

PURSUING OPPORTUNITIES

ANNUAL REPORT 2016

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

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

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CHAIRMAN'S STATEMENT AND 2016 YEAR IN REVIEW

Dear Valued Shareholders

On behalf of the Board of Directors of Transcorp Holdings Limited (the "**Company**" or "**Transcorp**") and together with its subsidiary (the "**Group**"), I am pleased to present the Annual Report for the financial year ended 31 October 2016 ("**FY2016**").

2016 Year in Review

During FY2016, the Company had performed the following two corporate exercises, which changed the nature of the Company's business and consequently, had an impact on the Group's financials for FY2016, in particular, when drawing the comparison to the immediately preceding financial year:-

1. On 25 January 2016, the Company had completed the acquisition of approximately 88.5% of Regal Motors Pte. Ltd. ("**RMPL**"). Accordingly, RMPL's financial results had been consolidated in the Group's financial results for FY2016. Following the completion of the acquisition, RMPL became a subsidiary of the Company.

2. The Company had on 9 May 2016 completed the disposal of the entire issued and paid up share capital of each of Tee to Green (H.K.) Limited, Transcorp Development Pte. Ltd., Transcorp Resources Pte. Ltd. and Transrich Pte. Ltd. (the "**Disposal**"), which were reported under the golf business segment, investment property and corporate segment. The Disposal was part of the plan to enhance shareholders' value, so that the Company could shift away from its previous reliance on rental and loan income, and concentrate its resources in the automobile sales sector. The additional working capital arising from the Disposal was used to explore other businesses and undertake new investment opportunities in future.

Following the two corporate exercises, the Group's gross profit of S$19,712 for FY2016 was mainly due to the increasingly challenging economic conditions in Singapore for the sales of motor vehicles. As RMPL is the only operating subsidiary currently, the Group's performance is affected directly.

In addition, the "Lorinser" brand which is distributed by RMPL has not been well received in Singapore, which resulted in RMPL increasing their imports of Japanese automobiles to supplement the sales. However, this may soon be affected by the new emission standard imposed by the relevant regulatory authorities with effect from 1 September 2017, and that imported automobiles into Singapore must comply with the emission standard of "Euro 6" whereas most of the Japanese automobiles currently only meet the "Euro 4" standard.

Other operating expenses of S$6,705,210 was mainly due to the impairment of goodwill for the acquisition of RMPL.

Profit from discontinued operations of S$3,316,545 was derived from the Disposal mentioned above.

As a result of the increase in expenses and offsetting the profit from the discontinued operations, the Group had recorded net losses of approximately S$6,932,864 in FY2016 as compared to the previous financial year's net loss of S$1,265,685.

Business Strategy and Outlook / Exploring New Opportunities

Following the diversification into the automobile sales sector, the Group intends to focus on the same business and in addition, to expand into wholesaling of automobiles. This business will remain challenging given that any changes in laws, rules and regulations by the government and/or regulatory authorities might have an overriding impact on the sales and profitability of the Group.

Apart from the automobile sales sector, the Group is also in the midst of exploring other business opportunities that may enhance the shareholders' value in the long term.

A Note of Appreciation

On behalf of the Board of Directors, I would like to express our gratitude and extend our deepest appreciation to our shareholders, customers, suppliers, business associates for their unwavering support for the past one year. 2017 will be a consolidation year for us as we prepare the platform to take off in the coming years.

In closing, I would like to extend my appreciation to the dedication of our Board of Directors, dedicated management team and staff. We seek your continued cooperation and belief in us as we strive to ride out the storm for a better future.

We will work together hand-in-hand, and over the next few years to develop Transcorp into a leader of industry.

Goh Chin Soon
Executive Chairman

BOARD OF DIRECTORS

Goh Chin Soon
Executive Chairman

Aged 61, Mr Goh Chin Soon has served the Board since December 2015. He was appointed as the Chairman of the Board and re-designated as the Executive Chairman of the Company on 27 June 2016. He assumes responsibilities for, amongst others, exercising control over quality, quantity and timeliness of information between Management and the Board, and assisting in ensuring compliance with the Company's guidelines on corporate governance. Mr Goh is also responsible for the business directions and operational decisions of the Group and steering the strategic direction and growth of the Group's business. He assists the Company in its efforts to identify business opportunities and provides management leadership of the Company.

Date of first appointment as a director:

17 December 2015

Date of last re-election as a director:

4 February 2016

Present Directorship:

Other Listed Companies

Nil

Other Principal Commitments

Fu Jia Development Co Ltd, CEO

Hua Xin Development Co Ltd, CEO

Dongsan Overseas Chinese Hotel, Chairman

Past Directorships held over the preceding three years in other listed companies:

Nil

Family Relationship

Husband of Madam Chu Wan Zhen, the Non-Executive Director and the Controlling Shareholder of the Company.

Chu Wan Zhen
Non-Executive Director

Aged 62, Madam Chu Wan Zhen has served the Board since April 2015. Madam Chu Wan Zhen relinquished her role as Chairman of the Board and was re-designated from Executive Chairman to Executive Director of the Company on 27 June 2016. On 6 October 2016, she was re-designated from Executive Director to Non-Executive Director of the Company on 6 October 2016. She has over 25 years of experience as a business owner. Her expertise is in areas ranging from business administration to sales and marketing; and recruiting and training sales staff. Madam Chu is a dynamic entrepreneur who has grown businesses through effective business planning, creative sales techniques and innovative marketing.

Date of first appointment as a director:

8 April 2015

Date of last re-election as a director:

4 February 2016

Present Directorship:

Other Listed Companies

Nil

Other Principal Commitments

SG Royal Group Pte Ltd, *Managing Director and Shareholder*

Le Petit Four Sdn Bhd, *Director and Shareholder*

Italcosmo International Pte Ltd, *President and Shareholder*

Past Directorships held over the preceding three years in other listed companies:

Nil

Family Relationship

Wife of Mr Goh Chin Soon, the Executive Chairman of the Company.

BOARD OF DIRECTORS

Tan Wee Peng Kelvin
Lead Independent Director

Aged 53, Mr Tan Wee Peng Kelvin was appointed as the Lead Independent Director of the Company on 27 June 2016. He has more than 30 years of professional experience including senior management positions at AETOS Security Management, PSA International, and Temasek Holdings, the last being the Managing Director of its Private Equity Funds Investment Unit. He was a consultant advising companies investing in China, and also served with the Singapore Police Force. A Local Merit Scholar (Police Service), Mr Tan holds a Bachelor in Accountancy (First Class Honours) and a Master in Business Administration from the National University of Singapore. He also attended the Programme for Management Development at Harvard Business School. Mr Tan currently holds directorship appointments and advisory positions with several other private and public-listed companies.

Date of first appointment as a director:

27 June 2016

Date of last re-election as a director:

Not applicable

Present Directorship:

Other Listed Companies

Viking Offshore and Marine Ltd, *Independent Director*

Shanghai Turbo Enterprises Ltd, *Independent Director*

IREIT Global Group Pte Ltd, *Lead Independent Director*

Unusual Limited, *Lead Independent Director*

Other Principal Commitments

Nil

Past Directorships held over the preceding three years in other listed companies:

WE Holdings Ltd.

Lim Yit Keong
Independent Director

Aged 64, Mr Lim Yit Keong was appointed as an Independent Director of the Company on 18 November 2016. Mr Lim is currently a management consultant with Capital Consulting Pte Ltd. He founded Capital Consulting Pte Ltd in 2000. He has over 35 years of experience in finance with Global Knowledge Network Pte Ltd, KPMG, Dornier Asia Medical Systems Pte Ltd, Bena Consultancy Services, Braun AG and Wearnes Technology Pte Ltd and held various senior financial positions. He is a Fellow Member of the Institute of Singapore Chartered Accountants (United Kingdom) and a member of the Institute of Singapore Chartered Accountants.

Date of first appointment as a director:

18 November 2016

Date of last re-election as a director:

Not applicable

Present Directorship:

Other Listed Companies

China Kunda Technology Holdings Ltd, *Independent Director*

Other Principal Commitments

Capital Consulting Pte Ltd, *Director and Consultant*

Primeearth Trading Pte Ltd (Dormant), *Director*

MR. LIMO, *Sole Proprietor*

Past Directorships held over the preceding three years in other listed companies:

Edition Limited

RH Energy Ltd

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive:

Goh Chin Soon (Chairman)
(Appointed as Chairman of the Board and re-designated as Executive Chairman on 27 June 2016)

Non-Executive:

Chu Wan Zhen
(Re-designated from Executive Director to Non-Executive Director on 6 October 2016)

Tan Wee Peng Kelvin (Lead Independent Director)
(Appointed on 27 June 2016)

Lim Yit Keong (Independent Director)
(Appointed on 18 November 2016)

AUDIT COMMITTEE

Tan Wee Peng Kelvin (Chairman)

Chu Wan Zhen

Lim Yit Keong

NOMINATING COMMITTEE

Lim Yit Keong (Chairman)

Chu Wan Zhen

Tan Wee Peng Kelvin

REMUNERATION COMMITTEE

Lim Yit Keong (Chairman)

Chu Wan Zhen

Tan Wee Peng Kelvin

SECRETARIES

Lai Kuan Loong Victor
(Appointed on 13 July 2016)

Kelly Kiar Lee Noi

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Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
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Fax: 6536 1360

AUDITORS

Baker Tilly TFW LLP
600, North Bridge Road
#05-01 Parkview Square
Singapore 188778

AUDIT PARTNER-IN-CHARGE

Mr Lee Chee Sum Gilbert
(Appointed on 15 August 2016)

CORPORATE STRUCTURE

Subsidiary:

Approximately 88.5% - Regal Motors Pte. Ltd.

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or the "**Directors**") of Transcorp Holdings Limited (the "**Company**") is committed to maintaining a high level of corporate governance to promote greater transparency and safeguard the interests of shareholders. The Company has substantially complied with the recommendations of the Code of Corporate Governance 2012 (the "**Code**") through effective self-regulatory corporate practices to protect and enhance the interests and value of its shareholders.

This report describes the Company's corporate governance practices with specific reference to the Code in its annual report. Unless otherwise stated, the principles and guidelines of the Code have been complied with.

I. BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1: Effective Board to lead and control the Company

The Board oversees the business affairs of the Company and its subsidiaries (collectively the "**Group**") and is responsible for setting the strategic direction and establishing goals for the management team of the Company ("**Management**"). In addition, the Board works with Management to achieve these goals set for the Group. To ensure smooth operations, facilitate decision-making and ensure proper controls, the Board has delegated some of its powers to its committees (the "**Board Committees**") and Management. The Board Committees and Management remain accountable to the Board.

Guideline 1.1 of the Code: The Board's role

The principal functions of the Board are as follows:

(a) Approving strategies and financial objectives of the Group and monitoring the performance of Management;

(b) Ensuring that the necessary financial and human resources are in place for the Company to meet its objectives;

(c) Evaluating the adequacy of internal controls, risk management, financial reporting and compliance;

(d) Ensuring the Group's compliance with laws, regulations, policies, directives, guidelines and internal code of conduct;

(e) Approving the nomination of Board members and the appointment of key management personnel;

(f) Reviewing the performance of Management;

(g) Approving annual budgets, major funding, investments and divestment proposals; and

(h) Ensuring accurate, adequate and timely reporting to, and communication with shareholders.

Guideline 1.2 of the Code: Directors to act in the interests of the Company

All Directors exercise reasonable diligence and independent judgement when making decisions and are obliged to act honestly and consider the interests of the Company at all times.

CORPORATE GOVERNANCE REPORT

Guideline 1.3 of the Code: Disclosure on delegation of authority by Board to Board Committees

To efficiently discharge its responsibilities, the Board has established several Board Committees, namely, the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). These Board Committees are given specific responsibilities and they are empowered by the Board to deal with matters within the limits of authority set out in the Terms of Reference of their appointments. They assist the Board operationally without the Board losing authority over major issues.

In addition to the scheduled meetings held at least twice a year and in relation to matters requiring urgent attention, the Board would either convene additional Board meetings or have informal discussions, which would then be formally confirmed and approved by circulating resolutions in writing. The Board members also communicate frequently with Management to discuss the business operations of the Group.

Guideline 1.4 of the Code: Board to meet regularly

The Company's Constitution (the "**Constitution**") allows Board meetings to be conducted by way of telephone conference and/or by means of similar communication equipment where all Directors participating in the meeting are able to hear each other. Decisions of the Board and Board Committees may also be obtained through circular resolutions.

Directors' attendance at the Board's and Board Committees' meetings during the financial year ended 31 October 2016 ("**FY2016**") and up to the date of this report is as follows:

	Board of Directors' Meeting		Audit Committee			Nominating Committee			Remuneration Committee		
				Meetings			Meetings			Meetings	
Name of Directors	No. held	No. attended	Membership	No. held	No. attended	Membership	No. held	No. attended	Membership	No. held	No. attended
Present Directors											
Goh Chin Soon[1]	4	2	No	3	2*	No	2	2*	No	2	2*
Chu Wan Zhen[2]	4	1	Yes	3	1*	Yes	2	1	Yes	2	1
Tan Wee Peng Kelvin[3]	4	2	Yes (Chairman)	3	2	Yes	2	1	Yes	2	1
Lim Yit Keong[4]	4	1	Yes	3	1	Yes (Chairman)	2	1	Yes (Chairman)	2	1
Past Directors											
Andrew Chua Thiam Chwee[5]	4	1	Yes	3	–	Yes	2	–	Yes	2	–
Seah Chee Wei[6]	4	2	Yes (Chairman)	3	1	Yes	2	1	Yes	2	1
Jong Khee Beng Ainsley[7]	4	2	No	3	1*	No	2	1*	No	2	1*
Neo Yim Pui[8]	4	2	No	3	1*	No	2	1*	No	2	1*
Swee Kay Seng[9]	4	2	No	3	1*	No	2	1*	No	2	1*
Chu Yi Han[10]	4	0	Yes	3	0	Yes	2	0	Yes	2	0
Tan Cheng Chuan[11]	4	0	No	3	0	No	2	0	No	2	0
Pok Mee Yau Karen[12]	4	2	Yes	3	2	Yes (Chairman)	2	1	Yes (Chairman)	2	1

* By invitation

(1) Appointed Executive Director on 17 December 2015. Subsequently appointed as Chairman of the Board and re-designated as Executive Chairman on 27 June 2016

(2) Relinquished role as Chairman of the Board and re-designated as Executive Director on 27 June 2016. Re-designated as Non-Executive Director on 6 October 2016

(3) Appointed on 27 June 2016

(4) Not a Director during FY2016; appointed on 18 November 2016

CORPORATE GOVERNANCE REPORT

(5) Appointed on 23 November 2015; ceased on 7 December 2015
(6) Appointed on 15 May 2015; ceased on 4 February 2016
(7) Appointed on 11 March 2015; ceased on 4 February 2016
(8) Appointed on 23 November 2015; ceased on 4 February 2016
(9) Appointed on 23 November 2015; ceased on 4 February 2016
(10) Appointed on 23 November 2015; ceased on 4 February 2016
(11) Appointed on 27 April 1995; ceased on 10 February 2016
(12) Appointed on 8 April 2015; ceased on 6 October 2016

It should be noted that as at the end of FY2016, the composition of the Board was not compliant with the Code. However, with the appointment of Mr Lim Yit Keong as an Independent Director on 18 November 2016, the composition of the Board is currently compliant with the Code.

Other matters requiring Board's approval include major investments, material acquisitions and disposals of assets, corporate and financial restructuring, share issuance, dividends and other returns to shareholders.

Guideline 1.5 of the Code: Matters requiring Board approval

Each Board member has extensive experience and knowledge in his/her respective area of work, thus providing valuable contribution to the decision-making process of the Board.

All new Directors are given an orientation of the Group's business and governance practices, and all Directors have access to information and further training on new developments, including new laws, regulations and changing commercial risks, at the Company's expense.

Guideline 1.6 of the Code: Directors to receive appropriate training

The Company has and will continue to organise orientation programmes for new Directors (if and when appointed) to familiarise them with the Group's operations and business issues and the relevant regulations and governance requirements. The Company also funds the Directors' attendance at any training programme or seminar on new updates in the requirements of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Companies Act, Cap. 50 ("**Act**") or other regulations/statutory requirements in connection with their duties as Directors, from time to time.

Guideline 1.7 of the Code: Formal letter to be provided to Directors setting out their duties

Board Composition and Balance

Principle 2: Strong and independent element on the Board

As at the date of this report, the Board comprises four Directors, one of whom is an Executive Director and three of whom are Non-Executive Directors of which two are Independent Directors:

Guideline 2.1 of the Code: One-third of Directors to be independent

Executive Director

Goh Chin Soon	Executive Chairman *(re-designated from Executive Director on 27 June 2016)*

Non-Executive Directors

Chu Wan Zhen	Non-Executive Director *(re-designated from Executive Chairman to Executive Director on 27 June 2016, and re-designated to Non-Executive Director on 6 October 2016)*
Tan Wee Peng Kelvin	Lead Independent Director *(Appointed on 27 June 2016)*
Lim Yit Keong	Independent Director *(Appointed on 18 November 2016)*

CORPORATE GOVERNANCE REPORT

During FY2016, Madam Chu Wan Zhen relinquished her role as Chairman of the Board and was re-designated from Executive Chairman to Executive Director of the Company on 27 June 2016. Contemporaneously, Mr Goh Chin Soon, the Executive Director of the Company, was appointed as Chairman of the Board and re-designated as Executive Chairman of the Company on 27 June 2016.

On 6 October 2016, Madam Chu Wan Zhen was re-designated from Executive Director to Non-Executive Director of the Company.

The profile of the Directors are set out on pages 2 and 3 of this Annual Report.

The Board is of the view that no individual or small group of individuals dominates the Board's decision-making process. In view that the Executive Chairman is part of the management team and is not an Independent Director, the Company has met the Code's recommendation that Independent Directors should make up at least half of the Board.

Guideline 2.2 of the Code: Independent Directors to make up at least half of the Board in certain circumstances

The NC conducted its annual review of the Directors' independence in accordance with the Code's definition of what constitutes an Independent Director. In its deliberation as to the independence of a Director, the NC took into consideration whether a Director has any business relationships with the Group, its related companies, its 10% shareholders or its officers, and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interest of the Company.

Guideline 2.3 of the Code: Disclosure of Directors considered to be independent

None of the Independent Directors of the Company has served the Board beyond nine years from the date of his first appointment. The Independent Directors meet amongst themselves without the presence of Management when necessary.

Guideline 2.4 of the Code: Independence of Director who has served on the Board beyond nine years should be subject to rigorous review

The Board is of the opinion that its current size is reasonably effective and efficient considering the nature and size of the Group's activities.

Guideline 2.5 of the Code: Board to determine its appropriate size

In addition, the Company benefited from Management's ready access to its Directors for guidance and exchange of views both within and outside of the formal environment of the Board and Board Committees meetings.

The Directors of the Company come from diverse backgrounds and possess core competencies, qualifications and skills, all of whom as a group, provides the Board with a good mix of the necessary experience and expertise to direct and lead the Group. Their combined wealth and diversity of experience enable them to contribute effectively to the strategic growth and governance of the Group.

Guideline 2.6 of the Code: Board to comprise Directors with core competencies

The Independent and Non-Executive Directors constructively challenge and assist in the development of proposals on strategy, and assist the Board in reviewing the performance of Management in meeting agreed goals and objectives, and monitor the reporting of performance.

Guideline 2.7 of the Code: Role of non-executive directors

The Independent and Non-Executive Directors of the Company meet regularly to discuss any matters without the presence of Management as and when circumstances require.

Guideline 2.8 of the Code: Regular meetings of non-executive directors

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive Officer

Principle 3: Clear division of responsibilities and balance of power and authority

The Chairman and the Chief Executive Officer ("**CEO**") should in principle be separate persons to maintain an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Guideline 3.1 of the Code: Chairman and CEO should be separate persons

During FY2016, the role of CEO was held by Mr Jong Khee Beng Ainsley until February 2016. Following his resignation, the role of CEO was assumed first by our then Executive Chairman, Madam Chu Wan Zhen, and then, following her re-designation as Non-Executive Director, and the appointment and re-designation of Mr Goh Chin Soon as the Executive Chairman, by Mr Goh Chin Soon.

Guideline 3.2 of the Code: Chairman's role

As the Executive Chairman, Mr Goh Chin Soon assumes responsibilities for, amongst others, exercising control over the quality, quantity and timeliness of information between Management and the Board, and assisting in ensuring compliance with the Company's guidelines on corporate governance. He is assisted by Management in the daily operations and administration of the Group's business activities and in the effective implementation of the Group's business strategies.

It should be noted that following the conclusion of FY2016, in November 2016, Mr Kwan Hun Fah was appointed as CEO of the Company. However, following Mr Kwan Hun Fah's resignation in March 2017, Mr Goh Chin Soon has once again assumed the role of CEO and as at the date of this report, he is responsible for the business directions and operational decisions of the Group and steering the strategic direction and growth of the Group's business. He assists the Company in its efforts to identify business opportunities and provides management leadership of the Company.

Taking into account the size, scope and nature of the operations of the Group, the Board is of the view that it is currently in the best interests of the Group to adopt a single leadership structure and there is adequate accountability and transparency within the Group. The Board is also of the view that the existing leadership arrangement is effective as it does not hinder the decision-making process of the Company unnecessarily. The current arrangement is also compliant with the Code. The Board will consider filing up the post of the CEO until such time deemed necessary or a suitable candidate is sought.

In line with the Code's recommendation, Mr Tan Wee Peng Kelvin has been appointed as the Lead Independent Director in view of the fact that the Executive Chairman is part of the management team and is not an Independent Director. The Lead Independent Director is available to shareholders where they have concerns for which contact through the normal channels of the Executive Chairman or the CEO has failed to resolve or for which such contact is inappropriate.

Guideline 3.3 of the Code: Appointment of Lead Independent Director

During FY2016, the Independent Directors have met unofficially at least once to discuss Company's matters without the presence of Management and the Lead Independent Director will provide feedback to the Executive Chairman after such meetings.

Guideline 3.4 of the Code: Led by the Lead Independent Director, Independent Directors to meet periodically

CORPORATE GOVERNANCE REPORT

BOARD MEMBERSHIP

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board

Guideline 4.1 of the Code: NC to recommend all Board appointments

As at the date of this report, the NC comprises the following three members, all of whom, including the Chairman, are Non-Executive, and of which two are Independent Directors:

Lim Yit Keong	Chairman
Chu Wan Zhen	Member
Tan Wee Peng Kelvin	Member

The Lead Independent Director is also a member of the NC. The Company complies with the Code in relation to the composition of the NC.

The NC is regulated by a set of written Terms of Reference and is responsible for making recommendations to the Board on all Board appointments and re-appointments through a formal and transparent process, which includes internal guidelines to address the conflict of competing time commitments that are faced by Directors with multiple board representations. In respect of re-nominations, the NC will consider the individual Director's contribution and performance and whether the Director has adequate time and attention to devote to the Company, in the case of Directors with multiple board representations.

The responsibilities and principal functions of the NC, as set out in its Terms of Reference, include:

(a) Reviewing, assessing, making recommendations to the Board on the appointment of Directors, including making recommendations on the composition of the Board generally and the balance between Executive and Non-Executive Directors appointed to the Board;

(b) Regularly reviewing the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender and knowledge of the Company and the core competencies of the Directors as a group and recommending to the Board with regards to any adjustment that may be deemed necessary;

(c) Reviewing, assessing and recommending nominee(s) or candidate(s) for re-appointment or re-election to the Board and considering his/her competency, commitment, contribution, performance and whether or not he/she is independent;

(d) Making plans for succession, in particular for the Chairman of the Board and the CEO;

(e) Determining, on an annual basis, if a Director is independent bearing in mind the circumstances set forth in the Code and other salient factors;

(f) Recommending Directors who are retiring by rotation to be put forward for re-election in accordance with the Constitution of the Company at each annual general meeting ("**AGM**");

(g) Deciding whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple board representations, and/or other principal commitments;

(h) Recommending to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards and the maximum number of listed company board representations which any Director may hold;

CORPORATE GOVERNANCE REPORT

(i) Assessing the effectiveness of the Board as a whole and the contribution of each individual Director to the effectiveness of the Board and recommending to the Board the development of a process for evaluation and decide how the Board's performance may be evaluated and proposing objective performance criteria; and

(j) Recommending to the Board comprehensive induction training programmes for new Directors and reviewing the training and professional development programmes for the Board to keep the Board apprised of relevant new laws, regulations and changing commercial risk.

The NC recommends all appointments and re-nominations/re-appointments of Directors to the Board after taking into account the respective Director's contributions in terms of experience, business perspective, management skills, individual expertise and pro-activeness in participation of meetings. This is to ensure that the decisions made by the Board are well considered and balanced and are in the best interests of the Company.

Guideline 4.2 of the Code: NC to recommend to the Board on certain relevant matters

In accordance with Article 91 of the Company's Constitution, one-third of the Directors shall retire from office by rotation at each AGM. In addition, Article 92 provides that the Directors to retire in every year shall be those subject to retirement by rotation who have been longest in office since their last re-election or appointment and that the retiring Directors are eligible to offer themselves for re-election and Article 97 provides that all newly appointed Directors shall hold office only until the next AGM and are eligible to offer themselves for re-election.

The NC is satisfied that:

(a) the Board's current size and composition is appropriate, taking into account the nature and scope of the Group's operations and the diversity of the Board members' experience and attributes;

(b) no individual or small group of individuals dominates the Board's decision-making process; and

(c) based on the Directors' contributions at meetings of the Board and Board Committees, and their time commitment to the affairs of the Company, it would not be necessary to put a maximum limit on the number of listed company board representations and other principal commitments of each Director. The NC would continue to review from time to time the board representations and other principal commitments of each Director to ensure that the Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

Accordingly, the Board has accepted the NC's nomination of the retiring Directors who have given their consent for re-election at the forthcoming AGM of the Company. The retiring Directors at the forthcoming AGM of the Company are Madam Chu Wan Zhen who will retire pursuant to Article 91 of the Company's Constitution and Mr Tan Wee Peng Kelvin and Mr Lim Yit Keong who will retire pursuant to Article 97 of the Company's Constitution.

Guideline 4.3 of the Code: NC to determine Directors' independence annually

The NC reviews the independence of each Director annually in accordance with the Code's definition of independence. In respect of the Company's current Independent Directors, Mr Tan Wee Peng Kelvin and Mr Lim Yit Keong, the Board is of the view that they are independent, taking into account the circumstances set forth in the Code and any other salient factors. The Independent Directors had also confirmed their independence in accordance with the Code.

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, taking into consideration the Director's number of listed company board representations and other principal commitments. Based on the individual Director's confirmation to the NC on his ability to carry out his duties as a Director of the Company and to address any competing time commitments that may arise, the NC believes that it would not be necessary to put a maximum limit on the number of listed company board representations of each Director.

Guideline 4.4 of the Code: Ensure Directors with multiple board representations give sufficient time and attention to the Company

The NC has evaluated the competing time commitments faced by Directors serving on multiple boards during the year and is satisfied that the Directors have spent adequate time on the Group's affairs to fulfill their responsibilities.

Currently, the Company does not have alternate directors.

Guideline 4.5 of the Code: Boards should avoid approving the appointment of alternative directors.

When the need for a new Director is identified, either to replace a retiring Director or to enhance the Board's capabilities, the NC will make recommendations to the Board regarding the identification and selection of suitable candidates based on the desired qualifications, skill sets, competencies and experience, which are required to supplement the Board's existing attributes. If need be, the NC may seek assistance from external search consultants for the selection of potential candidates. Directors and Management may also put forward names of potential candidates, together with their curriculum vitae, for consideration.

Guideline 4.6 of the Code: Description of process for selection and appointment of new Directors to be disclosed

The NC, after completing its assessment, meets with the short-listed candidates to assess their suitability, before submitting the appropriate recommendations to the Board for approval.

Information in respect of the academic and professional qualification, and directorship or chairmanship, both present and those held over the preceding three years in other listed companies, is set out in the "Board of Directors" section of the Annual Report. In addition, information on shareholdings in the Company and its related companies held by each Director is set out in the "Directors' Statement" section of the Annual Report.

Guideline 4.7 of the Code: Key information regarding Directors

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board

The NC, guided by its Terms of Reference, had decided on how the Board's performance is to be evaluated and has developed objective performance criteria, which address how the Board has enhanced long-term shareholders' value. The NC has implemented a process for assessing the effectiveness of the Board as a whole.

Guidelines 5.1 and 5.2 of the Code: Board to implement process to address how the Board's performance may be evaluated and disclose the process in Annual Report

In evaluating the Board's performance, the NC takes into account, inter alia, the Board composition, maintenance of independence, Board information, Board process, Board accountability, communication with top Management and standard of conduct.

The Board has not engaged any external consultant to conduct an assessment of the performance of the Board. Where relevant and when the need arise, the NC will consider such an engagement.

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The NC had unanimously decided that for FY2016, the performance of the Board Committees and the individual Directors would not be evaluated as the Independent Directors (who make up the majority of the members of the Board Committees) were only recently appointed (Mr Tan Wee Peng Kelvin was appointed in the 2nd half of FY2016 on 27 June 2016, and Mr Lim Yit Keong was only appointed after FY2016 on 18 November 2016).

Guideline 5.3 of the Code: Evaluation of each Director whether he/she continues to contribute effectively

The NC reviewed the mix of skills and experiences of the Directors that the Board requires to function competently and efficiently in achieving the Group's strategic objectives. When reviewing the Board's performance for FY2016, the NC is satisfied that the Board has a good mix of skills and expertise to meet the needs of the Group and noted the following points:

(a) Feedback received from the Directors and acted on their comments accordingly; and

(b) Individual Director's attendance at meetings of the Board, Board Committees and general meetings, individual Director's functional expertise and his/her commitment of time to the Company.

The Executive Chairman, in consultation with the NC, will, if necessary, propose steps to be undertaken to strengthen the Board's leadership so as to improve the effectiveness of the Board's oversight of the Company, and where appropriate, propose new members be appointed to the Board or seek the resignation of Directors.

Access to Information

Principle 6: Board members should be provided with complete, adequate and timely information

To enable the Board to function effectively and to fulfill its responsibilities, Management recognises its obligation to supply the Board and Board Committees with complete, adequate information in a timely manner. In addition, all relevant information on the Group's annual budgets, financial statements, material events and transactions complete with background and explanations are circulated to Directors as and when they arise. A system of communication between Management and the Board has been established and will improve over time.

Guidelines 6.1 and 6.2 of the Code: Board should have separate and independent access to Management; Management obliged to provide Board with adequate and timely information and include background and explanatory information

Each Director has been provided with the up-to-date contact particulars of the Company's key management personnel and the Company Secretaries to facilitate access to any required information. Any of the Company Secretaries attends all meetings of the Board and Board Committees and is responsible in ensuring that Board procedures and all other rules and regulations applicable to the Company are complied with. The Company Secretaries also advise the Board on corporate governance matters and they are also the channel of communication between the Company, the Company's Sponsor and the SGX-ST.

Guidelines 6.3 of the Code: Directors should have separate and independent access to Company Secretary; role of Company Secretary to be clearly defined

The appointment and removal of the Company Secretaries are subject to the approval of the Board as a whole.

Guidelines 6.4 of the Code: Appointment and removal of Company Secretary

In furtherance of their duties, the Directors, individually or as a group, may seek independent professional advice on matters relating to the businesses of the Group, at the Company's expense, subject to approval by the Board.

Guideline 6.5 of the Code: Procedure for Board to take independent professional advice at the Company's cost

II. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors

As at the date of this report, the RC comprises the following members, all of whom, including the RC Chairman, are Non-Executive, and of which two are Independent Directors:

Guideline 7.1 of the Code: RC to consist entirely of Non-Executive Directors

Lim Yit Keong	Chairman
Chu Wan Zhen	Member
Tan Wee Peng Kelvin	Member

The RC is regulated by a set of written Terms of Reference. Its key functions include:

(a) Reviewing and recommending to the Board for endorsement by the entire Board, a general framework of remuneration for the Board, the specific remuneration packages and terms of employment for each Director, the CEO (if the CEO is not a Director) and key management personnel and employee related to the Executive Directors or controlling shareholders of the Group;

(b) Reviewing and recommending for endorsement by the entire Board, share-based incentives or awards or any long term incentive schemes which may be set up from time to time, in particular to review whether Directors and key management personnel should be eligible for such schemes and also evaluating the cost and benefits of such scheme and doing all acts necessary in connection therewith;

(c) Carrying out its duties in the manner that it deemed expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board from time to time; and

(d) Ensuring that all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind are covered.

The RC recommends to the Board for endorsement, a framework of remuneration for the Board and key management personnel to ensure that the structure is competitive and sufficient to attract, retain and motivate senior management to run the Company successfully in order to maximize shareholder value.

Guideline 7.2 of the Code: RC to review and recommend to the Board a general framework of remuneration for the Board and key management personnel

There is a formal and transparent procedure for fixing the remuneration packages of the Directors. No individual Director is involved in deciding his/her own remuneration. Independent Directors are paid Directors' fees annually on a standard fee basis.

In reviewing the remuneration packages, the RC takes into account the current market circumstances and the need to attract and retain Directors of experience and good standing. The RC has full authority to obtain external professional advice on matters relating to remuneration should the need arise.

Guideline 7.3 of the Code: RC to seek expert advice

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The RC reviews the terms and conditions of service agreements of the Executive Director before their execution. In the course of such review, the RC will consider the Group's obligations arising in the event of termination of Executive Director and key management personnel, to ensure that the service agreements contain fair and reasonable termination clauses and are not overly generous so as to avoid rewarding poor performance.

Guideline 7.4 of the Code: RC to review the Company's obligations in the event of termination of Executive Directors and key management personnel

The service agreements entered into with the Executive Director commenced on the effective date and will automatically continue from year to year unless terminated in accordance with the terms of the agreement.

None of the Non-Executive Directors is on a service contract with the Company.

Level and Mix of Remuneration

Principle 8: Level of remuneration of Directors should be appropriate but not excessive

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Director and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Director (together with other key management personnel) is reviewed periodically by the RC and the Board.

Guideline 8.1 of the Code: Package should align Executive Directors' interest with shareholders' interest

The Executive Director does not receive any Directors' fee. The remuneration of the Executive Director and the key management personnel comprise primarily a basic salary component and a variable component which is inclusive of bonuses and other benefits.

Currently, the Company does not have long-term incentive schemes.

Guideline 8.2 of the Code: Long-term incentive schemes are encouraged

Directors' fees are set in accordance with a remuneration framework based on the level of responsibility and scope of work. The Non-Executive Directors are paid Directors' fees in accordance with their level of contributions, taking into account factors such as efforts and time spent, as well as responsibilities and obligations of the Directors. Directors' fees are recommended by the Board for approval by the shareholders at the AGM of the Company. The Board has endorsed the remuneration framework.

Guideline 8.3 of the Code: Remuneration of Non-Executive Directors dependent on contribution, effort, time spent and responsibilities

As at the date of this report, the Company does not use the contractual provisions to allow the Group to reclaim incentive components of remuneration from Executive Director and key management personnel in exceptional circumstances of misstatement of financial results, or misconduct resulting in financial loss to the Company. The Executive Director owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Director in the event of such breach of fiduciary duties.

Guideline 8.4 of the Code: To consider the use of contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors

Disclosure on Remuneration

Principle 9: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration

Guidelines 9.1, 9.2 and 9.3 of the Code: Remuneration of Directors and top five key management personnel

The Board has not included a separate annual remuneration report to shareholders in the Annual Report on the remuneration of Directors and the top five key management personnel (who are not Directors or the CEO of the Company) as the Board is of the view that the matters which are required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this report and in the financial statements of the Company.

The remuneration of each individual Director and key management personnel of the Group is however not disclosed as the Company believes that disclosure may be prejudicial to its business interests given the highly competitive environment it is operating in. Additionally, the Company has experienced turnover in Directors during FY2016 and the disclosure of remuneration does not give a meaningful picture to shareholders. The RC has reviewed the practice of the industry in this regard, weighing the advantages and disadvantages of such disclosure.

Disclosure on Directors' Fees and Remuneration

A breakdown of the level and mix of the remuneration payable to each individual Director for FY2016 is as follows:

Name of Director	Remuneration Band	Salary %	Director's Fees %	Performance Based Bonuses %	Other Benefits %	Total %
Present Directors						
Goh Chin Soon[1]	<$250,000	100	–	–	–	100
Chu Wan Zhen[2]	<$250,000	100	–	–	–	100
Tan Wee Peng Kelvin[3]	<$250,000	–	100	–	–	100
Lim Yit Keong[4]	Not applicable	–	–	–	–	–
Past Directors						
Andrew Chua Thiam Chwee [5]	<$250,000	–	–	–	–	–
Seah Chee Wei[6]	<$250,000	–	100	–	–	100
Jong Khee Beng Ainsley[7]	<$250,000	51	18	–	31	100
Neo Yim Pui[8]	<$250,000	100	–	–	–	100
Swee Kay Seng[9]	<$250,000	100	–	–	–	100
Chu Yi Han[10]	<$250,000	–	–	–	–	–
Tan Cheng Chuan[11]	<$250,000	100	–	–	–	100
Pok Mee Yau Karen[12]	<$250,000	–	100	–	–	100

(1) Appointed Executive Director on 17 December 2015. Subsequently appointed as Chairman of the Board and re-designated as Executive Chairman on 27 June 2016
(2) Relinquished role as Chairman of the Board and re-designated as Executive Director on 27 June 2016. Re-designated as Non-Executive Director on 6 October 2016
(3) Appointed on 27 June 2016
(4) Appointed on 23 November 2015; ceased on 7 December 2015
(5) Not a Director during FY2016; appointed on 18 November 2016
(6) Appointed on 15 May 2015; ceased on 4 February 2016
(7) Appointed on 11 March 2015; ceased on 4 February 2016
(8) Appointed on 23 November 2015; ceased on 4 February 2016
(9) Appointed on 23 November 2015; ceased on 4 February 2016
(10) Appointed on 23 November 2015; ceased on 4 February 2016
(11) Appointed 27 April 1995; ceased on 10 February 2016
(12) Appointed on 8 April 2015; ceased on 6 October 2016

Disclosure on Key Management Personnel's Remuneration

A breakdown of the remuneration bands payable to the key management personnel (who are not Directors or the CEO of the Company) for FY2016 is as follow:

Name of Key Management Personnel	Remuneration Band	Salary %	Fees %	Performance Based Bonuses %	Other Benefits %	Total %
Chua Heng Chuan Ronnie	<$250,000	100	–	–	–	100
Cheng MingMing	<$250,000	100	–	–	–	100

There are no employees who are immediate family members of any of the Directors and/or the CEO whose remuneration exceeded S$50,000 for FY2016.

Guideline 9.4 of the Code: Disclosure of remuneration of employees who are immediate family members of Director and whose remuneration exceeds S$50,000

No remuneration or compensation was paid or is to be paid in the form of share options, since the Company does not currently have any plan to implement share option or share incentive plans. However this does not rule out the possibility of the Company doing so in the future.

Guideline 9.5 of the Code: Details of employees share schemes

The Executive Director does not receive any Directors' fee. The Company advocates a performance-based remuneration system for Executive Director and key management personnel that is flexible and responsive to the market, comprising a base salary and other fixed allowances, as well as variable performance bonus which is based on the Group's performance and the individual's performance such as management skills, process skills, people skills and business planning skills. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

Guideline 9.6 of the Code: To disclose information on the link between remuneration paid to the Executive Directors and key management personnel, and performance

CORPORATE GOVERNANCE REPORT

III. ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: Presentation of a balanced and understandable assessment of the Company's performance, position and prospects

The Board recognises that it is accountable to shareholders for the performance of the Group. The Board should provide shareholders a balanced and understandable assessment of the Group's performance, financial position and prospects through half-year and full-year financial results announcements as well as timely announcements of other matters as prescribed by relevant rules and regulations. Management is accountable to the Board by providing the Board with necessary financial information for discharge of its duties.

Guideline 10.1 of the Code: Board's responsibility to provide balances, understandable assessment of the Company's performance and position on interim basis

The announcements of the financial results for the half year ended 30 April 2016 and the full financial year ended 31 October 2016 were not released in a timely manner. The delay was due to, amongst others, numerous changes to the composition of the Board and Board Committees, changes to the management team of the Company including the current lack of a Chief Financial Officer, post completion events arising from the acquisition of Regal Motors Pte. Ltd. and the disposal of the Group's subsidiaries undertaken during FY2016. In view of the above, the Company sought extensions of time from the SGX-ST to release the financial results for the respective periods. The Company announced the financial results for the half year ended 30 April 2016 on 19 August 2016 and the full financial year ended 31 October 2016 on 10 April 2017 respectively.

The Board has since taken further steps to ensure compliance with legislative and regulatory requirements with all of the Group's operational practices and procedures and relevant regulatory requirements. Moving forward, the Board will ensure timely release of the Group's financial results announcements to comply with the requirements of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

Management keeps the Board regularly updated on the Group's business activities and financial performance by providing operations reports on a regular basis. Such reports include information on:

Guideline 10.3 of the Code: Management should provide the Board with management accounts on a monthly basis

- The Group's actual performance against the approved budget and where appropriate, against forecast; and
- Key business indicators and major issues that is relevant to the Group's performance.

Risk Management and Internal Controls

Principle 11: Sound system of risk management and internal controls

The Board is responsible for the governance of risk and sets the direction for the Group in the way risks are managed in the Group's businesses. Management of all forms of business risk continues to be an important part of ensuring that the Group creates and protects value for its shareholders. The main risk faced by the Group is credit risk which is primarily attributable to its trade receivables.

Guidelines 11.1 of the Code: Board to determine the Company's levels of risk tolerance and risk policies

The Company's current approach to risk management is set out on pages 19 to 21 of this Annual Report.

CORPORATE GOVERNANCE REPORT

Guideline 11.2 of the Code: Board to review adequacy of risk management and internal control systems

The Independent Directors (who make up the majority of the members of the AC) were only recently appointed (Mr Tan Wee Peng Kelvin was appointed in the 2nd half of FY2016 on 27 June 2016, and Mr Lim Yit Keong was only appointed after FY2016 on 18 November 2016). As such, the AC, together with the Board, requires more time to fully assess the Group's internal controls and risk management policies and processes to be assured that there are adequate internal controls in place.

Notwithstanding the above, the Board is committed to maintaining a sound system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems to safeguard the interests of the shareholders and the Group's assets. The Company intends to improve its risk management policies and processes and internal controls through the following:

1. Appointment of a Chief Financial Officer

   As at the date of this report, the Company does not have a Chief Financial Officer. The Company has been actively searching for a suitably qualified candidate to take on this role since the resignation of the Acting Chief Financial Officer, Mr Yong Chor Ken, on 31 August 2016. As the Chief Financial Officer assumes his role, he will be tasked to oversee the financial controls and improving internal controls.

2. Internal Audit

   The Company has engaged a suitable accounting firm, BDO LLP, to provide internal audit function to the Group. The Internal Auditors have been engaged to carry out a comprehensive review of the internal controls of the Group, and to make recommendations for improvement. The AC noted that the appointed internal auditors are adequately qualified and resourced, and have the appropriate standing to discharge its duties effectively.

Guideline 11.3 of the Code: Board to comment on the adequacy and effectiveness of the internal controls

As mentioned above, the AC, together with the Board, requires more time to fully assess the Group's internal controls and risk management policies and processes to be assured that there are adequate internal controls in place. The Board is committed to maintaining a sound system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems to safeguard the interests of the shareholders and the Group's assets. To achieve this, regular internal reviews will be undertaken to ensure that the system of internal controls maintained by the Group is sufficient to provide reasonable assurance that the Group's assets are safeguarded against loss from unauthorised use or dispositions, transactions are properly authorised and proper financial records are being maintained.

As for the operational and compliance controls, the Group has and will periodically review these control areas through the various heads of department, and will make improvements with the assistance of regular internal review.

Guideline 11.3 of the Code: Board to comment on the adequacy and effectiveness of the internal controls

For FY2016, the Board has received assurance from the Executive Chairman that:

(a) 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) the system of risk management and internal control in place within the Group (including financial, operational and compliance and information technology) are sufficiently adequate and effective in addressing the material risks in the Group in its current business environment.

As mentioned above, the AC, together with the Board, requires more time to fully assess the Group's internal controls and risk management policies and processes to be assured that there are adequate internal controls in place. The Board is of the opinion that the on-going review and continuing efforts to enhance the adequacy of internal controls, including financial, operational, compliance and information technology controls, and the risk management systems, through the appointment of a Chief Financial Officer and engagement of internal auditors, is adequate.

Catalist Rule 1204(10)

The Company manages risks under an overall strategy determined by the Board and supported by the AC, RC and NC respectively. The Company sets acceptable risk management standards and periodically reviews the risks that the Group is subject to.

Guideline 11.4 of the Code: Board to assess appropriate means to assist in carrying out its responsibility of overseeing the Company's risk management framework and policies

As mentioned above, the AC, together with the Board, requires more time to fully assess the Group's internal controls and risk management policies and processes to be assured that there are adequate internal controls in place. The AC however notes that the existing system of internal controls and risk management established by the Group should provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as the Group strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 12: Establishment of Audit Committee with written terms of reference

As at the date of this report, the AC comprises the following three members, all of whom, including the AC Chairman, are Non-Executive, and of which two are Independent Directors:

Guideline 12.1 of the Code: AC should comprise at least three Directors, all non-executive, and the majority of whom, including the Chairman, are independent

Tan Wee Peng Kelvin	Chairman
Chu Wan Zhen	Member
Lim Yit Keong	Member

The Board is of the opinion that the majority of members of the AC have many years of experience in accounting and finance, is of the view that they are appropriately qualified to discharge the responsibilities of the AC.

Guideline 12.2 of the Code: Board to ensure AC members are qualified

The AC is authorised by the Board to investigate any matters within its Terms of Reference. It has unrestricted access to information pertaining to the Group, to external auditors, and to all employees of the Group. Reasonable resources have been made available to the AC to enable it to discharge its duties properly.

Guideline 12.3 of the Code: AC to have explicit authority to investigate and have full access to Management and reasonable resources

CORPORATE GOVERNANCE REPORT

Guideline 12.4 of the Code: Duties of the AC

The AC is regulated by a set of written Terms of Reference. The principal functions of the AC include:

(a) Reviewing with the external auditors on the audit plan, the evaluation of the system of internal accounting controls, the audit report and the management letter and Management's response;

(b) Ensuring co-ordination where more than one audit firm is involved;

(c) Reviewing the half-year and annual financial statements to ensure integrity of the said financial statements before the Board for approval prior to release to the SGX-ST;

(d) Reviewing any formal announcements relating to the Company's financial performance;

(e) Discussing problems and concerns, if any, arising from the interim and final audits, in consultation with the external auditors and the internal auditors where necessary;

(f) Meeting with the external auditors and with the internal auditors without the presence of Management, at least annually, to discuss any problems and concerns they may have;

(g) Reviewing the assistance given by Management to the external auditors;

(h) Reviewing annually the scope and results of the external audit and its cost effectiveness as well as the independence and objectivity of the external auditors;

(i) Reviewing the internal audit program and the adequacy and effectiveness of the Company's internal audit function, as well as to ensure co-ordination between the internal and external auditors and Management;

(j) Overseeing and advising the Board in formulating its risk policies to effectively identify and manage the Company's current (and future) risks in its financial, operational, compliance and information technology systems and all strategic transactions to be undertaken by the Company;

(k) Overseeing the design and implementation of the overall risk management systems and internal control systems (including financial, operational, compliance and information technology controls);

(l) Reviewing the adequacy and effectiveness of the Company's risk management and internal control systems (including financial, operational, compliance and information technology controls) and to report to the Board annually;

(m) Reviewing the scope and results of the internal audit procedures including effectiveness of the internal audit functions and ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company;

(n) Reviewing and discussing with the external auditors, any suspected fraud or irregularity, or suspect infringement of any law, rules and regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and Management's response;

(o) Investigating any matter within its Terms of Reference, with full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;

(p) Reviewing policy and arrangements by which staff of the Company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensuring that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up actions to be taken;

(q) Reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(r) Reviewing interested person transactions falling within the scope of the listing rules;

(s) Approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting firm/auditing firm or corporation which the internal audit function is outsourced. The AC also ensures that the internal audit function is staffed with persons with the relevant qualification and experience and that they carry out their function according to the standards set by nationally or internationally recognized professional bodies, including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors;

(t) Recommending to the Board the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(u) Reviewing the audit representation letters before consideration by the Board, giving particular consideration to matters that related to non-standard issues;

(v) Undertaking such other reviews and projects as may be requested by the Board; and

(w) Undertaking such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time.

The AC met two times during FY2016 to review the audit plan/report, the audit findings, the reports on interested person transactions, the reports on internal audit activities for the year (including updates on the findings in relation thereto) and the announcements of the half-year and full-year financial results before being approved by the Board for release to the SGX-ST.

The AC reviews the scope and results of the internal audit procedures, including the effectiveness of the internal audit functions and ensures that the internal audit function is adequately resourced and has appropriate standing within the Company and the adequacy of the internal audit function. As at the date of this report, the Company does not have a Chief Financial Officer and the Company is currently in the midst of sourcing for a suitable candidate to take on this role. This Chief Financial Officer, will be tasked to oversee the implementation of any improvement to the weaknesses in the internal controls.

The AC has full access to and the co-operation of Management and reasonable resources to enable it to discharge its functions properly. The AC meetings are held with the external auditors and by invitation, any Director and representatives from Management. The AC also meets with the external auditors, Messrs Baker Tilly TFW LLP, without the presence of Management, at least annually, to discuss any problems and concerns they may have.

Guideline 12.5 of the Code: AC to meet external and internal auditors without the presence of Management, annually

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The AC had undertaken a review of all non-audit services provided by the external auditors and was of the opinion that the provision of such services would not affect their independence.

Guideline 12.6 of the Code: AC to review independence of external auditors

Total fees paid by the Group to the external auditors for audit and non-audit services are as disclosed:

External Auditor Fees for FY2016	S$	% of Total
Total audit fees	73,000	100
Total non-audit fees	–	–
Total Fees payable	73,000	100

The Company's external auditors are a firm of Chartered Accountants in Singapore registered with the Accounting and Corporate Regulatory Authority. The Company's external auditors are engaged to audit the financial statements of the Company and its Singapore-incorporated subsidiary. The Company does not have any foreign-incorporated subsidiaries and associated companies. Accordingly, the Company complies with the requirements of Rules 712 and 715 of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

Catalist Rules 712 and 715

The AC has also put in place a policy whereby staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters and ensure that arrangements are in place for independent investigations of such matters and for appropriate follow up actions.

Guideline 12.7 of the Code: AC to review arrangements for staff to raise concerns/possible improprieties to AC

The AC members take measures to keep abreast of changes of accounting standards and issues which have a direct impact on financial statements through attending training and seminars as well as receiving updates from the Group's external auditors.

Guideline 12.8 of the Code: AC to keep updated on changes to accounting standards

None of the members of the AC is a partner or Director of the Company's existing auditing firm or auditing corporation.

Guideline 12.9 of the Code: Director of the Company's existing auditing firm should not act as member of the AC

Internal Audit

Principle 13: Effective and independent internal audit function

The Board recognises the importance of maintaining a system of internal controls, procedures and processes for the Group to safeguard the shareholders' investments and the Group's assets.

Guideline 13.1 of the Code: IA to report to AC Chairman

Although there was no internal auditors appointed during FY2016, the key features of the control environment include the Terms of Reference for the Board Committees, a clear organisation structure and methods of assigning authority and responsibility, Management's internal control systems, and defined procedures for the approval of major transactions are the methods used by the Group to safeguard the shareholders' investment.

As the size of the operations of the Group does not warrant the Group having an in-house internal audit function, the Company has outsourced its internal audit function to an independent external service provider who will report directly to the AC.

The AC reviews the needs of the internal audit function on a regular basis, including overseeing and monitoring the implementation of the improvements required for various internal control weaknesses identified by Management and external auditors. However, as the Independent Directors (who make up the majority of the members of the AC) were only recently appointed (Mr Tan Wee Peng Kelvin was appointed in the 2nd half of FY2016 on 27 June 2016, and Mr Lim Yit Keong was only appointed after FY2016 on 18 November 2016), the AC, requires more time to fully assess the Group's internal controls and risk management policies and processes to be assured that there are adequate internal controls in place. The AC is of the opinion that the on-going review and continuing efforts to enhance the adequacy of internal controls, including financial, operational, compliance and information technology controls, and the risk management systems, through the appointment of a Chief Financial Officer and engagement of internal auditors, is adequate.

Guideline 13.2 of the Code: AC to ensure internal audit function is adequately resourced

Upon the completion of the Company's acquisition of Regal Motors Pte. Ltd. and subsequent divestment of the Group's subsidiaries in FY2016, this results in the Company having only one operating subsidiary currently. No internal audit was performed in FY2016 due to this transition as it was decided that some time is required for this transition. For FY2017, the Company has since engaged a suitable accounting firm, BDO LLP, to provide internal audit function to the Group. The internal auditors have been engaged to carry out a comprehensive review of the internal controls of the Group, and to make recommendations for improvement. The AC noted that the appointed internal auditors are adequately qualified and resourced, and have the appropriate standing to discharge its duties effectively.

Guideline 13.3 of the Code: Internal audit function staffed with relevant experienced personnel

Guideline 13.4 of the Code: Internal auditor should meet standards set by internationally recognized professional bodies

Guideline 13.5 of the Code: AC to ensure adequacy and effectiveness of the internal audit function

IV. SHAREHOLDERS RIGHTS AND RESPONSIBILITIES

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

The Board recognises that it is accountable to shareholders for the Group's performance. The Board believes in transparency and strives towards timeliness in the dissemination of material information to the Company's shareholders and the public. Pertinent information will be disclosed to shareholders through the SGXNet and press releases in a fair and equitable manner.

Guideline 14.1 of the Code: To facilitate the exercise of ownership rights by all shareholders

The Company encourages shareholders' participation during the general meetings. Shareholders are able to engage the Board and Management on the Group's business activities, financial performance and other business-related matters during the general meetings. Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures.

Guideline 14.2 of the Code: Company to ensure the shareholders have the opportunity to participate effectively in and vote at general meetings

The Company allows any shareholder, who is unable to attend the general meetings in person, to appoint not more than two proxies to attend and vote in his/her place at the general meetings via proxy forms submitted in advance (i.e. not less than forty-eight hours before the time appointed for holding the general meeting). The proxy form is sent with the notice of general meetings to all shareholders.

Guideline 14.3 of the Code: Company to allow certain corporations to appoint more than two proxies

CORPORATE GOVERNANCE REPORT

In line with the Group's disclosure obligations pursuant to the Listing Manual Section B: Rules of Catalist of the SGX-ST and the Act, the Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner for all material developments that impact the Group through SGXNet on an immediate basis.

Guidelines 15.1 and 15.2 of the Code: Company to devise an effective investor relations policy to regularly convey pertinent information to shareholders and disclose information on a timely basis through SGXNet

Copies of the Annual Report, the Circular and the Notices of the AGM and/or Extraordinary General Meetings, where applicable, are sent to every shareholder of the Company. The Notices of the general meetings are also advertised in the newspapers and released via SGXNet.

The Company does not practice selective disclosure of material information. The Group makes all necessary disclosures to the public via SGXNet.

Before and after every general meeting, the Chairman and other members of the Board will engage in dialogue with shareholders, to gather views or inputs, and address shareholders' concerns.

Guidelines 15.3 of the Code: Company to establish and maintain regular dialogue with shareholders

The Company also solicits the views of the shareholders through analyst briefings and meetings with investors and fund managers, where necessary. The Company is open to meetings with investors and analysts, and in conducting such meetings, the Company is mindful of the need to ensure fair disclosure.

Guideline 15.4 of the Code: Steps that the Company takes to solicit and understand the views of the shareholders

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results or operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate.

Guideline 15.5 of the Code: Companies are encouraged to have a dividend policy

For the time being, the Board is of the view that this is adequate to enable shareholders to participate in general meetings of the Company and is not proposing to amend its Constitution to allow votes in absentia.

Guideline 16.1 of the Code: Shareholders should be allowed to vote in absentia

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. "Bundling" of resolutions are kept to a minimum and are done only where the resolutions are interdependent so as to form one significant proposal and only where there are reasons and material implications justifying the same.

Guideline 16.2 of the Code: Company should avoid "bundling" resolutions

The Board, the Chairmen of the Board Committees, Management and external auditors are available at general meetings to address any questions the shareholders may have concerning the Group.

Guideline 16.3 of the Code: Committee Chairman and external auditors to be present at AGM

The Company records minutes of all general meetings and questions and comments from shareholders together with the responses of the Board and Management. These are available to shareholders at their request.

Guideline 16.4 of the Code: Minutes to be available to shareholders

In support of greater transparency of the voting process and to enhance shareholders' participation, the Company puts all resolutions proposed at the general meetings to vote by poll since 2016. Shareholders who are present in person or represented by proxies will be entitled to one vote for each share held. A scrutineer is appointed to count and validate the votes cast at the general meetings. The total number of votes cast for and against each resolution and the respective percentage are announced and released to the SGX-ST via SGXNet.

Guideline 16.5 of the Code: Company to put all resolutions to vote by poll

CORPORATE GOVERNANCE REPORT

DEALINGS IN SECURITIES

The Company has adopted an internal Code of Best Practices on dealings in the securities to provide guidance to the officers, including Directors, of the Group with regard to dealings in the Company's securities.

The Code of Best Practices prohibits the officers of the Group from dealing in the Company's securities during the period commencing two weeks before the announcement of each of the Company's half-year financial results and one month before the announcement of the Company's full-year financial results and ending on the date of announcement of those results, or when they are in possession of the unpublished price sensitive information of the Group. Notifications of the 'closed window' periods are sent to all officers concerned.

The Directors are also required to notify the Company of any dealings in the Company's securities within two days of the transaction and to submit an annual confirmation on their compliance with the Code of Best Practices.

In addition, the Directors, key management personnel and employees of the Group are discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS

The Company has established internal control procedures to ensure the transactions with interested persons are properly reviewed and approved by the AC and conducted at arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The Company does not have a general mandate on Interested Person Transactions ("**IPTs**"). Should there be a need to; the Company will hold an Extraordinary General Meeting to seek the necessary shareholders' approval.

The AC has reviewed the IPTs for FY2016 and is of the view that the transactions were on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholder.

Aggregate value of all IPTs during the year under review (excluding transactions less than S$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920) is as follows:-

	Group	
	2016	2015
	$	$
Nil	Nil	Nil

MATERIAL CONTRACTS

Save as disclosed in the Company's financial statements and the consultancy agreement entered into between the Company and Madam Chu Wan Zhen, being the Non-Executive Director of the Company, on 6 October 2016, at a monthly rate of S$20,000, there were no other material contracts to which the Company or any subsidiary company is a party and which involve the former CEO, Directors or controlling shareholders' interests, either still subsisting at the end of the financial year, or if not then subsisting, have been entered into since the end of the previous financial year.

NON-SPONSOR FEES

No non-sponsor fees were paid to the Company's sponsor, Stamford Corporate Services Pte Ltd.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Transcorp Holdings Limited (the "Company") and its subsidiary (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 October 2016.

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company as set out on pages 33 to 80 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company at 31 October 2016 and of the financial performance, changes in equity, and cash flows of the Group and changes in equity of the Company for the financial year then ended in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore; and

(b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Goh Chin Soon	Executive Chairman
Chu Wan Zhen	Non-Executive Director
Tan Wee Peng Kelvin	(Appointed on 27 June 2016)
Lim Yit Keong	(Appointed on 18 November 2016)

Arrangements to enable directors to acquire shares or debentures

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

Directors' interests in shares and debentures

The directors of the Company holding office at the end of the financial year had no interests in the share and debentures of the Company and related companies as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act except as follows:

	Number of ordinary shares			
	Shareholdings registered in their own names		Shareholdings in which a director is deemed to have an interest	
Name of directors and Company in which interest is held	At 1.11.2015/ date of appointment	At 31.10.2016	At 1.11.2015/ date of appointment	At 31.10.2016
Company				
Chu Wan Zhen	–	–	53,165,039 #	70,616,151 #

Pursuant to the Act, Chu Wan Zhen is deemed to have an interest in the shares of the Company held by SG Royal Group Pte. Ltd. in which she is the controlling shareholder.

Directors' interests in shares and debentures (cont'd)

Chu Wan Zhen, by virtue of her interest of not less than 20% of the issued share capital of the Company is deemed to have an interest in the shares held by the Company in the following subsidiary that is not wholly-owned by the Group:

	Number of ordinary shares	
	At 1.11.2015/ date of appointment	At 31.10.2016
Subsidiary		
Regal Motors Pte. Ltd.	–	5,309,735

The directors' interest in the ordinary shares of the Company as at 21 November 2016 were the same as those as at 31 October 2016.

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

Share options

No option to take up unissued shares of the Company or any corporation in the Group was granted during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group whether granted before or during the financial year.

There were no unissued shares of the Company or any corporation in the Group under option at the end of the financial year.

Audit committee

The Audit Committee ("AC") carried out its functions in accordance with Section 201B(5) of the Act, including the following:

- Reviewed the audit plans of the external auditors of the Group and the Company and the assistance given by the Group and the Company's management to the external auditors;
- Reviewed the annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management;
- Met with the external auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditors;
- Reviewed the nature and extent of non–audit services provided by the external auditors;
- Recommended to the Board of Directors the external auditors to be nominated, approved the compensation of the external auditors, and reviewed the scope and results of the audit;

DIRECTORS' STATEMENT

Audit committee (cont'd)

- Reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considers appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual Section B: Rules of Catalist.

The AC, having reviewed all non–audit services provided by the external auditors to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditors. The AC has also conducted a review of interested person transactions.

The AC convened two meetings during the financial year with attendance from majority of members. The AC has also met with external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Goh Chin Soon
Director

Chu Wan Zhen
Director

10 April 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of Transcorp Holdings Limited and its Subsidiary

Report on the Financial Statements

We have audited the accompanying financial statements of Transcorp Holdings Limited (the "Company") and its subsidiary (the "Group") set out on pages 33 to 80, which comprise the balance sheets of the Group and Company as at 31 October 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial 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 Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 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 balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and FRSs so as to give a true and fair view of the financial position of the Group and Company as at 31 October 2016 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

INDEPENDENT AUDITOR'S REPORT

To the Members of Transcorp Holdings Limited and its Subsidiary

Report on the Financial Statements (cont'd)

Other Matters
The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 October 2015 were audited by another auditor whose report dated 11 January 2016 expressed an unmodified opinion on those financial statements.

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

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

10 April 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 October 2016

	Note	Group 2016 $	(Note 9) 2015 $ (Restated)
Continuing operations			
Revenue	3	**6,720,343**	–
Cost of sales		**(6,700,631)**	–
Gross profit		**19,712**	–
Other income	4	**91,753**	600
Expenses			
Administrative expenses		**(3,710,623)**	(738,273)
Finance costs	5	**(78,948)**	–
Other operating expenses	6	**(6,705,210)**	–
Loss before tax	7	**(10,383,316)**	(737,673)
Income tax credit	8	**133,907**	–
Loss from continuing operations, net of tax		**(10,249,409)**	(737,673)
Profit/(loss) from discontinued operations, net of tax	9	**3,316,545**	(528,012)
Loss for the financial year		**(6,932,864)**	(1,265,685)
Other comprehensive income/(loss):			
Items that are or may be reclassified subsequently to profit or loss:			
Fair value gains on available-for-sale financial assets		**59,661**	55,190
Reclassification adjustment on available-for-sale financial assets		**(114,851)**	–
Currency translation differences arising on consolidation		**(2,183)**	(23,081)
Realisation of currency translation differences on disposal of subsidiaries		**1,213,699**	–
Other comprehensive income for the financial year, net of tax		**1,156,326**	32,109
Total comprehensive loss for the financial year		**(5,776,538)**	(1,233,576)

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 October 2016

	Note	Group 2016 $	(Note 9) 2015 $ (Restated)
Loss attributable to:			
Equity holders of the Company		**(6,755,583)**	(1,265,685)
Non-controlling interest		**(177,281)**	–
Loss for the financial year		**(6,932,864)**	(1,265,685)
(Loss)/profit attributable to equity holders of the Company relates to:			
Loss from continuing operations		**(10,249,409)**	(737,673)
Profit/(loss) from discontinued operations		**3,316,545**	(528,012)
		(6,932,864)	(1,265,685)
Total comprehensive loss attributable to:			
Equity holders of the Company		**(5,599,257)**	(1,233,576)
Non-controlling interest		**(177,281)**	–
		(5,776,538)	(1,233,576)
(Losses)/earnings per share for (loss)/profit attributable to equity holders of the Company (cents per share)			
Basic – continuing and discontinued operations		**(3.00)**	(0.71)
Diluted – continuing and discontinued operations		**(3.00)**	(0.71)
Basic – continuing operations	10	**(4.47)**	(0.41)
Diluted – continuing operations	10	**(4.47)**	(0.41)
Basic – discontinued operations	9	**1.47**	(0.30)
Diluted – discontinued operations	9	**1.47**	(0.30)

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

BALANCE SHEETS

As at 31 October 2016

	Note	Group 2016 $	Group 2015 $	Company 2016 $	Company 2015 $
Non-current assets					
Property, plant and equipment	11	**2,786,126**	114,576	**8,247**	–
Investment properties	12	**–**	3,011,635	**–**	–
Investment in subsidiaries	13	**–**	–	**7,616,921**	7,081,327
Investment securities	14	**–**	1,312,373	**–**	–
Loan to investee company	15	**–**	4,966,944	**–**	–
Deposit in escrow account		**–**	2,800,000	**–**	50,000
Total non-current assets		**2,786,126**	12,205,528	**7,625,168**	7,131,327
Current assets					
Inventories	16	**5,707,238**	–	**–**	–
Trade and other receivables	17	**17,130,736**	75,235	**15,337,727**	7,802,995
Prepayments		**81,927**	82,306	**22,618**	77,430
Cash and cash equivalents		**481,373**	5,940,271	**242,383**	5,515,947
Total current assets		**23,401,274**	6,097,812	**15,602,728**	13,396,372
Total assets		**26,187,400**	18,303,340	**23,227,896**	20,527,699
Non-current liabilities					
Finance lease liabilities	18	**873,369**	–	**–**	–
Other payable	20	**1,238,092**	–	**1,238,092**	–
Deferred tax liabilities	19	**433,316**	–	**–**	–
Total non-current liabilities		**2,544,777**	–	**1,238,092**	–
Current liabilities					
Trade and other payables	20	**1,485,522**	147,692	**84,379**	550,390
Finance lease liabilities	18	**223,333**	–	**–**	–
Income tax payable		**175,306**	283,190	**–**	–
Total current liabilities		**1,884,161**	430,882	**84,379**	550,390
Total liabilities		**4,428,938**	430,882	**1,322,471**	550,390
Net assets		**21,758,462**	17,872,458	**21,905,425**	19,977,309
Equity					
Share capital	21	**27,167,767**	18,541,551	**27,167,767**	18,541,551
Accumulated (losses)/profits		**(6,268,350)**	487,233	**(5,262,342)**	1,435,758
Other reserves		**–**	(1,156,326)	**–**	–
Equity attributable to equity holders of the Company		**20,899,417**	17,872,458	**21,905,425**	19,977,309
Non-controlling interest		**859,045**	–	**–**	–
Total equity		**21,758,462**	17,872,458	**21,905,425**	19,977,309

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 October 2016

	← Attributable to equity holders of the Company →						
	Share capital $	Accumulated profits/(losses) $	Fair value adjustment reserve $	Foreign currency translation reserve $	Total $	Non-controlling interest $	Total equity $
Group							
Balance at 1 November 2015	18,541,551	487,233	55,190	(1,211,516)	17,872,458	–	17,872,458
Loss for the financial year	–	(6,755,583)	–	–	(6,755,583)	(177,281)	(6,932,864)
Other comprehensive income/(loss)							
Fair value gains on available-for-sale financial assets	–	–	59,661	–	59,661	–	59,661
Reclassification adjustment on available-for-sale financial assets	–	–	(114,851)	–	(114,851)	–	(114,851)
Currency translation differences arising on consolidation	–	–	–	(2,183)	(2,183)	–	(2,183)
Realisation of currency translation differences on disposal of subsidiaries	–	–	–	1,213,699	1,213,699	–	1,213,699
Other comprehensive (loss)/income for the financial year, net of tax	–	–	(55,190)	1,211,516	1,156,326	–	1,156,326
Total comprehensive (loss)/income for the financial year	–	(6,755,583)	(55,190)	1,211,516	(5,599,257)	(177,281)	(5,776,538)
Issue of shares (Note 21)	8,626,216	–	–	–	8,626,216	–	8,626,216
Acquisition of a subsidiary (Note 13)	–	–	–	–	–	1,036,326	1,036,326
Balance at 31 October 2016	**27,167,767**	**(6,268,350)**	**–**	**–**	**20,899,417**	**859,045**	**21,758,462**

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 October 2016

	← Attributable to equity holders of the Company →				
	Share capital $	Accumulated profits/(losses) $	Fair value adjustment reserve $	Foreign currency translation reserve $	Total equity $
Group					
Balance at 1 November 2014	18,541,551	1,752,918	–	(1,188,435)	19,106,034
Loss for the financial year	–	(1,265,685)	–	–	(1,265,685)
Other comprehensive income					
Fair value gains on available-for-sale financial assets	–	–	55,190	–	55,190
Currency translation differences arising on consolidation	–	–	–	(23,081)	(23,081)
Other comprehensive income/(loss) for the financial year, net of tax	–	–	55,190	(23,081)	32,109
Total comprehensive (loss)/income for the financial year	–	(1,265,685)	55,190	(23,081)	(1,233,576)
Balance at 31 October 2015	18,541,551	487,233	55,190	(1,211,516)	17,872,458

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 October 2016

	Share capital $	Accumulated profits/(losses) $	Total $
Company			
Balance at 1 November 2014	18,541,551	2,306,634	20,848,185
Loss and total comprehensive loss for the financial year	–	(870,876)	(870,876)
Balance at 31 October 2015	18,541,551	1,435,758	19,977,309
Profit and total comprehensive loss for the financial year	–	(6,698,100)	(6,698,100)
Issue of shares (Note 21)	8,626,216	–	8,626,216
Balance at 31 October 2016	**27,167,767**	**(5,262,342)**	**21,905,425**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 October 2016

	Note	Group 2016 $	2015 $ (Restated)
Cash flows from operating activities			
Loss before tax from continuing operations		**(10,383,316)**	(737,673)
Profit/(loss) before tax from discontinued operations	9	**3,316,545**	(420,890)
Loss before tax, total		**(7,066,771)**	(1,158,563)
Adjustments for:			
Amount due from disposed subsidiaries written off		**316,600**	–
Bad debt written off		**–**	80,277
Depreciation of investment properties	12	**166,588**	327,880
Depreciation of property, plant and equipment	11	**230,282**	137,766
Finance costs	5	**78,948**	–
Gain on disposal of subsidiaries	9	**(3,302,328)**	–
Impairment loss on investment securities		**–**	146,706
Impairment of goodwill	13	**6,388,610**	–
Interest income on loan to investee company	9	**(124,174)**	(236,521)
Property, plant and equipment written off	11	**–**	1,040
Unrealised exchange gains		**–**	(22,949)
Operating cash flows before changes in working capital		**(3,312,245)**	(724,364)
Increase in trade and other receivables		**(10,625,983)**	(36,940)
Decrease in prepayments		**13,272**	5,134
Decrease in inventories		**1,385,023**	15,487
Increase/(decrease) in trade and other payables		**8,729,040**	(584,796)
Cash used in operations		**(3,810,893)**	(1,325,479)
Income taxes paid, net of refund		**(244,583)**	(2,853)
Net cash used in operating activities		**(4,055,476)**	(1,328,332)
Cash flows from investing activities			
Purchases of property, plant and equipment	11	**(419,479)**	(2,185)
Proceeds from disposal of subsidiaries	9	**3,851,700**	–
Net cash paid for acquisition of subsidiary	13	**(4,461,295)**	–
Net cash used in investing activities		**(1,029,074)**	(2,185)
Cash flows from financing activity			
Repayment of finance lease liabilities, representing net cash used in financing activity		**(374,348)**	–
Net decrease in cash and cash equivalents		**(5,458,898)**	(1,330,517)
Effect of exchange rate changes on cash and cash equivalents		**–**	(2,159)
Cash and cash equivalents at beginning of financial year		**5,940,271**	7,272,947
Cash and cash equivalents at end of financial year		**481,373**	5,940,271

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 October 2016

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

1. Corporate information

The Company (Co. Reg. No. 199502905Z) is listed on the Singapore Exchange Securities Trading Limited ("SGX") and incorporated and domiciled in Singapore. The address of its registered office is at 1 Kim Seng Promenade, #17-04 Great World City, Singapore 237994.

The principal activities of the Company is investment holding.

The principal activities of the significant subsidiaries are disclosed in Note 13 to the financial statements.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements are presented in Singapore dollar ($), which is the Company's functional currency. The financial statements have been prepared in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumption 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 and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 2(x).

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables and finance lease liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial year, the Group has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs. The adoption of these new/revised FRSs and INT FRSs did not have any material effect on the financial results or position of the Group and the Company.

2. Summary of significant accounting policies (cont'd)

(a) Basis of preparation (cont'd)

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 October 2016 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company, except as follows:

FRS 115 Revenue from Contracts with Customers

FRS 115 replaces FRS 18 'Revenue', FRS 11 'Construction contracts' and other revenue-related interpretations. It applies to all contracts with customers, except for leases, financial instruments, insurance contracts and certain guarantee contracts and non-monetary exchange contracts. FRS 115 provides a single, principle-based model to be applied to all contracts with customers. An entity recognises revenue in accordance with the core principle in FRS 115 by applying a 5-step approach.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. FRS 115 includes disclosure requirements that will result in disclosure of comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Based on the existing sources of revenue as at 31 October 2016, management does not anticipate that the application of FRS 115 will have a material impact on the Group's financial statements. Further evaluation will be undertaken should the source of revenue change in the financial year when FRS 115 becomes effective.

FRS 109 Financial Instruments

FRS 109 which replaces FRS 39, includes guidance on (i) the classification and measurement of financial assets and financial liabilities; (ii) impairment requirements for financial assets; and (iii) general hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace FRS 39 incurred loss model.

(a) *Classification and measurement*

While the Group has yet to undertake a detailed assessment of the classification and measurement of its financial assets, the Group does not expect a significant change to the measurement basis arising from adopting the new classification and measurement model under FRS 109. Loan and receivables that are currently accounted for at amortised cost will continue to be accounted using amortised cost model under FRS109.

(b) *Impairment*

FRS 109 requires the Group to record expected credit losses on loans and receivables, either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses on all trade receivables.

The Group has not undertaken a detailed assessment of the impact of the impairment provisions under FRS 109 but the Group expects that the new expected loss model may result in an earlier recognition of credit losses.

The Group plans to adopt the standard when it becomes effective in financial year ending 31 October 2019.

2. Summary of significant accounting policies (cont'd)

(a) Basis of preparation (cont'd)

FRS 116 Leases

FRS 116 replaces the existing FRS 17: *Leases*. It reforms lessee accounting by introducing a single lessee accounting model. Lessees are required to recognise all leases on their balance sheets to reflect their rights to use leased assets (a "right-of-use" asset) and the associated obligations for lease payments (a lease liability), with limited exemptions for short term leases (less than 12 months) and leases of low value items. The accounting for lessors will not change significantly.

The standard is effective for annual periods beginning on or after 1 January 2019. The Group will assess the potential impact of FRS 116 and plans to adopt the standard on the required effective date.

Convergence with International Financial Reporting Standards ("IFRS")

The Accounting Standards Council ("ASC") announced on 29 May 2014 that Singapore incorporated companies listed on the SGX will be required to apply a new financial reporting framework identical to the International Financial Reporting Standards (full IFRS convergence) in 2018. The Group will adopt the new financial reporting framework on 1 January 2018.

(b) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group. Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity, and the amount of revenue and related cost can be reliably measured.

Sale of goods

Revenue from sale of goods is recognised when a Group entity has delivered the products to the customer and significant risks and rewards of ownership of the goods have been passed to the customer.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

Rental income

Rental income from operating leases are recognised on a straight-line basis over the lease term.

2. Summary of significant accounting policies (cont'd)

(c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. Goodwill is accounted for in accordance with the accounting policy for goodwill stated in Note 2(e). In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

Contingent consideration transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration (other than measurement period adjustment) are recognised in profit or loss.

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

2. Summary of significant accounting policies (cont'd)

(d) Basis of consolidation (cont'd)

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

When a change in the Company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill, non-controlling interest and other components of equity related to the subsidiary are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to accumulated losses/profits if required by a specific FRS.

(e) Goodwill

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Property, plant and equipment

The property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value.

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

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.

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

2. Summary of significant accounting policies (cont'd)

(f) Property, plant and equipment (cont'd)

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Depreciation

Depreciation is calculated on a straight-line basis to write off the cost of property, plant and equipment over their expected useful lives. The estimated useful lives are as follows:

	Years
Buildings	25
Computers	1 to 3
Office equipment	3
Motor vehicles	6 to 10
Furniture and fittings	1.5
Renovation	3

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

Fully depreciated assets are retained in the financial statements until they are no longer in use.

(g) Impairment of non-financial assets excluding goodwill

At each reporting date, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss.

2. Summary of significant accounting policies (cont'd)

(h) Investment properties

Investment properties are held to earn rental income and/or for capital appreciation. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life of 25 years. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as addition and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvement is charged to profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis. Cost comprises costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

(j) Leases

(1) When a Group entity is the lessee:

Finance leases

Leases of property, plant and equipment where the Group assumes substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between reduction of the liability and finance charges. The corresponding lease liabilities, net of finance charges, are included in finance lease liabilities. The interest element of the finance cost is taken to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The asset acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Operating leases

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

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2. Summary of significant accounting policies (cont'd)

(j) Leases (cont'd)

(2) When a Group entity is the lessor:

Operating leases

Leases where the Group entity retains substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Contingent rents are recognised as revenue in the period in which they are earned.

(k) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss.

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable or recoverable in respect of previous years.

Deferred income tax is provided using the liability method, on all temporary differences at the balance sheet date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where 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 at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the balance sheet date.

(l) Financial assets

Classification

The Group classifies its financial assets as loans and receivables and financial assets, available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

2. Summary of significant accounting policies (cont'd)

(l) Financial assets (cont'd)

Classification (cont'd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are presented as "trade and other receivables" (excluding advance deposits to a supplier), "cash and cash equivalents", "loan to investee company" and "deposit in escrow account" on the balance sheets.

Financial assets, available-for-sale

Financial assets, available-for-sale include equity and debt securities that are non-derivatives and are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the assets within 12 months after the balance sheet date.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is also transferred to profit or loss.

Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

Subsequent measurement

Financial assets, available-for-sale are subsequently carried at fair value. Available-for-sale investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measurable, are measured at cost less impairment loss.

Loans and receivables are carried at amortised cost using the effective interest method, less impairment.

Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in fair value adjustment reserve/other comprehensive income. Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in fair value adjustment reserve/other comprehensive income, together with the related currency translation differences.

Interest and dividend income on available-for-sale financial assets are recognised separately in profit or loss.

2. Summary of significant accounting policies (cont'd)

(l) Financial assets (cont'd)

Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

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

If in subsequent periods, the impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversed date.

Financial assets, available-for-sale

In the case of an equity security classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the security is impaired.

When there is objective evidence that an available-for-sale financial asset is impaired, the cumulative loss that was recognised directly in the fair value adjustment reserve is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss on that financial asset previously recognised.

Impairment losses on debt instruments classified as available-for-sale financial assets are reversed through profit or loss when the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised. However, impairment losses recognised in profit or loss on equity instruments classified as available-for-sale financial assets are not reversed through profit or loss.

For available-for-sale financial assets carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The amount of impairment loss is recognised in profit or loss and such losses are not reversed in subsequent periods.

2. Summary of significant accounting policies (cont'd)

(m) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of changes in value.

(n) Financial liabilities

Financial liabilities include trade and other payables and finance lease liabilities. Financial liabilities are recognised on the balance sheet when and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

(o) Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs. Financial guarantees are classified as financial liabilities.

Subsequent to initial measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the expected amount payable to the holder. Financial guarantees contracts are amortised in profit or loss over the period of the guarantee.

(p) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(q) Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the balance sheet date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

2. Summary of significant accounting policies (cont'd)

(r) Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are recognised in the profit or loss using the effective interest method.

(s) Employee benefits

Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions once the contributions have been paid. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is performed.

(t) Foreign currencies

(a) Functional and presentation currency

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

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the foreign currency translation reserve within equity in the consolidated financial statements. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

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.

2. Summary of significant accounting policies (cont'd)

(t) Foreign currencies (cont'd)

(c) Translation of Group entities' financial statements

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

(i) Assets and liabilities are translated at the closing rates at the date of the balance sheet;
(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
(iii) All resulting exchange differences are recognised in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

On disposal of a foreign group entity, the cumulative amount of the foreign currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

(u) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

(v) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

2. Summary of significant accounting policies (cont'd)

(w) Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and

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

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

(x) Significant accounting judgements and estimates

In the process of applying the Group's accounting policies, management has made the following judgements and estimations that have the most significant effect on the amounts recognised in the financial statements.

Allowance for inventories

A review is made periodically of inventories for excess inventories, obsolescence and decline in net realisable value below cost and an allowance is recorded against the inventory balance for any such decline. The review requires management to estimate future demand for the products. In any case, the realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available at the balance sheet date and inherently involves estimates regarding the future expected realisable value. The benchmarks for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the reporting date. Possible changes in these estimate could result in revisions to the valuation of inventory.

The carrying amount of inventories at the balance sheet date is disclosed in Note 16.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The Group recognised an impairment loss of $6,388,610 in relation to goodwill arising from acquisition during the current financial year. The carrying amount of the Group's goodwill arising from acquisition at the balance sheet date is disclosed in Note 13.

2. Summary of significant accounting policies (cont'd)

(x) Significant accounting judgements and estimates (cont'd)

Impairment of investment in subsidiaries

Investment in subsidiaries are tested for impairment whenever there is objective evidence or indication that these assets may be impaired. Judgement is required to determine if any such indication exists, based on the evaluation of both internal and external sources of information. If any such indication exists, management assesses the recoverable amount of the subsidiary based on the higher of fair value less costs to sell and value in use calculation at the balance sheet date.

If the recoverable amount of the subsidiary is less than its carrying amount, an impairment loss is recognised in profit or loss to reduce the carrying amount of the investment in subsidiary to its recoverable amount.

The Company recognised an impairment loss of $6,746,893 in relation to investment in subsidiaries during the current financial year. The carrying amount of the Company's investment in subsidiaries at the balance sheet date is disclosed in Note 13.

3. Revenue

Revenue refers to sales of motor vehicles, net of goods and services tax, rebates and discounts.

4. Other income

	Group	
	2016	2015
	$	$
		(Restated)
Government grants	**44,235**	–
Other income	**47,518**	600
	91,753	600

5. Finance costs

	Group	
	2016	2015
	$	$
Interest expense:		
- third parties	**50,342**	–
- finance lease liabilities	**23,128**	–
- interest accretion on consideration payable	**5,478**	–
	78,948	–

6. Other operating expenses

	Group	
	2016	2015
	$	$
Impairment of goodwill	**6,388,610**	–
Amount due from disposed subsidiaries written off	**316,600**	–
	6,705,210	–

7. Loss before tax from continuing operations

Loss before tax from continuing operations is stated after (crediting)/charging:

	Group	
	2016	2015
	$	$ (Restated)
Audit fees payable to:		
- Auditors of the Company	**73,000**	40,548
Non-audit fees payable to auditors of the Company	**–**	11,840
Legal and other professional fees	**1,017,580**	171,937
Transportation charges	**22,751**	19,381
Advertising and promotional expenses	**38,457**	4,782
Rental expenses	**595,608**	90,642
Salaries and related costs	**1,299,403**	261,015
Contributions to defined contribution plans	**77,558**	–
Depreciation of property, plant and equipment	**181,180**	–

8. Income tax (credit)/expense

Tax (credit)/expenses attributable to profits is made up of:

	Group	
	2016	2015
	$	$
From discontinued operations		
Current income tax provision		
- Current income tax	**–**	73,927
- Under provision in respect of previous financial years	**–**	69,195
	–	143,122
Deferred income tax		
- Reversal of temporary differences	**–**	(36,000)
	–	107,122
From continuing operations		
Deferred income tax		
- Reversal of temporary differences	(133,907)	**–**
	(133,907)	107,122

8. Income tax (credit)/expense (cont'd)

The income tax (credit)/expense on the results of the financial year differs from the amount of income tax determined by applying the domestic rates applicable in the countries where the Group entities operate due to the following factors:

	Group	
	2016	2015
	$	$
		(Restated)
(Loss)/profit before tax from:		
Continuing operations	**(10,383,316)**	(737,673)
Discontinued operations	**3,316,545**	(420,890)
	(7,066,771)	(1,158,563)
Tax at the domestic rates applicable to losses in the countries where the Group operates	**(1,201,118)**	(196,956)
Expenses not deductible for tax purposes	**1,641,851**	277,543
Deferred tax assets not recognised	**446**	53,955
Income not subject to tax	**(592,044)**	(50,148)
Effect of partial tax exemption	**–**	(25,925)
Effect of tax rebate	**(4,970)**	(20,000)
Under provision in respect of previous financial years	**–**	69,195
Others	**21,928**	(542)
	(133,907)	107,122

The above tax reconciliation is prepared by aggregating separate reconciliation for each national jurisdiction.

9. Discontinued operations

On 9 May 2016, the Company completed the disposal of Transrich Pte Ltd, Tee to Green (H.K.) Limited, Transcorp Resources Pte Ltd and Transcorp Development Pte Ltd (which previously contributed to the Golf Business and Investment Property segment). The results from the subsidiaries are presented separately on the statement of profit or loss and comprehensive income as "Profit/(loss) from discontinued operations, net of tax" and comparative figures have been restated.

The assets and liabilities of the disposed subsidiaries as at 9 May 2016 are as follows:

	Group 2016 $
Assets:	
Property, plant and equipment	65,474
Investment properties	2,845,047
Investment securities	1,372,034
Deposit in Escrow account	2,800,000
Trade and other receivables	6,340,056
Cash and cash equivalents	179,576
Assets of disposed group	13,602,187
Liabilities:	
Trade and other payables	(8,782,008)
Income tax payable	(38,607)
Liabilities of disposed group	(8,820,615)
Net assets of disposed group	4,781,572
Reclassification adjustment on available-for-sale financial assets	(114,851)
Realisation of currency translation differences on disposal of subsidiaries	1,213,699
Gain on disposal of subsidiaries	3,302,328
Total cash consideration	9,182,748
Less: Cash and cash equivalents in subsidiaries disposed of	(179,576)
Amount due from shareholders (Note 17)	(5,151,472)
Net cash inflows on disposal of subsidiaries	3,851,700

The results of discontinued operations is as follows:

	Group	
	2016 $	2015 $
Revenue	**512,415**	1,140,478
Expenses	**(498,198)**	(1,561,368)
Profit/(loss) before tax from discontinued operations	**14,217**	(420,890)
Tax	**–**	(107,122)
Profit/(loss) from discontinued operations, net of tax	**14,217**	(528,012)
Gain on disposal of subsidiaries	**3,302,328**	–
Total profit/(loss) from discontinued operations	**3,316,545**	(528,012)

9. Discontinued operations (cont'd)

Profit/(loss) before tax from discontinued operations, net of tax

Profit/(loss) before tax from discontinued operations is stated after (crediting)/charging:

	Group	
	2016	2015
	$	$
		(Restated)
Interest income on short term deposit	**–**	(340)
Interest income on loan to investee company	**(124,174)**	(236,521)
Rental income	**(386,273)**	(795,521)
Audit fees payable to:		
- auditors of the Company	**–**	18,452
- other auditors	**–**	3,148
Non-audit fees payable to auditors of the Company	**–**	26,820
Legal and other professional fees	**65,079**	94,885
Transportation charges	**–**	1,955
Operating lease expenses	**1,553**	3,026
Salaries and related costs	**113,916**	559,903
Depreciation of investment properties	**166,588**	327,880
Depreciation of property, plant and equipment	**49,102**	137,766

The impact of the discontinued operations on the cash flows of the Group are as follows:

	Group	
	2016	2015
	$	$
Operating	**(243,943)**	(6,228,050)
Investing	**–**	(566,975)
Net cash outflows	**(243,943)**	(6,795,025)

Earnings/(losses) per share from discontinued operations

Earnings/(losses) per share from discontinued operations attributable to owners of the Company (cents per share)		
- Basic and Diluted	**1.47**	(0.30)

The basic and diluted earnings/(losses) per share from discontinued operations are calculated by dividing the profit/(loss) from discontinued operations, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares for basic earnings per share computation and weighted average number of ordinary shares for diluted earnings per share computation respectively.

10. (Losses)/earnings per share

The calculation of the basic and diluted (losses)/earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	2016 $	2015 $ (Restated)
Net loss from continuing operations for the financial year attributable to equity holders of the Company	**(10,071,498)**	(737,673)
Weighted average number of ordinary shares outstanding for basic and diluted (losses)/earnings per share	**225,432,331**	179,280,000
Basic and diluted losses/earnings per share (cents per share)	**(4.47)**	(0.41)

At the balance sheet date, the diluted (losses)/earnings per share is the same as the basic (losses)/earnings per share as there were no outstanding potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 October 2016

11. Property, plant and equipment

	Buildings $	Computers $	Office equipment $	Motor vehicles $	Furniture and fittings $	Renovation $	Total $
Group							
Cost							
Balance at 1 November 2015	77,699	11,487	–	352,889	207,935	–	650,010
Additions	–	10,539	998	1,467,942	–	–	1,479,479
Acquisition of subsidiary	–	50,087	4,521	1,699,784	55,182	47,150	1,856,724
Disposal of subsidiaries	(77,699)	(11,487)	–	(352,889)	(207,935)	–	(650,010)
Balance at 31 October 2016	**–**	**60,626**	**5,519**	**3,167,726**	**55,182**	**47,150**	**3,336,203**
Accumulated depreciation							
Balance at 1 November 2015	45,065	11,487	–	298,975	179,907	–	535,434
Depreciation charge	–	2,784	803	194,251	25,865	6,579	230,282
Acquisition of subsidiary	–	50,087	2,850	261,941	27,480	26,539	368,897
Disposal of subsidiaries	(45,065)	(11,487)	–	(329,844)	(198,140)	–	(584,536)
Balance at 31 October 2016	**–**	**52,871**	**3,653**	**425,323**	**35,112**	**33,118**	**550,077**
Net carrying amount							
Balance at 31 October 2016	**–**	**7,755**	**1,866**	**2,742,403**	**20,070**	**14,032**	**2,786,126**

11. Property, plant and equipment (cont'd)

	Buildings $	Computers $	Motor vehicles $	Furniture and fittings $	Total $
Group					
Cost					
Balance at 1 November 2014	73,100	10,705	352,889	205,561	642,255
Additions	–	2,185	–	–	2,185
Written off	–	(2,080)	–	–	(2,080)
Currency realignment	4,599	677	–	2,374	7,650
Balance at 31 October 2015	77,699	11,487	352,889	207,935	650,010
Accumulated depreciation					
Balance at 1 November 2014	39,474	10,705	240,160	102,745	393,084
Depreciation charge	3,008	1,145	58,815	74,798	137,766
Written off	–	(1,040)	–	–	(1,040)
Currency realignment	2,583	677	–	2,364	5,624
Balance at 31 October 2015	45,065	11,487	298,975	179,907	535,434
Net carrying amount					
Balance at 31 October 2015	32,634	–	53,914	28,028	114,576

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 October 2016

11. Property, plant and equipment (cont'd)

	Computers $	Office equipment $	Total $
Company			
Cost			
Additions during the financial year and balance at 31 October 2016	10,539	708	11,247
Accumulated depreciation			
Depreciation charge during the financial year and balance at 31 October 2016	2,784	216	3,000
Net carrying amount			
Balance at 31 October 2016	7,755	492	8,247

As at the balance sheet date, the net carrying value of property, plant and equipment of the Group acquired under finance lease arrangements amounted to $2,117,575 (2015: Nil). Additions include $1,060,000 (2015: Nil) of property, plant and equipment acquired under finance leases.

12. Investment properties

	Group	
	2016	2015
	$	$
Cost		
Balance at beginning of the financial year	**6,947,755**	6,947,755
Disposal of subsidiaries	**(6,947,755)**	–
Balance at end of the financial year	**–**	6,947,755
Accumulated depreciation and impairment losses		
Balance at beginning of the financial year	**3,936,120**	3,608,240
Depreciation charge for the financial year	**166,588**	327,880
Disposal of subsidiaries	**(4,102,708)**	–
Balance at end of the financial year	**–**	3,936,120
Net carrying amount		
Balance at end of the financial year	**–**	3,011,635

Investment properties were stated at cost less accumulated depreciation. The fair value of the investment properties held by the Group as at 31 October 2015 was approximately $9,414,000. The fair valuations were performed by independent valuers with recognised and relevant professional qualifications and with recent experience in the location and category of properties being valued.

The following amounts are recognised in profit or loss:

	Group	
	2016	2015
	$	$
Rental income	**386,273**	795,521
Direct operating expenses arising from investment properties that generated rental income	**11,150**	29,255

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

13. Investment in subsidiaries

	Company	
	2016	2015
	$	$
Unquoted equity shares, at cost	**14,363,814**	10,070,701
Less: Impairment losses		
Balance at beginning of the financial year	**(2,989,374)**	(2,291,381)
Impairment loss for the financial year	**(6,746,893)**	(697,993)
Written off during the financial year	**2,989,374**	–
Balance at end of the financial year	**(6,746,893)**	(2,989,374)
	7,616,921	7,081,327

Details of subsidiaries are as follows:

Name of subsidiary	**Country of incorporation**	**Principal activities**	**Proportion of ownership interest (%)**	
			2016	2015
Held by the Company:				
Transrich Pte Ltd [(a)]	Singapore	Investment properties	–	100
Tee to Green (H.K.) Limited [(c)]	Hong Kong	Dormant	–	100
Transcorp Resources Pte Ltd [(a)]	Singapore	Investment holding	–	100
Transcorp Development Pte Ltd [(a)]	Singapore	Investment holding	–	100
Regal Motors Pte. Ltd. [(d)]	Singapore	Wholesale of motor vehicles except motorcycles and scooters	88.5	–
Held through Tee to Green (H.K.) Limited:				
Transview Golf (H.K.) Limited [(b)]	Hong Kong	Retail of golf equipment and accessories	–	100

(a) Audited by Ernst & Young LLP, Singapore in financial year 2015.
(b) Audited by a CPA firm other than a Ernst & Young Global member firm in financial year 2015.
(c) This company is not required to be audited under the laws of the country of incorporation.
(d) Audited by Baker Tilly TFW LLP, Singapore.

13. Investment in subsidiaries (cont'd)

(a) Acquisition of Regal Motors Pte. Ltd.

On 25 January 2016, the Company acquired 88.5% of the issued share capital of Regal Motors Pte. Ltd. ("Regal Motors") for consideration of $14,363,814.

Consideration transferred

	Group 2016 $
Cash paid	4,504,984
Consideration payable	1,232,614
Issuance of shares	8,626,216
Total consideration transferred	14,363,814

The fair value of the ordinary shares issued was based on the listed share price of the Company at 25 January 2016 of $0.1435 per share (Note 21).

Fair value of identifiable assets and liabilities of Regal Motors at acquisition date

	Group 2016 $
Property, plant and equipment (Note 11)	1,487,827
Inventories	7,092,261
Trade and other receivables	2,845,767
Prepayments	12,893
Cash and cash equivalents	43,689
Deferred tax liabilities (Note 19)	(567,223)
Trade and other payables	(1,340,456)
Finance lease liabilities	(387,922)
Income tax payable	(175,306)
Net identifiable assets acquired	9,011,530
Less: net assets attributable to non-controlling interest	(1,036,326)
Goodwill on acquisition	6,388,610
Consideration transferred	14,363,814

13. Investment in subsidiaries (cont'd)

(a) Acquisition of Regal Motors Pte. Ltd. (cont'd)

Effect on cash flows of the Group

	Group 2016 $
Consideration paid	4,504,984
Less: Cash and cash equivalents in subsidiary acquired	(43,689)
Net cash outflows from acquisition of a subsidiary	4,461,295

Contingent consideration arrangement

As part of the acquisition agreement for Regal Motors, the Group is required to pay the previous owner of Regal Motors additional cash payment of $6,000,000 if Regal Motors generates profit after tax of $2,500,000, $3,000,000 and $3,500,000 for the financial year ended 31 October 2016, 31 October 2017 and 31 October 2018 respectively. Based on the management's assessment, Regal Motors will not likely be able to meet the financial targets and therefore, no contingent consideration is recognised.

Apart from the above contingent consideration, the Group is required to pay $1,499,986 to the previous shareholder of Regal Motors in January 2021. The fair value of the consideration payable due in January 2021 was estimated at $1,232,614 at date of acquisition. The fair value of the consideration payable was calculated by discounting the consideration payable at 4% per annum.

Acquisition-related costs

Transaction costs related to the acquisition of $144,425 have been included in "administrative expenses" in the Group's profit or loss for the current financial year.

Goodwill

The acquired subsidiary is involved in sales of motor vehicles. The goodwill of $6,388,610 is attributable to significant contributions expected to arise to the Group after the acquisition.

Based on the five-year projected cash flows, management has fully impaired the goodwill to profit or loss during the current financial year on the basis that the subsidiary is expected to incur continuing operational losses in financial year ended 31 October 2017, 31 October 2018 and 31 October 2019.

Revenue and profit contribution

The acquired subsidiary contributed revenue of $6,720,343 and net loss of $1,541,572 to the Group for the period from 25 January 2016 to 31 October 2016. If the acquisition had occurred on 1 November 2015, the Group revenue would have been $9,225,619 and total loss would have been $12,662,609.

13. Investment in subsidiaries (cont'd)

(b) Summarised financial information of subsidiary with material non-controlling interest ("NCI")

The Group has the following subsidiary that has NCI that is considered by management to be material to the Group:

Name of subsidiary	Principal place of business/Country of incorporation	Ownership interests held by NCI
31 October 2016		
Regal Motors	Singapore	11.5%

The following are the summarised financial information of Regal Motors with NCI that is considered by management to be material to the Group. These financial information include consolidation adjustments but before inter-company eliminations.

Summarised Balance Sheet

	Regal Motors 2016 $
Non-current assets	2,777,879
Current assets	17,463,871
Non-current liabilities	(1,306,685)
Current liabilities	(11,465,108)
Net assets	7,469,957
Net assets attributable to NCI	859,045

Summarised Income Statement

	Regal Motors 2016 $
Revenue	6,720,343
Loss before tax	(1,541,572)
Income tax expense	–
Loss after tax	(1,541,572)
Other comprehensive income	–
Total comprehensive loss	(1,541,572)
Loss allocated to NCI	(177,281)

13. Investment in subsidiaries (cont'd)

(b) Summarised financial information of subsidiary with material non-controlling interest ("NCI") (cont'd)

Summarised Cash Flows

	Regal Motors 2016 $
Cash outflows from operating activities	(8,582,120)
Cash outflows from investing activities	(668,231)
Cash inflows from financing activities	9,445,652
Net increase/(decrease) in cash and cash equivalents	195,301

(c) Company level - Impairment review of investment in subsidiaries

During the financial year, management performed an impairment test on the investment of Regal Motors. An impairment loss of $6,746,893 was recognised in the Company's profit or loss to write down the investment in Regal Motors to its recoverable amount of $7,616,921.

This subsidiary had been making losses and is expected to be making losses in the next 4 financial years.

The recoverable amount of the investment in Regal Motors has been determined based on fair value less cost to sell. The recoverable amount was determined by management with reference made to market prices of non-financial assets of the subsidiary that are publicly available adjusted for certain assumptions made by management. The fair value measurement is categorised in Level 3 of the fair value hierarchy.

14. Investment securities

	Group 2015 $
Non-current:	
Available-for-sale financial assets	
Equity instruments (quoted)	154,701
Equity instruments (unquoted), at cost	1,157,672
	1,312,373

Quoted shares were stated at fair value as at balance sheet date.

In previous financial year, the Group recognised impairment loss of $146,706 for quoted equity instruments as there were significant or prolonged decline in the fair value of these instruments.

Unquoted shares stated at cost had no market prices and the fair value could not be reliably measured using valuation techniques.

15. Loan to investee company

	Group 2015 $
Gross amount of loan to investee company	5,400,000
Less: Fair value of interest element	(1,057,672)
	4,342,328
Add: Interest charged during the financial year	236,521
Interest charged in prior financial years	388,095
Loan, at amortised cost	4,966,944

The loan to investee company was unsecured, interest-free, to be settled in cash, had no fixed repayment terms. The fair value of interest element was calculated based on effective interest rate of 5% per annum. The loan was repaid during the current financial year.

16. Inventories

	Group 2016 $
Motor vehicles	**5,707,238**

At balance sheet date, inventories with carrying amounts of $1,030,294 have been pledged as securities for other payables (Note 20).

The cost of inventories recognised as an expense and included in 'cost of sales' amounted to $2,319,967.

17. Trade and other receivables

	Group		**Company**	
	2016 $	2015 $	**2016 $**	2015 $
Trade receivables	**6,426**	69,409	**–**	–
Other receivables				
Sundry deposits	**123,633**	5,826	**47,116**	–
Advance deposits to a supplier	**9,422,337**	–	**–**	–
Amounts due from subsidiaries	**–**	–	**9,665,325**	7,802,995
Amount due from shareholders	**5,955,943**	–	**5,200,683**	–
Amount due from related parties	**4,742**	–	**–**	–
Amount due from third parties	**1,617,655**	–	**424,603**	–
	17,130,736	75,235	**15,337,727**	7,802,995

The amounts due from subsidiaries, shareholders, related parties and third parties are non-trade in nature, unsecured, interest-free, repayable on demand. The amounts due from shareholders and related parties were subsequently settled after the financial year ended 31 October 2016.

17. Trade and other receivables (cont'd)

Included in amount due from shareholders is an amount due from a shareholder of $5,151,472 arising from a transfer of debt from former director of the Group with respect to the disposed subsidiaries during the financial year (Note 9) and an amount due from a director of a subsidiary of $755,260.

18. Finance lease liabilities

	Group 2016	
	Minimum lease payments $	Present value $
Not later than one financial year	**273,960**	223,333
Later than one financial year but not later than five financial years	**957,079**	873,369
Total minimum lease payments	**1,231,039**	1,096,702
Less: Future finance charges	**(134,337)**	–
Present value of finance lease liabilities	**1,096,702**	1,096,702
Representing finance lease liabilities		
Current	**223,333**	
Non-current	**873,369**	
	1,096,702	

At 31 October 2016, the finance leases bear effective interest rates ranging from 3.57% to 5.24% (2015: Nil%) per annum.

The net carrying value of property, plant and equipment acquired under finance lease arrangements is disclosed in Note 11.

Based on discounted cash flow analysis using market lending rate for similar borrowings which the management expects would be available to the Group at the balance sheet date, the fair value of the non-current finance lease liabilities at the balance sheet date approximates its carrying amount as there are no significant changes in the interest rates available to the Group at the balance sheet date. This fair value measurement for disclosure purpose is categorised in Level 3 of the fair value hierarchy.

19. Deferred tax liabilities

The movement in the deferred tax account is as follows:

	Group 2016 $
Fair value adjustment	
Acquisition of subsidiary	**567,223**
Charge to profit or loss (Note 8)	**(133,907)**
Balance at end of the financial year	**433,316**

20. Trade and other payables

	Group		Company	
	2016	2015	**2016**	2015
	$	$	**$**	$
Non-current				
Consideration payable	**1,238,092**	–	**1,238,092**	–
Current				
Trade payables	**625,846**	–	**–**	–
Other payables	**459,695**	15,014	**–**	–
Amount due to subsidiaries	**–**	–	**–**	464,312
Amount due to shareholder	**1,000**	–	–	–
Accrued operating expenses	**398,981**	132,678	**84,379**	86,078
	1,485,522	147,692	**84,379**	550,390

The amount due to subsidiaries and shareholder were non-trade in nature, unsecured, interest-free and repayable on demand.

Other payables amounting to $442,448 (2015: $Nil) is non-trade, secured by inventories (Note 16), bear interest rates ranging from 1.25% to 2.25% (2015: Nil%) per annum and is repayable on demand.

Based on discounted cash flow analysis using market lending rate for similar borrowings which the management expects would be available to the Group and Company at the balance sheet date, the fair value of the consideration payable at the balance sheet date approximates its carrying amount as there are no significant changes in the interest rates available to the Group and Company at the balance sheet date. This fair value measurement for disclosure purpose is categorised in Level 3 of the fair value hierarchy.

21. Share capital

	Group and Company			
	2016		2015	
	No. of shares	**$**	No. of shares	$
Issued and fully paid ordinary shares				
Balance at beginning of financial year	**179,280,000**	**18,541,551**	179,280,000	18,541,551
Issue of shares (Note 13)	**60,113,000**	**8,626,216**	–	–
Balance at end of financial year	**239,393,000**	**27,167,767**	179,280,000	18,541,551

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

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

22. Related party transactions

(a) In addition to the information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and its related parties on terms agreed between the parties concerned:

	Group	
	2016	2015
	$	$
With director		
Consultancy expenses paid by the Company	**16,190**	–
With shareholders		
Advances from subsidiary	**49,211**	–
With related party		
Advances from subsidiary	**4,742**	–

Related party refers to a company in which the director of the Company has controlling interest.

(b) Compensation of key management personnel

Total key management personnel compensation is analysed as follow:

	Group	
	2016	2015
	$	$
Salaries and related costs	**766,209**	578,915
Contributions to defined contribution plans	**26,322**	19,612
Directors' fees	**113,750**	135,000
	906,281	733,527

The above includes remuneration paid to the directors of the Company totaling $878,711 (2015: $733,527).

23. Segment information

The Group is organised into business units based on the nature of their activities. The Group has three reportable segments as follows:

(i) The sales of motor vehicles;

(ii) The golf business representing business activities from managing a public golf course and golf driving ranges;

(iii) The investment property business representing rental income earned from the leasing out of investment properties; and

(iv) The corporate activity segment providing corporate support services to the Group.

23. Segment information (cont'd)

Except as indicated above, no operating segments have been aggregated to form the above reportable segments. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

	2016 **$**	2015 $ (Restated)
2016		
Revenue from continuing operations		
Sales of motor vehicles	**6,720,343**	–
Segment loss		
Sales of motor vehicles	**(10,281,355)**	–
Corporate	**(6,698,100)**	(737,673)
	(16,979,455)	(737,673)
Eliminations	**6,596,139**	–
	(10,383,316)	(737,673)

The Group does not have any customer who individually contributed 10% or more of the Group's revenue.

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For the financial year ended 31 October 2016

23. Segment information (cont'd)

	Continuing operations		Discontinued operations				
	Sales of Motor Vehicles $	Corporate $	Corporate $	Golf Business $	Investment Property $	Eliminations $	Consolidated $
2016							
Depreciation of property, plant and equipment	178,180	3,000	46,170	2,932	–	–	230,282
Depreciation of investment properties	–	–	–	–	166,588	–	166,588
Impairment of goodwill	6,388,610	–	–	–	–	–	6,388,610
Segment assets includes:							
Additions to non-current assets	1,468,232	11,247	–	–	–	–	1,479,479
Segment assets	20,241,750	23,227,896	–	–	–	(17,282,246)	26,187,400
Segment liabilities	12,771,792	1,322,471	–	–	–	(9,665,325)	4,428,938
2015 (Restated)							
Depreciation of property, plant and equipment	–	–	134,478	3,288	–	–	137,766
Depreciation of investment properties	–	–	–	–	327,880	–	327,880
Segment assets includes:							
Additions to non-current assets	–	–	2,185	–	–	–	2,185
Segment assets	–	20,527,698	10,580,698	100,694	3,080,580	(15,986,330)	18,303,340
Segment liabilities	–	86,078	9,268,202	5,240	292,964	(9,221,602)	430,882

23. Segment information (cont'd)

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Sales to external customers		Non-current assets	
	2016	2015	**2016**	2015
	$	$ (Restated)	**$**	$
Singapore	**6,720,343**	–	**2,786,126**	1,522,304
Hong Kong	**–**	–	**–**	32,724
Malaysia	**–**	–	**–**	1,571,183
	6,720,343	–	**2,786,126**	3,126,211

Non-current assets information presented above consist of property, plant and equipment and investment properties in the consolidated balance sheet.

24. Commitments

(a) Leases commitments - Where the Group is a lessor

The Group had entered into commercial property leases on its investment properties. The future minimum lease receivable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, were as follows:

	Group
	2015
	$
Not later than one year	320,836

(b) Operating leases commitments – where the Group is a lessee

The Group and Company lease shops and office from non-related parties under non-cancellable operating lease agreements. The leases have a tenure of between 1 to 2 years, varying terms, escalation clauses and renewal options. No restrictions are imposed on dividends or further leasing.

Commitments in relation to non-cancellable operating leases contracted for at balance sheet date, but not recognised as liabilities, are as follows:

	Group		Company	
	2016	2015	**2016**	2015
	$	$	**$**	$
Not later than one year	**336,822**	182,707	**98,688**	195,496
Later than one year but not later than five years	**–**	92,232	**–**	98,688
	336,822	274,939	**98,688**	294,184

25. Corporate guarantee

	Company 2015 $
Corporate guarantee issued to banks for credit facilities granted to subsidiaries	4,750,000

26. Financial instruments

(a) Categories of financial instruments

Financial instruments at their carrying amounts at the balance sheet date are as follows:

	Group		Company	
	2016 $	2015 $	**2016 $**	2015 $
Financial assets				
Investment securities	**–**	1,312,373	**–**	–
Loans and receivables (including cash and cash equivalents)	**8,189,772**	13,782,450	**15,580,110**	13,368,942
	8,189,772	15,094,823	**15,580,110**	13,368,942
Financial liabilities				
Trade and other payables	**2,723,614**	147,692	**1,322,471**	550,390
Finance lease liabilities	**1,096,702**	–	**–**	–
At amortised cost	**3,820,316**	147,692	**1,322,471**	550,390

(b) Financial risk management

The Group and Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and Company do not apply hedge accounting.

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

26. Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

55% (2015: Nil) of the Group's trade and other receivables comprises advance deposits paid to a supplier and 31% (2015: Nil) comprises balance due from a shareholder. 63% (2015: 70%) of the Company's other receivables comprises balance due from a subsidiary and 34% (2015: Nil) comprises amount due from a shareholder.

As the Group and Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the balance sheets and the amount of $Nil (2015: $4,750,000) relating to corporate guarantees given by the Company to banks for the subsidiaries' credit facilities.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are past due and/or impaired

There are no financial assets that are significant and past due and/or impaired.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

In managing its liquidity, management monitors and reviews the Group's and Company's forecasts of liquidity reserves (comprise cash and cash equivalents and undrawn borrowing facilities).

26. Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and Company's financial assets and liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

	One year or less	One to five years	Total
Group	**$**	**$**	**$**
31 October 2016			
Trade and other payables	1,485,522	1,499,986	2,985,508
Financial lease liabilities	273,960	957,079	1,231,039
	1,759,482	**2,457,065**	**4,216,547**
31 October 2015			
Trade and other payables	147,692	–	147,692
Company			
31 October 2016			
Trade and other payables	**84,379**	**1,499,986**	**1,584,365**
31 October 2015			
Trade and other payables	550,390	–	550,390

Foreign currency risk

At 31 October 2016, the Group and Company have no significant foreign currency risk as its financial assets and liabilities are mainly denominated in its functional currency.

In financial year ended 31 October 2015, the Group was exposed to currency translation risk arising from its net investments in foreign operations such as Hong Kong. The Group's net investments in Hong Kong are not hedged as currency positions in Hong Kong dollar are considered to be long-term in nature.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of the Group's and Company's financial instruments will fluctuate due to changes in market interest rates. The Group's and Company's exposure to interest rate risk as at the balance sheet date are not significant.

27. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

a) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
b) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (ie derived from prices); and
c) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) *Fair value measurements of assets and liabilities that are measured at fair value*

The following table presents the level of fair value hierarchy for each class of assets and liabilities measured at fair value on the balance sheets.

	Level 1 $	Level 2 $	Level 3 $	Total $
2015				
Group				
Financial assets				
Available-for-sale financial assets				
- Quoted equity investments	154,701	–	–	154,701

(c) *Assets and liabilities not carried at fair value but which fair values are disclosed*

	Carrying amount $	**Fair value measurements at balance sheet date Level 2 $**
2015		
Group		
Investment properties	3,011,635	9,414,000

The above does not include those non-current balances where the interest rate at year-end approximate market lending rate for similar borrowings which the management expects would be available to the Group and Company at the balance sheet date and those financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

28. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy working ratios in order to support its business and maximise shareholder value.

The Group's working capital comprises inventories, trade and other receivables and payables and cash and cash equivalents stated on the consolidated balance sheet. The Group manages its working capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust the working capital structure, the Group may adjust the dividend payment to shareholders. No changes were made in the objectives, policies or processes during the financial years ended 31 October 2016 and 31 October 2015.

Capital comprises share capital and accumulated losses. The Company manages capital by regularly monitoring its current and expected liquidity requirements. The Company is not subject to either internally or externally imposed capital requirements.

29. Authorisation of financial statements for issue

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 October 2016 were authorised for issue in accordance with a resolution of the directors dated 10 April 2017.

SHAREHOLDERS' INFORMATION

As at 29 March 2017

Class of equity securities	Number of issued shares excluding treasury shares	Voting Rights
Ordinary Shares	239,393,000	One vote per share

There are no treasury shares held in the issued share capital of the Company.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
1 - 99	10	0.79	404	0.00
100 - 1,000	53	4.17	28,350	0.01
1,001 - 10,000	763	59.98	2,559,283	1.07
10,001 - 1,000,000	431	33.88	33,819,862	14.13
1,000,001 and above	15	1.18	202,985,101	84.79
Total:	**1,272**	**100.00**	**239,393,000**	**100.00**

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
SG Royal Group Pte Ltd	70,616,151	29.50%	–	–
Chu Wan Zhen [(1)]	–	–	70,616,151	29.50%
Cheng MingMing	64,703,400	27.03%	–	–
Chua Heng Chuan Ronnie	16,955,000	7.08%	–	–
Tsai Yeou-Tsang	14,846,325	6.20%	–	–

Note:

(1) Madam Chu Wan Zhen owns 100% of the issued shares of SG Royal Group Pte Ltd and is deemed to be interested in the 70,616,151 shares in the Company held by SG Royal Group Pte Ltd.

SHAREHOLDERS' INFORMATION

As at 29 March 2017

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	SG Royal Group Pte Ltd	70,616,151	29.50
2.	Cheng MingMing	64,703,400	27.03
3.	Chua Heng Chuan Ronnie	16,955,000	7.08
4.	Tsai Yeou-Tsang	14,846,325	6.20
5.	United Overseas Bank Nominees (Private) Limited	7,677,250	3.21
6.	Phillip Securities Pte Ltd	6,516,050	2.72
7.	Koh Tuck Seng	4,454,600	1.86
8.	Tan Cheow Guek	4,067,675	1.70
9.	Tay Kok Kiong	2,762,000	1.15
10.	DBS Nominees (Private) Limited	2,605,800	1.09
11.	Ng Teck Chuan (Huang Dequan)	2,518,300	1.05
12.	Kim Seng Holdings Pte Ltd	1,733,000	0.72
13.	Maybank Kim Eng Securities Pte. Ltd.	1,344,550	0.56
14.	Tam Wang Kei	1,165,000	0.49
15.	Saw Tin Soo	1,020,000	0.43
16.	Lim Boon Teck Jerry	1,000,000	0.42
17.	OCBC Nominees Singapore Private Limited	807,750	0.34
18.	Lee Choon Yeow	800,000	0.33
19.	Raffles Nominees (Pte) Limited	724,650	0.30
20.	HL Bank Nominees (Singapore) Pte Ltd	697,300	0.29
	Total:	**207,014,801**	**86.47**

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

30.19% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Transcorp Holdings Limited (the "**Company**") will be held at Poolside Events Room, Level 1, Singapore Polytechnic Graduates' Guild, 1010 Dover Road, Singapore 139658 on Friday, 28 April 2017 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 October 2016 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors of the Company retiring pursuant to Articles 91 and 97 of the Constitution of the Company:-

Mdm Chu Wan Zhen	(retiring under Article 91)	**(Resolution 2)**
Mr Tan Wee Peng Kelvin	(retiring under Article 97)	**(Resolution 3)**
Mr Lim Yit Keong	(retiring under Article 97)	**(Resolution 4)**

Mdm Chu Wan Zhen will, upon re-election as a Director of the Company, remain as a member of the Audit, Nominating and Remuneration Committees, and will be considered non-independent.

Mr Tan Wee Peng Kelvin will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees respectively, and will be considered independent.

Mr Lim Yit Keong will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating and Remuneration Committees respectively and a member of the Audit Committee, and will be considered independent.

3. To approve the payment of Directors' fees of S$53,920 for the financial year ended 31 October 2016 (FY2015: S$113,750). **(Resolution 5)**

4. To approve the payment of Directors' fees of S$147,700 for the financial year ending 31 October 2017, payable half yearly in arrears. **(Resolution 6)**

5. To re-appoint Messrs Baker Tilly TFW LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**

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

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as an Ordinary Resolution, with or without any modifications:

7. **Authority to issue shares**

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

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

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

NOTICE OF ANNUAL GENERAL MEETING

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

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

provided that:

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

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

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

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

(4) unless revoked or varied by the Company in a general meeting, such authority shall 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 earlier.

[See Explanatory Note (i)] **(Resolution 8)**

By Order of the Board

Lai Kuan Long Victor
Kelly Kiar Lee Noi
Secretaries
Singapore, 13 April 2017

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Note:

(i) The Ordinary Resolution 8 in item 7 above, if passed, will empower the Directors of the Company, effective 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to fifty per centum (50%) may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

1. (a) A member who is not a relevant intermediary, is entitled to appoint one or two proxies to attend and vote at the Annual General Meeting (the "**Meeting**"). A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf.

   (b) A member who is a relevant intermediary, is entitled to appoint more than two proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member (which number and class of shares shall be specified).

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

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

3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 1 Kim Seng Promenade, #17-04 Great World City East Tower, Singapore 237994 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

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 ("**AGM**") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

TRANSCORP HOLDINGS LIMITED

Company Registration No. 199502905Z
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 4 for the definition of "relevant intermediary").
2. For CPF/SRS investors who have used their CPF/SRS monies to buy the Company's shares, this form of proxy is not valid for use and shall be ineffective for all intents and purpose if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We, _____

of _____

being a member/members of **Transcorp Holdings Limited** (the "**Company**"), hereby appoint:

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

and/or (delete as appropriate)

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

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "**Meeting**") of the Company to be held on Friday, 28 April 2017 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	**Resolutions relating to:**	**Number of Votes For(1)**	**Number of Votes Against(1)**
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 October 2016		
2	Re-election of Mdm Chu Wan Zhen as a Director		
3	Re-election of Mr Tan Wee Peng Kelvin as a Director		
4	Re-election of Mr Lim Yit Keong as a Director		
5	Approval of Directors' fees amounting to S$53,920 for the financial year ended 31 October 2016		
6	Approval of Directors' fees amounting to S$147,700 for the financial year ending 31 October 2017, payable half yearly in arrears		
7	Re-appointment of Messrs Baker Tilly TFW LLP as Auditors		
8	Authority to issue new shares		

(1) If you wish to exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of April 2017

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

_____

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

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289)), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at the Meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

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

4. A member who is a relevant intermediary entitled to attend the Meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "Relevant intermediary" means:

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

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

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

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

6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 Kim Seng Promenade, #17-04 Great World City East Tower, Singapore 237994 not less than forty-eight (48) hours before the time appointed for the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act (Cap. 50) of Singapore.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 April 2017.

General:

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



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