable to continue to generate sufficient revenues and/or raise new funds from lenders, third parties and shareholders or through the injection or acquisition of new businesses, and are unable to discharge their liabilities in the normal course of business, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Company may have to reclassify long term assets and liabilities as current assets and liabilities respectively, and to provide further liabilities that may arise. No such adjustments have been made to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(A) BASIS OF PREPARATION

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") including related Interpretations promulgated by the Accounting Standards Council ("ASC"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars which is the Company's functional currency. All financial information is presented in Singapore dollars, unless otherwise stated.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only the financial year or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

Significant judgement made in applying accounting policies

Classification of "Asset held-for-Sale"

As at the balance sheet date, the Board of Director approved the plan to dispose of its entire interest in its associated company, Lereno Sdn Bhd and classified the investment in associate as "asset held-for-sale".

On 21 May 2015, the Board of Directors announced that the Company has entered into a sale and purchase agreement with an unrelated third party to dispose of 38% equity interest, comprising 4,768,396 ordinary shares in the capital of Lereno Sdn Bhd for a cash consideration of RM1.00.

If the criteria are not met, the directors are of the view that the above transaction is not expected to have a material impact to the Group, since the carrying amounts of the cost of investment and the amounts due from the associate have been fully impaired.

Income tax (Note 21)

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's tax payable as at 31 March 2015 was $NIL (2014: $NIL).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(A) BASIS OF PREPARATION (CONTINUED)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimate on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumption when they occur.

Depreciation of property, plant and equipment (Note 4)

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of property, plant and equipment to be within 1 to 5 years. The carrying amount of the Group's and the Company's property, plant and equipment as at 31 March 2015 are $33,000 (2014 – $43,000) and $33,000 (2014 – $43,000) respectively. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. A 10% change in the useful life of the Group's property, plant and equipment would not have a material impact on the Group's results for the financial year ended 31 March 2015.

Allowance for bad and doubtful debts (Note 8, 9, and 10)

Allowances for bad and doubtful debts are based on an assessment of the recoverability of other receivables. Allowances are applied to other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the expected outcome is different from the original estimate, such difference will impact carrying value of trade and other receivables and doubtful debt expenses in the period in which such estimate has been changed. A 10% change in the allowance for bad and doubtful debts would not have a material impact on the Group's results for the financial year ended 31 March 2015.

The accounting policies used by the Group have been applied consistently to all periods presented in these financial statements.

3(B) AMENDMENTS TO PUBLISHED STANDARDS EFFECTIVE IN 2014

On 1 April 2014, the Group adopted the new or amended FRS that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(C) FRS AND INT FRS NOT YET EFFECTIVE

The following are the new or amended FRS and INT FRS issued in 2014 that are relevant to the Group but are not yet effective but may be early adopted for the current financial year:

Reference	Description	Effective date (Annual periods beginning on or after)
Improvements to FRSs		
– Amendments to FRS 1	Presentation of Financial Statements	1 July 2014
– Amendments to FRS 24	Related Party Disclosure	1 July 2014
– Amendments to FRS 108	Operating Segments	1 July 2014
FRS 115	Revenue from Contracts with Customers	1 January 2017
FRS 109	Financial Instruments	1 January 2018

The Directors do not anticipate that the adoption of the above FRSs in future periods will have a material impact on the financial statements of the Group in the period of their initial adoption.

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Losses and other comprehensive income are attributable to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

– de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts as at that
– date when control is lost;
– de-recognises the carrying amount of any non-controlling interest;
– de-recognises the cumulative translation differences recorded in equity;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation (Continued)

– recognises the fair value of the consideration received;
– recognises the fair value of any investment retained;
– recognises any surplus or deficit in profit or loss;
– re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Group controls an investee if and only if the Group has all of the following:

– power over the investee;
– exposure, or rights or variable returns from its involvement with the investee; and
– the ability to use its power over the investee to affect its returns

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

– the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
– potential voting rights held by the Group, other vote holders or other parties;
– rights arising from other contractual arrangements; and
– any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation (Continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable FRSs). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on the initial recognition for subsequent accounting under FRS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Transactions with Non-Controlling Interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intangible assets

Intangible assets in associate company

Intangible assets acquired as part of investment in associate company are recognised at fair value at the acquisition date. Such intangible assets are included in the carrying amount of investment in associate company.

Intangible assets included in the carrying amount of investment in the associate company are not tested for impairment separately. The entire carrying amount of the investment in associate company is tested under FRS 36 for indicators of impairment as detailed in the accounting policy on "Impairment of non-financial assets".

Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsidiaries (Continued)

Thus, the Group controls an investee if and only if the Group has all of the following:

– power over the investee;
– exposure, or rights or variable returns from its involvement with the investee; and
– the ability to use its power over the investee to affect its returns

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

– the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
– potential voting rights held by the Group, other vote holders or other parties;
– rights arising from other contractual arrangements; and
– any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

In the Company's separate financial statements, shares in subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

Associate company

An associate is defined as a company, not being a subsidiary or jointly controlled entity, in which the Group has significant influence, but not control, over its financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associate company at company level are stated at cost. Allowance is made for any impairment losses on an individual company basis.

In applying the equity method of accounting, the Group's share of the post-acquisition profit or loss of associate, based on the latest available financial statements, is included in statement of comprehensive income and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. Unrealised gains on transactions between the Group and its associate is eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Associate company (Continued)

When the Group's share of losses of an associate equals or exceeds the carrying amount of an investment, the Group ordinarily discontinues including its share of further losses. The investment is reported at NIL value. Additional losses are provided for to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Group has guaranteed or otherwise committed, for example, in the forms of loans. When the associate subsequently reports profits, the Group resumes including its share of those profits only after its share of the profits equals the share of net losses recognised.

The Group's share of the net assets and post-acquisition retained profits and reserves of associate is reflected in the book values of the investments in the consolidated statement of financial position.

Where the accounting policies of an associate do not conform to those of the Company, adjustments are made on consolidation when the amounts involved are considered significant to the Group.

On acquisition of the investment, any difference between the cost of acquisition and the Group's share of the fair values of the net identifiable assets of the associate is accounted for in accordance with the accounting policies on "Consolidation".

When financial statements of associate with different reporting dates are used (not more than three months apart), adjustments are made for the effects of any significant events or transactions between the investor and the associate that occur between the date of the associate's financial statements and the end of reporting period. Where this occurs, the reporting date of the financial statements of the associate shall be disclosed, together with the reason for using a different reporting period.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Office furniture and equipment	1 to 5 years
Motor vehicles	5 years
Renovation	5 years

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment and depreciation (Continued)

Subsequent expenditure relating to property, plant and equipment that has been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting period as a change in estimates.

Financial assets

Financial assets, other than hedging instruments, can be divided into the following categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the assets were acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting date with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

All financial assets are recognised on their trade date – the date on which the Company and the Group commit to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at the end of each reporting period whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

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 recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Non-compounding interest and other cash flows resulting from holding financial assets are recognised in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Loans and receivables include other receivables, amounts due from subsidiaries, amounts due from associate company and related parties, and cash and bank balances. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. If there is objective evidence that the asset has been impaired, the financial asset is measured at the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. The impairment or write back is recognised in statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposits with financial institutions which are subject to an insignificant risk of changes in value.

Non-current assets held-for-sale and discontinued operations

Non-current assets are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in statement of comprehensive income.

Share capital

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities

The Group's financial liabilities include trade payables, other payables, obligations under hire-purchase and amounts due to related parties.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance cost" in statement of comprehensive income. Financial liabilities are derecognised if the Group's obligation specified in the contract expire or are discharged or cancelled.

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 recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Trade payables, other payables and amounts due to related parties are initially recognised at fair value, and subsequently measured at amortised cost, using the effective interest method.

Finance lease liabilities are measured at initial value less the capital element of lease repayments (see policy on finance leases).

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Group or Company or a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and the fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) both entities are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third party and the other entity is an associate of the third entity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties (Continued)

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance costs in the statement of comprehensive income.

Provision for litigation claims

A provision is recognised for expected litigation claims for on-going litigation cases, based on consultation with its lawyers.

Leases

Finance leases

Where assets are financed by lease agreements that give rights approximating to ownership, the assets are capitalised as if they had been purchased outright at values equivalent to the lower of the fair values of the leased assets and the present value of the total minimum lease payments during the periods of the leases. The corresponding lease commitments are included under liabilities. The excess of the lease payments over the recorded lease obligations are treated as finance charges which are amortised over each lease to give a constant effective rate of charge on the remaining balance of the obligation.

The leased assets are depreciated on a straight-line basis over their estimate useful lives as detailed in the accounting policy on “Property, plant and equipment”.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Operating leases

Rentals on operating leases are charged to statement of comprehensive income on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the net consideration agreed for the use of the leased asset. Penalty payments on early termination, if any, are recognised in statement of comprehensive income when incurred.

Income taxes

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

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

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

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

Deferred income tax is measured:

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

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits

Pension obligations

The Group and the Company participate in the defined contribution national pension scheme as provided by the laws of the countries in which it has operations. In particular, the Singapore incorporated companies in the Group contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to the national pension scheme are charged to statement of comprehensive income in the period to which the contributions relate.

Employee leave entitlements

Employee leave entitlements to annual leave are recognised when they accrue to the employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors and certain managers are considered key management personnel.

Equity compensation benefits

Employees of the Group may receive remuneration in the form of equity-settled, share-based compensation plan as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the shares at the date on which options or shares are granted excluding the impact of any non-market vesting conditions (for example, profit and sales growth targets). This cost is recognised in statement of comprehensive income, with a corresponding increase in the share capital of the Company over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of shares that will ultimately vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date. The charge or credit to statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for shares that do not ultimately vest, except for shares where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided all other performance and/or service conditions are satisfied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

The carrying amounts of the Group's and the Company's non-financial assets subject to impairment are reviewed at end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to statement of comprehensive income unless it reverses a previous revaluation in which case it is charged to equity.

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 if no impairment loss has been recognised. A reversal of impairment loss is recognised in the statement of comprehensive income.

Revenue recognition

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue excludes goods and services taxes and is arrived at after deduction of trade discounts. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Functional and presentation currency

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at end of the reporting period are recognised in statement of comprehensive income.

When a foreign operation is disposed of, a proportionate share of the accumulated translation differences is reclassified to statement of comprehensive income, as part of the gain or loss on disposal.

Foreign exchange gains and losses impacting statement of comprehensive income are presented in the income statement within "other losses – net".

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

Group entities

The results and financial position of all the entities within the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the end of the reporting period;

(ii) Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at exchange rates at the date of transactions; and

(iii) All resulting currency translation differences are recognised in the other comprehensive income and accumulated in the currency translation reserve.

Operating segment

For management purposes, operating segments are organised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segment under their charge. The segment managers are directly accountable to the chief executive officer who regularly reviews the segment results in order to allocate resources to the segments and to assess segment performance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3(D) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments

Financial instruments carried on the statements of financial position include cash and cash equivalents, financial assets and financial liabilities.

The particular recognition methods adopted are disclosed in the individual policy statement associated with each item. These instruments are recognised when contracted for.

Disclosures on financial risk management objectives and policies are provided in Note 28.

4 PROPERTY, PLANT AND EQUIPMENT

The Group	Office furniture and equipment $'000	Motor vehicles $'000	Renovation $'000	Total $'000
Cost				
At 1 April 2013	380	189	9	578
Additions	1	–	48	49
Disposals	(11)	(130)	–	(141)
At 31 March 2014	**370**	**59**	**57**	**486**
Write off	**(308)**	**–**	**–**	**(308)**
At 31 March 2015	**62**	**59**	**57**	**178**
Accumulated depreciation				
At 1 April 2013	380	141	9	530
Depreciation for the year	–	12	6	18
Disposals	(11)	(94)	–	(105)
At 31 March 2014	**369**	**59**	**15**	**443**
Depreciation for the year	**–**	**–**	**10**	**10**
Write off	**(308)**	**–**	**–**	**(308)**
At 31 March 2015	**61**	**59**	**25**	**145**
Net book value				
At 31 March 2015	**1**	**–**	**32**	**33**
At 31 March 2014	1	–	42	43

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Company	Office furniture and equipment $'000	Motor vehicles $'000	Renovation $'000	Total $'000
Cost				
At 1 April 2013	343	159	–	502
Additions	1	–	48	49
Disposals	–	(100)	–	(100)
At 31 March 2014	**344**	**59**	**48**	**451**
Write off	**(308)**	**–**	**–**	**(308)**
At 31 March 2015	**36**	**59**	**48**	**143**
Accumulated depreciation				
At 1 April 2013	343	111	–	454
Depreciation for the year	–	12	6	18
Disposals	–	(64)	–	(64)
At 31 March 2014	**343**	**59**	**6**	**408**
Depreciation for the year	**–**	**–**	**10**	**10**
Write off	**(308)**	**–**	**–**	**(308)**
At 31 March 2015	**35**	**59**	**16**	**110**
Net book value				
At 31 March 2015	**1**	**–**	**32**	**33**
At 31 March 2014	1	–	42	43

As at the balance sheet date, the motor vehicle under hire-purchase arrangement has been fully depreciated (2014: $NIL)

Motor vehicle costing $59,000 (2014 – $59,000) for the Company is registered in the name of a director. It is held in trust for the Company.

5 SUBSIDIARIES

The Company	2015 $'000	2014 $'000
Unquoted equity investments, at cost	**2,345**	2,345
Allowance for impairment loss	**(2,345)**	(2,345)
	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

5 SUBSIDIARIES (CONTINUED)

The subsidiaries are:

Name	Country of incorporation/ principal place of business	Cost of investment		Percentage of equity held		Principal activities
		2015	**2014**	**2015**	**2014**	
		$'000	**$'000**			
Held by the Company						
MAE Engineers Pte. Ltd.*	Singapore	**1,503**	1,503	**100%**	100%	Electrical and mechanical engineering consultants and contractors (currently not operational)
LBC Estate Holdings Sdn Bhd **	Malaysia	**842**	842	**100%**	100%	Investment holding
Lereno Bio-Chem Holdings Pte. Ltd. *	Singapore	**δ**	δ	**100%**	100%	Investment holding (currently not operational)
		2,345	2,345			

δ Investment cost of $100, comprising 100 ordinary shares

* Audited by Foo Kon Tan LLP

** Audited by Ong Boon Bah & Co Chartered Accountants

6 ASSOCIATE COMPANY

	The Group		The Company	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Unquoted equity investment, at cost	**58,043**	58,043	**58,043**	58,043
Allowance for impairment loss	**(50,162)**	(50,162)	**(58,043)**	(58,043)
	7,881	7,881	**–**	–
Share of post-acquisition losses of associate company	**(5,681)**	(5,681)	**–**	–
Adjustment for amortisation of intangible assets	**(2,200)**	(2,200)	**–**	–
Total share of post-acquisition losses	**(7,881)**	(7,881)	**–**	–
Reclassified to "Asset held-for-sale"	**–**	–	**–**	–
	–	–	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

6 ASSOCIATE COMPANY (CONTINUED)

Details of the associate company at 31 March are as follows:

Name	Country of incorporation/ principal place of business	Cost of investment		Percentage of equity held		Principal activities
		2015 $'000	2014 $'000	2015	2014	
Held by the Company						
Lereno Sdn Bhd(1)	Malaysia	**58,043**	58,043	**38%**	38%	Production of bio-diesel and related oleochemicals

(1) Reclassified to asset held-for-sale (Note 12)

Impairment assessment

As at the balance sheet date, management carried out a review of the carrying value of the investment in associate for indications that an impairment loss previously recognised may no longer exist. Consequently, the directors have taken the view that full allowance for impairment remained appropriate as management is only expected to receive RM 1.00 from the disposal of its entire interest in Lereno Sdn Bhd to a third party (see Note 31).

7 OTHER ASSETS

The Group and The Company	2015 $'000	2014 $'000
Dinosaurs exhibits	**200**	200
Impairment loss	**(200)**	(200)
	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

8 OTHER RECEIVABLES

	The Group		The Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Sundry deposits	**52**	52	**52**	52
Sundry receivables	**35**	38	**35**	36
Allowance for doubtful debts	**(35)**	(35)	**(35)**	(35)
Net sundry receivables	**–**	3	**–**	1
	52	55	**52**	53

The movement of allowance for doubtful debts is as follows:

	The Group		The Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
At 1 April and 31 March	**(35)**	(35)	**(35)**	(35)

Other receivables are denominated in the following currencies:

	The Group		The Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Singapore dollars	**41**	44	**41**	42
Malaysia ringgit	**11**	11	**11**	11
	52	55	**52**	53

9 AMOUNTS DUE FROM SUBSIDIARIES

	2015	2014
The Company	$'000	$'000
Amounts due from subsidiaries	**9,143**	9,085
Allowance for doubtful debts	**(9,143)**	(9,085)
	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

9 AMOUNTS DUE FROM SUBSIDIARIES (CONTINUED)

The movement of allowance for doubtful debts is as follows:

The Company	2015 $'000	2014 $'000
At 1 April	**(9,085)**	(12,680)
Allowance made	**(58)**	–
Allowance utilised	**–**	3,595
At 31 March	**(9,143)**	(9,085)

The non-trade amounts due from subsidiaries, representing advances, are unsecured, interest-free, repayable on demand and are to be settled in cash. During the current financial year, management recognised impairment loss of $58,000 on the amounts due from subsidiaries.

10 AMOUNTS DUE FROM/(TO) ASSOCIATE COMPANY AND RELATED PARTIES

	The Group		The Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Amounts due from associate company – non-trade	**364**	364	**364**	364
Allowance for doubtful debts	**(364)**	(364)	**(364)**	(364)
	–	–	**–**	–
Reclassified to "Asset held-for sale" (Note 12)	**–**	–	**–**	–
	–	–	**–**	–
Amounts due from related parties – non-trade	**8**	8	**8**	8
Amounts due to related parties – non-trade	**(36)**	(36)	**(36)**	(36)

The non-trade amounts due from associate company and amounts due from/(to) related parties, representing advances, are unsecured, interest-free, repayable on demand and are to be settled in cash.

The amounts due from/(to) related parties are denominated mainly in Malaysian Ringgit. Related parties are corporate entities who are subject to common control or common significant influence by a shareholder/director of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

11 CASH AND BANK BALANCES

Cash and bank balances are denominated in the following currencies:

	The Group		The Company	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Singapore dollars	**65**	171	**44**	112
United States dollars	**10**	11	**–**	1
Malaysia ringgit	**4**	2	**–**	–
	79	184	**44**	113

12 ASSET HELD-FOR-SALE

During the financial year, the Board of Director approved the plan to dispose of its entire interest in the associated company, Lereno Sdn Bhd and accordingly, management classified the carrying amounts of the investment in associate (Note 6) and the amounts due from the associate (Note 10) of $NIL to "Asset held-for-sale".

13 SHARE CAPITAL

	Number of shares		Amounts	
The Group and The Company	**2015**	**2014**	**2015**	**2014**
	'000	**'000**	**$'000**	**$'000**
Issued and fully paid with no par value				
Balance at beginning of year	**3,681,525**	2,900,121	**36,825**	32,137
Issue of ordinary shares	**–**	781,404	**–**	4,688
Balance at end of year	**3,681,525**	3,681,525	**36,825**	36,825

The holders of ordinary shares are entitled to receive dividends as and when declared from time to time and are entitled to one vote per share at the meetings of the Company. All share rank equally with regard to the Company's residual assets.

In the previous financial year, the Company issued 125,000,000 shares at an issue price of $0.006 per share, totalling $750,000, to a creditor, Hai Khim Electric ("Hai Khim"), as full and final settlement of amounts due and owing to Hai Khim totalling $2,092,371 which is related to an arbitration claim by Hai Khim against the Company.

In addition, the Company issued 656,403,250 shares at an issue price of $0.006 per share to the directors and employees of the Company comprising Mr Ong Puay Koon, Mr Ong Choon Lui, Ms Ong Ai Koon, Tan Sri Dato Kamaruzzaman bin Shariff, Mr Yap Boh Pin, Mr Wong Heang Fine and Mr Goh Yeow Tin as full and final settlement of amounts due and owing to each of the creditors aggregating $3,938,420.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

14 RESERVES

	The Group		The Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Accumulated losses	**(41,089)**	(39,127)	**(41,133)**	(39,203)
Translation reserve	**(95)**	(95)	**–**	–
	(41,184)	(39,222)	**(41,133)**	(39,203)

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

15 OBLIGATIONS UNDER HIRE-PURCHASE

The Group and The Company	2015 $'000	2014 $'000
Minimum lease payments payable:		
Due not later than one year	**–**	6
Due later than one year and not later than five years	**–**	3
	–	9
Less: Finance charges allocated to future years	**–**	–
Present value of minimum instalment payments	**–**	9
Present value of minimum instalment payments:		
Due not later than one year (Note 16)	**3**	6
Due later than one year and not later than five years	**–**	3
	3	9

The lease payable after one year are shown under non-current liabilities whilst the lease payable within one year are shown under current liabilities.

The Group and the Company conduct their operations using certain leased motor vehicles. These leases are classified as finance leases. The average discount rate implicit in the leases for the Group and the Company range from 2.2% to 5.6% (2014 – 2.2% to 5.6%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

16 OTHER PAYABLES

	The Group		The Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Obligations under hire-purchase (Note 15)	**3**	6	**3**	6
Accruals	**1,949**	849	**1,863**	756
Miscellaneous creditors	**138**	234	**137**	234
Loan from a director	**2,422**	1,591	**2,422**	1,591
Financial liabilities at amortised cost	**4,512**	2,680	**4,425**	2,587

The loan from a director is unsecured, interest-free, repayable on demand and is to be settled in cash.

Other payables are denominated in the following currencies:

	The Group		The Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Singapore dollars	**4,510**	2,611	**4,425**	2,587
Malaysia ringgit	**2**	69	**–**	–
	4,512	2,680	**4,425**	2,587

17 PROVISION FOR LITIGATION CLAIMS

	2015	2014
The Group and The Company	$'000	$'000
Balance at beginning	**–**	580
Reversal for the year	**–**	(580)
Balance at end	**–**	–

In the previous financial year, management reversed the provision for litigation claim of $580,000 following the issuance of 125 million new ordinary shares (see Note 13).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

18 OTHER INCOME

The Group	2015 $'000	2014 $'000 (restated)
Gain on disposal of property, plant and equipment	**–**	3
Reversal of provision for warranty, no longer required	**–**	214
Write-off of creditors	**–**	63
Others (mainly job credit income and refund of deposit, previously written-off)	**44**	24
	44	304

19 STAFF COSTS

The Group	2015 $'000	2014 $'000
Directors' fee – directors of the Company	**600**	72
Directors' remuneration other than fee		
– salaries and other related costs	**488**	482
– CPF contributions	**14**	14
	1,102	568
Key management personnel (other than directors)		
– salaries and other related costs	**90**	88
– CPF contributions	**11**	11
	101	99
Other than key management personnel		
– salaries and other related costs	**105**	136
– CPF contributions	**18**	16
	123	152
Total staff costs	**1,326**	819

Directors' interest in share scheme

During the current financial year, Nil (2014 – Nil) shares were granted to directors under Restricted Share Scheme ("RSS"). The Company has already issued a total of 24,210,000 (2014 – 24,210,000) shares to the directors under RSS. All RSS shares granted to the directors have now been issued.

During the current financial year, Nil (2014 – Nil) shares were granted and Nil (2014 – Nil) shares were issued to directors under Performance Share Scheme ("PSS").

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

19 STAFF COSTS (CONTINUED)

The number of directors of the Company with remuneration for the year from the Company and all of its subsidiaries is in the following ranges:

	2015	2014
$250,000 to $499,999`	**1**	1
Below $250,000	**5**	5
	6	6

20 LOSS BEFORE TAXATION

The Group	2015 $'000	2014 $'000
Loss before taxation is arrived at after charging:		
Included in "other"		
Bad debts written-off	**–**	22
Insurance expenses	**20**	20
Office and general expenses	**12**	17
Other professional fees	**32**	31
Printing and stationery expenses	**26**	30
Upkeep and maintenance expenses	**32**	57
Utilities	**15**	10

21 TAXATION

The tax expense on results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax as a result of the following:

The Group	2015 $'000	2014 $'000
Loss before taxation	**(1,962)**	(1,323)
Tax at statutory rate of 17% (2014 – 17%)	**(334)**	(225)
Tax effect on non-deductible expenses	**331**	222
Deferred tax assets on current year losses not recognised	**3**	3
	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21 TAXATION (CONTINUED)

No current taxation has been provided in the financial statements as the Group has no taxable income.

Subject to agreement with tax authorities, the Group has unabsorbed capital allowances and unabsorbed tax losses amounting to approximately $Nil and $39,135,000 (2014 – $17,000 and $39,138,000) respectively available for offset against future taxable profits provided that the provisions of relevant countries' tax legislations are complied with. The related tax benefits of $6,653,000 (2014 – $6,656,000) have not been recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of respective countries in which the companies operate.

22 LOSS PER SHARE

Basic loss per share is calculated based on the consolidated loss attributable to owners of the parent divided by the weighted average number of ordinary shares in issue of 3,681,524,743 (2014 – 3,408,892,290) shares during the financial year.

The following reflects the profit or loss and share data used in the computation of basic and diluted loss per share for the years ended 31 March:

The Group	**2015 $'000**	**2014 $'000**
Net loss attributable to ordinary shareholders used in computation of basic and diluted loss per share	(1,962)	(1,323)

The diluted loss per share is the same as the basic loss per share because of the net loss suffered.

23 LITIGATION CLAIMS

In year 2013, included in the provision for litigation claims amounting to approximately $580,000 (Note 17) was the following legal claim:

In September 2005, a creditor of the Company filed an arbitration claim against the Company for, inter alia, the sum of approximately $2,100,000 for certain project work. The Company has counterclaimed against this creditor for approximately $380,000 (including goods and services tax) arising from, inter alia, advance payments and backcharges.

An additional amount of $150,000 of potential legal claims had been provided for in the statement of comprehensive income for the financial year ended 31 March 2013. Management, based on legal advice, was of the opinion that part of the claim by this creditor is possible, but not probable to succeed, and accordingly, believes the provision of $580,000 was adequate as at 31 March 2013.

The arbitration proceedings were settled during the financial year ended 31 March 2014, and an additional compensation of approximately $74,000 was incurred and included in statement of comprehensive income in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

24 RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant transactions with related parties:

The Group	2015 $'000	2014 $'000
Rental fees paid to related parties	–	25

Related parties are corporate entities who are subject to common control or common significant influence by a shareholder/director of the Company.

25 OPERATING LEASE COMMITMENTS

At the end of reporting period, the Group and the Company were committed to making the following rental payments in respect of non-cancellable operating leases of office equipment, office premise and warehouse premise with an original term of more than one year:

	The Group		The Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Not later than one year	**103**	110	**100**	107
Later than one year and not later than five years	**70**	173	**65**	166

The leases on the Group's and the Company's office equipment, office premise and warehouse premise on which rentals are payables will expire earliest on 15 August 2015 and latest on 1 October 2017, and the current rent payable on the leases are from $257 to $6,000 per month.

26 SHARE SCHEMES

The Restricted Share Scheme ("RSS") and Performance Share Scheme ("PSS") of the Company were approved and adopted by its members at an extraordinary meeting and annual general meeting held respectively on 14 July 2007 and 28 July 2008. The share schemes are supervised by the Remuneration Committee comprising directors of the Company, duly authorised and appointed by the Board. The total share-based payment for the year is $Nil (2014 – $Nil), which comprise $Nil (2014 – $Nil) and $Nil (2014 – $Nil) of RSS and PSS respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

26 SHARE SCHEMES (CONTINUED)

Restricted Share Scheme ("RSS")

The RSS shares will typically vest only after the satisfactory completion of time-based service conditions, that is, after the employees and directors of the Company and its subsidiaries ("Participants") have served the Company and/or any of its subsidiaries for a specified number of years (also known as time-based restricted awards). No minimum vesting periods are prescribed under RSS, and the length of the vesting period(s) in respect of each RSS share will be determined on a case-by-case basis. The eligible Participants are to receive fully paid shares free of charge. The RSS may be granted at any time in the year although it is anticipated this would be once a year. The RSS shall continue in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the date on which the RSS was approved.

There was no shares (2014 – Nil) granted and issued under RSS in the year to eligible Participants.

Performance Share Scheme ("PSS")

The PSS is based on specific and pre-determined measurable targets which are not time-related. The PSS contemplates the award of fully paid shares when and after pre-determined measurable performance and/or any significant contribution to the Company has been achieved. The eligible Participants are to receive fully paid shares free of charge. The PSS may be granted at any time in the year although it is anticipated this would be once a year. The PSS shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of ten (10) years commencing on the date on which the PSS was approved.

There was no shares (2014 – NIL) granted and issued under PSS to eligible Participants.

27 SEGMENT INFORMATION

Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and services different markets.

Business segments

The Group organises its businesses into "Biofuel and related business" and "Others" segment.

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The biofuel and related business cover biodiesel and bioethanol manufacturing, oleochemical production, plantations and other upstream and downstream businesses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

27 SEGMENT INFORMATION (CONTINUED)

Geographical segments

The Group's geographical segments are based on the geographical location of the assets. Sales to external customers disclosed in geographical segments are attributed to geographic areas based on origins of the Group's customers.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly tax expenses and provision for taxation. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties.

(a) Business segments

(i) The following table presents revenue and results information regarding the Group's business segments for the years ended 31 March 2015 and 2014:

	Biofuel and related business		Others		Eliminations		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue:								
Sales to external customers	–	–	–	–	–	–	–	–
Results:								
Other income	**36**	67	**8**	3,857	**–**	(3,834)	**44**	90
Staff costs	**(1,259)**	(734)	**(67)**	(85)	**–**	–	**(1,326)**	(819)
Depreciation of property, plant and equipment	**(10)**	(18)	**–**	–	**–**	–	**(10)**	(18)
Other operating expenses	**(697)**	(815)	**(30)**	(63)	**57**	306	**(670)**	(572)
Finance costs	**–**	(4)	**–**	–	**–**	–	**–**	(4)
Share of associate company's results	**–**	–	**–**	–	**–**	–	**–**	–
Loss before taxation							**(1,962)**	(1,323)
Taxation							**–**	–
Loss for the year							**(1,962)**	(1,323)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

27 SEGMENT INFORMATION (CONTINUED)

(a) Business segments (Continued)

(ii) The following table presents assets, liabilities and other segment information regarding the Group's business segments for the years ended 31 March 2015 and 2014:

	Biofuel and related business		Others		Eliminations		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Assets and liabilities:								
Segment assets	**153**	248	**36**	74	**–**	–	**189**	322
Investment in associate company	**–**	–	**–**	–	**–**	–	**–**	–
Total assets	**153**	248	**36**	74	**–**	–	**189**	322
Segment liabilities	**4,461**	2,623	**9,182**	9,131	**(9,095)**	(9,038)	**4,548**	2,716
Total liabilities							**4,548**	2,716
Other segment information:								
Depreciation of property, plant and equipment	**10**	18	**–**	–	**–**	–	**10**	18

(b) Geographical segments

The following table presents revenue, capital expenditure and certain assets information regarding the Group's geographical segments for the years ended 31 March 2015 and 2014:

	Singapore		Malaysia		Eliminations		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue:								
Sales to external customers	**–**	–	**–**	–	**–**	–	**–**	–

The Group's non-current assets comprising property, plant and equipment are mainly located in Singapore.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk, foreign currency risk and credit risk. The Group's principal financial instruments comprise amounts due to related parties, obligations under hire-purchase and cash and bank balances. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The Group and the Company do not hold or issue derivative financial instruments.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

28.1 FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group has operations in Malaysia and movements in the Malaysia Ringgit/Singapore Dollar exchange rates may affect the Group's statement of financial position.

As at the end of the reporting period, the Group's currency exposures are insignificant.

28.2 INTEREST RATE RISK

Interest rate risk is the risk that the fair value of the Group's and the Company's financial instruments will fluctuate due to changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their finance lease obligations as represented by the carrying amounts of obligations under hire-purchase. The Group's policy is to manage its exposure to interest rate risks using a mix of fixed and floating rate debts. The Group does not use derivative financial instruments to hedge its investment portfolio. The Group's policy is to obtain financing at the most favourable interest rates available.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

28.2 INTEREST RATE RISK (CONTINUED)

The following table sets out the carrying amount, by maturity, of the Group's and the Company's financial instruments that are exposed to interest rate risk:

31 March 2015	Total $'000	Less than 1 year $'000	1 to 5 years $'000
The Group			
Fixed rate			
Obligations under hire-purchase	**(3)**	**(3)**	**–**
Floating rate			
Cash and short-term deposits	**79**	**79**	**–**
The Company			
Fixed rate			
Obligations under hire-purchase	**(3)**	**(3)**	**–**
Floating rate			
Cash and short-term deposits	**44**	**44**	**–**
31 March 2014			
The Group			
Fixed rate			
Obligations under hire-purchase	(9)	(6)	(3)
Floating rate			
Cash and short-term deposits	184	184	–
The Company			
Fixed rate			
Obligations under hire-purchase	(9)	(6)	(3)
Floating rate			
Cash and short-term deposits	113	113	–

28.3 CREDIT RISK

Credit risk is the risk that one party to a financial instrument will fail to discharge obligation and cause the Group and the Company to incur a financial loss.

The carrying amounts of trade and other receivables, amounts due from subsidiaries, associate company and related parties and cash and bank balances represent the Group's and the Company's exposure to credit risk. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

28.3 CREDIT RISK (CONTINUED)

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and other receivables (including related parties balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The maximum exposure to credit risk is represented by the carrying amount of each class of financial assets in the statement of financial position.

(i) Financial assets that are neither past due nor impaired

Cash at banks that are neither past due nor impaired are mainly deposits with banks which have high credit-ratings as determined by international credit-rating agencies.

Other receivables, and amounts due from associate company and related parties that are neither past due nor impaired are substantially companies with good collection track records with the Company and the Group.

(ii) Financial assets that are past due but not impaired

There are no financial assets that are past due but not impaired.

(iii) Financial assets that are past due and impaired

There are no financial assets that are past due and impaired.

28.4 LIQUIDITY RISK

Liquidity or funding risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's objective is to maintain a balance between continuity of funding and flexibility through amounts due to related parties, obligations under hire-purchase, cash and short-term deposits. To ensure the continuity of funding for the Group's operations, the Group obtains short-term funding from reputable financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

28.4 LIQUIDITY RISK (CONTINUED)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

The Group	**Less than 1 year $'000**	**Between 2 and 5 years $'000**	**Over 5 years $'000**	**Total $'000**
31 March 2015				
Obligations under hire-purchase	**3**	**–**	**–**	**3**
Other payables	**4,509**	**–**	**–**	**4,509**
Amounts due to related parties	**36**	**–**	**–**	**36**
	4,548	**–**	**–**	**4,548**
31 March 2014				
Obligations under hire-purchase	6	3	–	9
Other payables	2,674	–	–	2,674
Amounts due to related parties	36	–	–	36
	2,716	3	–	2,719
The Company				
31 March 2015				
Obligations under hire-purchase	**3**	**–**	**–**	**3**
Other payables	**4,422**	**–**	**–**	**4,422**
Amounts due to related parties	**36**	**–**	**–**	**36**
	4,461	**–**	**–**	**4,461**
31 March 2014				
Obligations under hire-purchase	6	3	–	9
Other payables	2,581	–	–	2,581
Amounts due to related parties	36	–	–	36
	2,623	3	–	2,626

The Group obtains written continuing financial support from one of the Company's substantial shareholders to meet its liabilities and normal operating expenses to be incurred.

29 CAPITAL MANAGEMENT

The Group's objectives when managing capital are:

(a) To safeguard the Group's ability to continue as a going concern;

(b) To support the Group's stability and growth;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

29 CAPITAL MANAGEMENT (CONTINUED)

(c) To provide capital for the purpose of strengthening the Company's risk management capability; and

(d) To provide an adequate return to shareholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

There is no policy for maintenance of gearing.

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

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

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as other payables and amounts due to related parties less cash and cash equivalents. Capital includes equity attributable to the equity holders.

The gearing ratio is calculated as net debt divided by total capital as follows:

	The Group	
	2015	**2014**
	$'000	**$'000**
Other payables (Note 16)	**4,512**	2,680
Add: Amounts due to related parties (Note 10)	**36**	36
Less: Cash and bank balances (Note 11)	**(79)**	(184)
Net debt	**4,469**	2,532
Total equity attributable to equity holders of the parent	**(4,359)**	(2,397)
Net debt-to-adjusted capital ratio	**NA#**	NA#

Not applicable as the Group is in a net debt position.

30 FINANCIAL INSTRUMENTS

Fair value

The carrying amount of financial assets and liabilities with a maturity of less than one year is assumed to be approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

30 FINANCIAL INSTRUMENTS (CONTINUED)

However, the Group and the Company do not anticipate that the carrying amounts recorded at the end of reporting period would be significantly different from the values that would eventually be received or settled.

31 SUBSEQUENT EVENTS

Disposal of 38% equity interest in an associate

On 21 May 2015, the Company entered into a sale and purchase agreement with an unrelated third party, Mr Ariff Farhan Doss, to dispose of its 38% equity interest, comprising 4,768,396 ordinary shares, in the capital of its associated company, Lereno Sdn Bhd, for a cash consideration of RM 1.00. The consideration of the transaction was arrived on a willing-buyer, willing-seller basis. Following the disposal, LSB ceases to be an associated company of the Group.

Acquisition of a subsidiary

On 29 June 2015, the Company entered into two conditional sale and purchase agreements with (i) Dr Yap Soon Guan and (ii) Venstar Investments Ltd and Venstar Investments II Ltd, to acquire 60% of the issued share capital of HTwo Educations Pte. Ltd. ("HTwo"), a company incorporated in Singapore. HTwo is the holding company of an education group of companies which specialises in, amongst others, infant and childcare services, student care, tuition, enrichment businesses and the running of a private institution, for a consideration of $24 million, to be paid in a combination of cash and new shares to be allotted and issued by the Company. The cash consideration will be funded through rights issue and private placements.

32 RECLASSIFICATION OF COMPARATIVE FIGURES

A reversal of provision for warranty amounting to $214,000, previously included in "other operating expenses" in the prior year's financial statements has been reclassified to "other income" to enhance comparability with the current year's financial statements. As a result, certain line items have been amended in the prior year's consolidated statements of financial position and consolidated statement of comprehensive income and the related notes to the financial statements. These line items are reclassified as follows:

	Previously reported 2014 $'000	After reclassification 2014 $'000
Consolidated statement of comprehensive income:		
Other income	90	304
Other operating expenses	(572)	(786)

During the financial year, management also changed its presentation on the analysis of expenses recognised in the statement of comprehensive income from the classification of expenses incurred based on "function within the Group" to that of expenses incurred based on their respective "nature" which provides more relevant information to the users of the financial statements.

SHAREHOLDING STATISTICS

AS AT 16 JUNE 2015

SHARE CAPITAL INFORMATION

Issued and fully paid-up capital	:	$38,627,389.49
Number of Shares	:	3,681,593,668
Class of shares	:	Ordinary Shares
Voting rights	:	One vote per share

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the information available to the Company as at 16 June 2015, approximately 62.11% of the issued Ordinary Shares of the Company is being held by the public and therefore, Rule 723 of Section B: Rules of Catalist of the SGX-ST Listing Manual (the "Catalist Rules") has been complied with.

SUBSTANTIAL SHAREHOLDERS AS AT 16 JUNE 2015

	Direct Interest	%	Deemed Interest	%
Ong Puay Koon	64,862,035	1.76	973,366,090	26.44
Bin Tai Holdings Private Limited	910,707,200	24.74	–	–
Spektra Anggun Sdn Bhd	278,265,000	7.56	–	–

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	10	0.22	272	0.00
100 – 1,000	448	9.98	439,580	0.01
1,001 – 10,000	605	13.48	4,105,325	0.11
10,001 – 1,000,000	3153	70.22	549,495,989	14.93
1,000,001 and above	274	6.10	3,127,552,502	84.95
Total	4,490	100.00	3,681,593,668	100.00

SHAREHOLDING STATISTICS

AS AT 16 JUNE 2015

LIST OF TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	BIN TAI HOLDINGS PTE LTD	910,707,200	**24.74**
2	SPEKTRA ANGGUN SDN BHD	278,265,000	**7.56**
3	PHILLIP SECURITIES PTE LTD	133,498,000	**3.63**
4	HAI KHIM ELECTRIC	125,000,000	**3.40**
5	ANDREA RUTH BOULT	84,491,000	**2.29**
6	DESA KONSEP SDN BHD	78,700,000	**2.14**
7	OCBC SECURITIES PRIVATE LTD	69,434,975	**1.89**
8	ONG PUAY KOON	64,862,035	**1.76**
9	BINTAI KINDEN CORPORATION BERHAD	62,658,890	**1.70**
10	ONG CHOON LUI (WANG CHUNLEI)	53,729,217	**1.46**
11	KONG OI-YI DAWN	48,062,400	**1.31**
12	CIMB SECURITIES (SINGAPORE) PTE LTD	45,422,900	**1.23**
13	SEACARE FOUNDATION PTE LTD	38,431,000	**1.04**
14	RHB SECURITIES SINGAPORE PTE LTD	34,354,300	**0.93**
15	TAN CHONG HOE	33,000,000	**0.90**
16	FOOK YUAN INTERNATIONAL PTE. LTD.	31,500,000	**0.86**
17	DBS NOMINEES PTE LTD	29,622,999	**0.80**
18	RAFFLES NOMINEES (PTE) LTD	28,356,100	**0.77**
19	UOB KAY HIAN PTE LTD	26,597,000	**0.72**
20	SEOW LAI ENG ANNE	25,210,000	**0.68**
	Total:	**2,201,903,016**	**59.81**

NOTICE OF ANNUAL GENERAL MEETING

LERENO BIO-CHEM LTD.
Company Registration No.: 197401961C
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Imagination Room, Level 5, National Library Building, 100 Victoria Street, Singapore 188064 on Friday, 24 July 2015 at 11.00 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2015 and the Directors' Report and the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Ong Choon Lui, a Director retiring pursuant to Article 95 of the Company's Articles of Association. **(Resolution 2)**

   [See Explanatory Note 1]

3. To re-appoint the following Directors who are retiring pursuant to Section 153(6) of the Companies Act, Chapter 50 to hold such office until the next Annual General Meeting of the Company:

   (a) Tan Sri Dato' Kamaruzzaman Bin Shariff **(Resolution 3)**

   (b) Mr Yap Boh Pin **(Resolution 4)**

   (c) Mr Ong Puay Koon **(Resolution 5)**

   [See Explanatory Note 1]

4. To approve the Directors' fees of S$600,000 for the financial year ended 31 March 2015. (2014: S$57,600) **(Resolution 6)**

5. To re-appoint Foo Kon Tan LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

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

6. **RENEWAL OF LERENO BIO-CHEM LTD RESTRICTED SHARE SCHEME (THE "LBC RSS") AND LERENO BIO-CHEM LTD PERFORMANCE SHARE SCHEME (THE "LBC PSS")**

"That authority be and is hereby given to the Directors of the Company to issue and allot shares under the LBC RSS and the LBC PSS (the "Schemes") established by the Company from time to time and in accordance with the terms and conditions of the Schemes provided always that the aggregate number of shares to be allotted and issued pursuant to the Schemes collectively shall not exceed 15% of the Company's issued share capital on the day preceding the relevant date of award of the shares subject to the following:

(i) the aggregate number of shares available to eligible controlling shareholders and their associates under each of the Schemes shall not exceed 25% of the shares available under each of the Schemes which may be issued by the Company, and

(ii) the aggregate number of shares to be issued to any one controlling shareholder or his associate under each of the Schemes shall not exceed 10% of the total number of shares which may be issued by the Company under each of the Schemes." **(Resolution 8)**

[See Explanatory Note 2]

7. **RENEWAL OF SHARE ISSUE MANDATE**

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

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

(ii) make or grant offers, agreements or options or convertible securities (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 may in their absolute discretion deem fit;

NOTICE OF ANNUAL GENERAL MEETING

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

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

(ii) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued shares (excluding treasury shares) shall be based on the total number of issued shares of the Company (excluding treasury shares) at the time of passing of this Resolution, after adjusting for:

(1) new Shares arising from the conversion or exercise of convertible securities,

(2) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist of the SGX-ST; and

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

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Rules of Catalist of the SGX-ST 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 Articles of Association of the Company for the time being; and

(iv) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier; and

(c) the Directors be and are hereby authorised to do any and all acts which they deem necessary and expedient in connection with paragraphs (a) and (b) above." **(Resolution 9)**

[See Explanatory Note 3]

NOTICE OF ANNUAL GENERAL MEETING

ANY OTHER BUSINESS

8. To transact any other business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Pan Mi Keay
Company Secretary
9 July 2015

Explanatory Notes:

1. Mr Ong Choon Lui (Executive Director) is the son of Mr Ong Puay Koon (Managing Director and Chief Executive Officer). Tan Sri Dato' Kamaruzzaman Bin Shariff, upon re-appointment as Director of the Company, remain as Chairman of the Board and Remuneration Committee and a member of the Nominating Committee. Mr Yap Boh Pin will, upon re-appointment as Director of the Company, remain as Chairman of the Audit Committee and a member of the Nominating Committee and he will be considered independent for the purposes of Rule 704(7) of the Rules of Catalist of the SGX-ST.

   Detailed information of Mr Ong Choon Lui, Tan Sri Dato' Kamaruzzaman Bin Shariff, Mr Yap Boh Pin and Mr Ong Puay Koon can be found under the "Board of Directors" section in the Company's Annual Report 2015.

2. The proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to grant awards and to issue and allot shares in the capital of the Company pursuant to the Lereno Bio-Chem Ltd Restricted Share Scheme and the Lereno Bio-Chem Ltd Performance Share Scheme up to an amount in aggregate not exceeding 15% of the issued share capital of the Company.

3. The proposed Ordinary Resolution 9, if passed, will empower the Directors of the Company from the date of this meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting is required by law to be held or when varied or revoked by the Company in the general meeting, whichever is the earlier, to allot and issue shares and/or convertible securities in the Company at any time. The number of shares and/or convertible securities that the Directors may allot and issue under this resolution would not exceed 100 per cent (100%) of the issued share capital (excluding treasury shares), of which the total number of shares and convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed 50% of the total number of issued shares (excluding treasury shares) of the Company, at the time the resolution is passed.

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead.

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

3. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

4. The instrument appointing a proxy must be deposited at the registered office of the Company at 31 Jurong Port Road, #02-12M Jurong Logistics Hub, Singapore 619115 not later than 48 hours before the time appointed for the Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

DIRECTORS' RECOMMENDATION

The Directors are all eligible to participate in, and are therefore interested in the LBC PSS and/or LBC RSS. They have accordingly abstained from making any recommendation on, and in the case of Directors who are Controlling Shareholders, shall abstain from voting in respect of the proposed Ordinary Resolution 9.

Each Director shall also decline to accept appointment as proxies for any Shareholder to vote in respect of the said proposed Ordinary Resolution 9 unless specific instructions have been given in the Proxy Form on how the Shareholders wish for their votes to be cast in respect of the said proposed Ordinary Resolution 9.

ABSTENTION FROM VOTING

Pursuant to Rule 858 of the Rules of Catalist, Shareholders who are eligible to participate in the LBC RSS and LBC PSS should abstain from voting on the proposed Ordinary Resolution 9, and should not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Independent Shareholders appointing them on how they wish their votes to be cast for proposed Ordinary Resolution 9.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given herein and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Notice are fair and accurate in all material respects and there are no material facts the omission of which would make any statement in this Notice misleading in any material respect.

This Notice has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the SGX-ST. RHT Capital Pte. Ltd. has not independently verified the contents of this Notice. This Notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinions made or reports contained in this Notice.

The contact person for the Sponsor is Ms Amanda Chen, Registered Professional, RHT Capital Pte. Ltd. at Six Battery Road #10-01, Singapore 049909, telephone (65) 6381 6757.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) 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 or service providers), 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 or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

This page has been intentionally left blank

PROXY FORM

LERENO BIO-CHEM LTD.

(Incorporated in the Republic of Singapore)
(Registration No. 197401961C)

IMPORTANT

1. For investors who have used their CPF monies to buy the ordinary shares in the capital of Lereno Bio-Chem Ltd., this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 9 July 2015.

I/We, ________________________________ (Name) NRIC/Passport No. ________________ of

____ (Address)

being a member/members of LERENO BIO-CHEM LTD. (the "Company"), hereby appoint:

Name	NRIC/ Passport No.	Proportion of Shareholdings to be represented by proxy (%)
Address		

and/or (delete as appropriate)

Name	NRIC/ Passport No.	Proportion of Shareholdings to be represented by proxy (%)
Address		

or failing him/her/them, the Chairman of the Annual General Meeting of the Company as my proxy/our proxies, to vote for me/us on my/our behalf and, if necessary, to demand a poll at the Annual General Meeting of the Company to be held at Imagination Room, Level 5, National Library Building, 100 Victoria Street, Singapore 188064 on Friday, 24 July 2015 at 11.00 a.m. and at any adjournment thereof.

I/We direct my proxy/our proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" at the spaces provided hereunder. If no specified directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	Ordinary Resolutions	For	Against
1.	To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2015 and the Directors' Report and the Auditors' Report thereon.		
2.	To re-elect Mr Ong Choon Lui, a Director retiring pursuant to Article 95 of the Company's Articles of Association.		
3.	To re-appoint Tan Sri Dato' Kamaruzzaman Bin Shariff, a Director retiring pursuant to Section 153(6) of the Companies Act, Chapter 50.		
4.	To re-appoint Mr Yap Boh Pin, a Director retiring pursuant to Section 153(6) of the Companies Act, Chapter 50.		
5.	To re-appoint Mr Ong Puay Koon, a Director retiring pursuant to Section 153(6) of the Companies Act, Chapter 50.		
6.	To approve the Directors' fees of S$600,000 for the financial year ended 31 March 2015. (2014: S$57,600).		
7.	To re-appoint Foo Kon Tan LLP as auditors of the Company and to authorise the Directors to fix their remuneration.		
8.	To authorise Directors to issue and allot shares under the LBC Restricted Share Scheme ("RSS") and LBC Performance Share Scheme ("PSS") respectively.		
9.	To authorise Directors to issue shares pursuant to Section 161 of the Companies Act, Cap. 50.		

Dated this ________ day of ________________ 2015

Total number of Shares in	Number of Shares
(a) CDP Register	
(b) Register of Members	

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

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.
3. This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
4. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.
5. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 31 Jurong Port Road, #02-12M Jurong Logistics Hub, Singapore 619115 not less than 48 hours before the time set for holding the Annual General Meeting.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number of shares is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
7. 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 members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.
8. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time set for the Annual General Meeting.

Fold along this line

**Affix
Postage
Stamp
Here**

The Company Secretary
LERENO BIO-CHEM LTD.
31 Jurong Port Road
#02-12M Jurong Logistics Hub
Singapore 619115

Fold along this line

This page has been intentionally left blank

This page has been intentionally left blank

LERENO BC
Investing for the Next Generation

31 Jurong Port Road #02-12M
Jurong Logistics Hub
Singapore 619115
Tel: 6686 0208 • Fax: 6266 6198