

Attilan Group Limited

2017 Sustainability Report

(Incorporated in the Republic of Singapore)

(Company Registration Number: 199906459N)

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Letter from our Chairman

To Our Valued Stakeholders,

The Group recognises the vital role in which sustainability reporting has, in improving our green initiatives and relationship with our stakeholders, in line with the demand for accountability and transparency by our stakeholders. Hence, we are focused on coupling our sustainability efforts with our strategy formulation and objectives. Under the leadership of our Board of Directors, our team of senior management ensures that our sustainability approach are executed efficiently and effectively, at the same time, oversee our performance of the goals we made for sustainability against our strategy and business objectives.

As part of the Group's conscientious effort in contributing to the sustainable environment, we are pleased to present our first sustainability report. We are dedicated to creating value in finding the equilibrium between the three pillars of sustainability, namely Environment, Social and Economic.

The year under review has seen the Group faced with challenges as we undertake several operation and corporate developments under our acquisition arm. We have embarked on a corporate restructuring exercise, which aims to regularise our financial position as a Group through streamlining our operations.

The Group would like to give thanks to our stakeholders for believing in us and the unwavering support amid this arduous period. We would also like to extend our deepest appreciation to the management and staff for the unflagging commitment and dedication to the organisation through this difficult and demanding year.

We will endeavor to create long term value for our stakeholders through a sustainable approach when formulating our business strategies.

ABOUT THIS REPORT

This is Attilan Group Limited's ("Attilan" or the "Group" or "We") maiden sustainability report, following Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual. This report outlines the challenges and material issues concerning a sustainable environment that our stakeholders may be concerned with, and our approach in managing these challenges and issues.

We have also applied the international reporting framework, Global Reporting Initiative ("GRI") Standards: Core option, the latest set of standards issued by the GRI Global Sustainability Standards Board, in preparing our first sustainability report.

No external assurance has been sought for this reporting period.



Stakeholder Inclusiveness:
Responding to stakeholders' interest and expectations



Sustainability Context:
Presenting the Organisation's performance in the wider context of sustainability

Reporting Period and Scope

This report focuses on Attilan's operation in Singapore and provides data and information from 1 January 2017 to 31 December 2017. This report reviews the Company's achievements and performance towards Environmental,

Social and Governance ("ESG") issues that we and both our internal and external stakeholders view as priority to our business.

Reporting Principles

We pursued the GRI principles for defining the content and quality of this sustainability report. We have determined the report content using the principles of Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness.

Accessibility

As part of our environmental conservation efforts, this sustainability report is only available electronically. The report is available at company information at <http://www.sgx.com>.

Report Feedback and Contact

We value and welcome your suggestions or feedback on the contents of this report. Concerned parties may reach us through the following medium:

- Attilan Group Limited
10 Hoe Chiang Road, Keppel Towers #01-01/03
Singapore 089315
T +65 6319 4300



Materiality:
Reflection of the Organisation's economic, environmental and social impact which stakeholders regard as utmost important



Completeness:
All information that is of significant economic, environmental and social impact is presented, thereby materially influencing the assessment and decisions of stakeholders

About Us

Attilan Group Limited was listed on SGX-ST Sesdaq on 28 February 2001 under the name integra2000 Limited, the Group went through a restructuring of our business and changed its name to reflect the change in our core business activity. The Group successfully transferred to the Mainboard of SGX-ST on 18 August 2010. Our core business function is focused on private equity opportunities in Emerging East Asia.

The business model of the Group mainly revolves around the fund management division and the investment division. The investment division comprises strategic investments which are synergistic to the Group's private equity business and active investments which are invested alongside the Group's managed funds to align the Group's interests with our investors.

The Group continues to focus on the education business. We are in the midst of establishing our first preschool centre and preparing to expand into other parts of Singapore via organic growth, licensing and to explore acquiring other preschool centres.

Sustainability Approach

Our senior management, who is responsible for the stewardship of our business, leads our sustainability efforts through incorporating sustainability issues and solutions into our Group's strategy formulation. The senior management ensures that our commitments to sustainable development align with our business objectives.

Attilan aspires to gain a deeper understanding of the needs and expectations of our key stakeholders, thus, we actively engage with them through formal and informal channels. Through this process, key ESG topics are identified and outlined within this report.

Setting the Tone Right from the Top

Attilan Group Limited is committed to conduct our business activities in an ethically, socially and environmentally sustainable manner. In spirit of the Code of Corporate Governance 2012 (the "Code"), we maintain high standards of corporate governance to promote transparency within the organisation. The organisation continuously reviews our policies, business processes and practices in view of full compliance with the Code.

The Group had also implemented a whistle-blowing policy and procedures whereby staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters for independent investigation and for appropriate follow up action.

Material Topics

We have identified our material topics through feedback from our various stakeholders. We will reassess these topics on an annual basis, based on the feedbacks that we gather and insights gained through our engagement with our stakeholders, challenges that our business face. The Group is committed in addressing these material factors and aim to improve our performance in these areas as they become better assessed.

The topics selected are as follows:



Economic Performance

Attilan Group Limited strives to deliver long term economic value through sound financial stewardship and maintaining a suitable business portfolio.

Review of Group's financial performance:

	2017	2016
Revenue	2,315,929	2,332,983
Profit (Loss) After Tax	(5,176,256)	(36,546,311)
Total Assets	8,634,213	12,742,607
Earnings (Loss) Per Share	(0.37)	(3.30)

For a detailed breakdown of our financial year ("FY") 2017 financial performance, please refer to Attilan Group Limited Annual Report 2017 page 33 to page 127.

Our Group's revenue remained consistent at S\$2.3 million for the last 2 financial years ended 2016 and 2017. We recorded improved revenue from the preschool business that have cushioned the lower media sales and fund management income.

Further, the Group recorded a significantly reduced loss before tax of approximately S\$5.3 million in FY2017 as compared to a loss before tax of approximately S\$36.5 million in FY2016. The loss before tax in FY2017 was mainly due to the loss from operations and the loss on disposal of financial assets.

Anti-Corruption

Under our Group's corporate governance policy, lays the code of conduct in which essential corporate principles and behavioral rules are set out. It is supplemented by guidelines which are paramount in our preventive measure against corruption, and for dealing with potential conflicts of interest. Our employees are expected to act in the highest form of integrity.

A whistle-blowing policy has been established and is approved by the Board and validated by the Audit Committee. The Audit Committee undertakes the responsibility of overseeing any investigation of any matter within their scope of responsibility. They have the authority to make decisions upon receiving any findings from the abovementioned investigations.

The whistle blowing policy serves as an avenue for employee of the Group, to raise in confidence, concerns about actual or possible corporate improprieties in matters of financial reporting or other matters. The policy also assures whistle blowers that they are shielded from reprisals for whistleblowing in good faith. The details of the whistle-blowing policy and procedure have been made available to all employees and are inculcated on our stand on zero tolerance for corruption.

During the financial year under review, no whistle-blowing report regarding the abovementioned concerns was received by the Audit Committee.

Employment

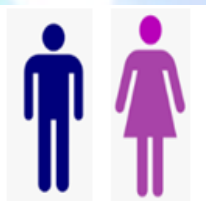
We value our employees and regard them as our assets. The Group is committed in providing them a fair and equitable work environment through a sound management system. Attilan has established policies and practices regarding employment, based on fair employment practices, with intent to attract, retain and develop a vibrant and robust workforce.

We believe that a diverse and inclusive team with different nationalities, ethnicity, age groups, backgrounds and skill-sets will bring about more enriching perspective in the workplace. We take into consideration the individual's opinions and seek out talents through our annual performance appraisal performed. Through the appraisal conducted, we recognise and provide opportunities to individuals, based on merit.

We strive to maintain a good relationship with our employees and want to ensure that our employee's objectives are aligned with the Group's objective. A Code of Conduct has been established, which serves as a guideline to our people, so as to ensure that they understand what is expected of them in our Group. We have built a culture in which employees are encouraged to communicate their opinions and feedback to management, in order for us to evaluate any matter that arises and take necessary actions to rectify these issues on a timely basis.

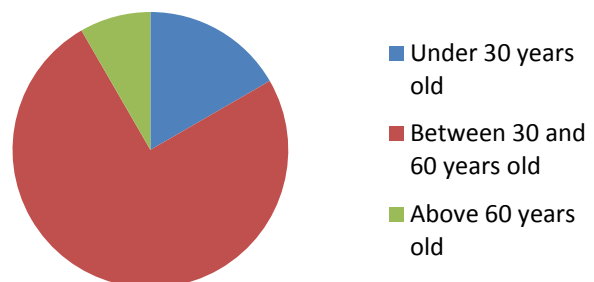
At Attilan, we provide comprehensive employee benefits and compensation package, which is the core in attracting and retaining talents. We comply with all prevailing regulations concerning our employees, including making monthly Central Provident Fund (CPF) contributions.

**FY 2017 Workforce
by Gender Profile**



Number of Employees beginning of FY2017	5	13
Number of New Employees	Nil	2
Number of Resigned Employees	5	3
Number of Employees as at end of FY2017	Nil	12
Turnover Rate	2	0.2

**FY 2017 Workforce by Age
Group**



Occupational Health and Safety

At Attilan Group Limited, we aspire to provide our employees with a safe and healthy working space. In addition to observing regulatory compliance i.e Workplace Safety and Health Act and Fire Safety Act, we are always on the go at containing health and safety risks. to ensure that our employees are kept agile and are familiar with our established emergency procedures. We conduct health and workplace safety related trainings such as fire drill and amongst others, to raise our employees' awareness and prepare them in times of emergencies.

No accidents were reported on our premises in the year under review.

Going Forward

As we move along, we will continue to explore our options and seek solutions to further improve our sustainability practices to better support our business strategies. The relevance of our material ESG topics will be continuously reviewed and their performance will be monitored to facilitate key stakeholders' understanding of our sustainability approach and, where applicable, performance over time.

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

GRI Standard	Disclosure		Page Reference / Reason for Omission, if any
General Disclosures			
Organisation Profile	102-1	Name of the organisation	Page 3
	102-2	Activities, brands, products, and services	Page 3
	102-3	Location of headquarters	Page 3
	102-4	Location of operations	Page 3
	102-5	Ownership and legal form	Page 3
	102-6	Markets served	Page 3
	102-7	Scale of the organisation	Page 3
	102-8	Information on employees and other workers	Page 9
	102-9	Supply chain	Not applicable, due to the investment holding nature and size of the current business, there was no major procurement activities involved in the business operations.
	102-10	Significant changes to the organisation and its supply chain	Not applicable
	102-11	Precautionary principle or approach	Precautionary approach
	102-12	External initiatives (Social initiatives)	We will work on reporting this in the next report once registration for the Association for Early Childhood Educators is complete.
	102-13	Membership of associations	
Strategy	102-14	Statement from senior decision maker	Page 2
Ethics and Integrity	102-16	Values, principles, standards, and norms of behaviour	Page 4
	102-18	Governance structure	Page 5 & Annual Report
Stakeholder Engagement	102-40	List of stakeholder groups	Continual engagement with our stakeholders allows the Group to share information about our practices and performance, as well as giving stakeholders an avenue to communicate their perception of Attilan's sustainability. We engage with different groups of stakeholders through numerous channels and this responsibility is shared group-wide, across our line of business functions. We will work on reporting stakeholder engagement approach in the next report once corporate restructuring is complete.
	102-41	Collective bargaining agreements	
	102-42	Identifying and selecting stakeholders	
	102-43	Approach to stakeholder engagement	
	102-44	Key topics and concerns raised	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (CONT'D)

GRI Standard	Disclosure		Page Reference / Reason for Omission, if any
General Disclosures (Cont'd)			
Reporting Practice	102-45	Entities included in the consolidated financial statements	Annual Report
	102-46	Defining report content and topic	Page 2
	102-47	List of material topics	Page 6
	102-48	Restatements of information	Not applicable, this is our first report
	102-49	Changes in reporting	Not applicable, this is our first report
	102-50	Reporting period	Page 3
	102-51	Date of most recent report	This is the first Sustainability Report
	102-52	Reporting cycle	Page 3
	102-53	Contact point for questions regarding the report	Page 3
	102-54	Claims of reporting in accordance with the GRI Standards	Page 3
	102-55	GRI content index	Page 11
	102-56	External assurance	Page 3
Economic Performance			
Management Approach	103-1	Explanation of the material topic and its boundaries	Page 7
	103-2	The management approach and its components	
	103-3	Evaluation of the management approach	
Economic Performance	201-1	Direct Economic value generated and distributed	
Anti-Corruption			
Management Approach	103-1	Explanation of the material topic and its boundaries	Page 8
	103-2	The management approach and its	
	103-3	Evaluation of the management approach	
Anti-Corruption	205-1	Operations assessed for risks related to corruption	
	205-2	Communication and training about anti-corruption policies and procedures	
	205-3	Confirmed incidents of corruption and actions taken	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (CONT'D)

GRI Standard	Disclosure		Page Reference / Reason for Omission, if any
Employment			
Management Approach	103-1	Explanation of the material topic and its boundaries	Page 9
	103-2	The management approach and its components	
	103-3	Evaluation of the management	
Employment	401-1	New employee hires and employee	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	401-3	Parental leave	
Occupational Health and Safety			
Management Approach	103-1	Explanation of the material topic and its boundaries	Page 10
	103-2	The management approach and its components	
	103-3	Evaluation of the management approach	
Occupational Health and Safety	403-1	Workers representation in formal joint management – worker health and safety committees	
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	
	403-3	Workers with high incidence or high risk of diseases related to their occupation	
	403-4	Health and safety topics covered in formal agreements with trade unions	