artivision technologies

NEW BEGINNING

2018
ANNUAL REPORT

CONTENTS

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this annual report.

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

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00, ASO Building, Singapore 048544, telephone (65) 6636 4201.

CORPORATE INFORMATION

BOARD OF DIRECTORS
Ng Weng Sui Harry
Non-Executive Chairman and Independent Director

Goh Tzu Seoh Kenneth
Executive Director and Chief Executive Officer

Kesavan Nair
Independent Director

COMPANY SECRETARIES
Tan Swee Gek
Ong Beng Hong

AUDIT COMMITTEE
Ng Weng Sui Harry
Chairman

Goh Tzu Seoh Kenneth

Kesavan Nair

REMUNERATION COMMITTEE
Kesavan Nair
Chairman

Ng Weng Sui Harry

NOMINATING COMMITTEE
Kesavan Nair
Chairman

Ng Weng Sui Harry

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Tricor Barbinder Share Registration Services
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SPONSOR
ZICO Capital Pte. Ltd.
8 Robinson Road
#09-00 ASO Building
Singapore 048544

EXTERNAL AUDITOR
PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

7 Straits View
Marina One, East Tower
Singapore 018936

Partner-in-Charge:
Lee Chian Yorn
(Appointed since financial year ended 31 March 2017)

PRINCIPAL BANKERS
Standard Chartered Bank
United Overseas Bank Limited

MESSAGE TO SHAREHOLDERS

DEAR SHAREHOLDERS,

On behalf of the board of directors (the "**Board**") of Artivision Technologies Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**"), we are pleased to present shareholders with the annual report of the Company for the financial year ended 31 March 2018 ("**FY2018**").

FY2018 was a year where the Company stood at the threshold of transformation. The Company discontinued the businesses of its operating subsidiaries and became a cash company as defined under Rule 1017 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist.

The Group reported a net loss of S$8.1 million for FY2018.

MEDIA SOLUTIONS BUSINESS

This business unit operated under Artimedia Pte. Ltd. and its wholly-owned subsidiary, Artimedia Technologies Ltd. ("**Artimedia Group**"). In July 2017, shareholders of the Company at an extraordinary general meeting approved the disposal of the entire Artimedia Group for S$5.0 million, which was subsequently completed in August 2017.

In FY2018, the Group recorded a loss of S$0.8 million in respect of the discontinued operations under Artimedia Group.

CONTRACT MANUFACTURING BUSINESS

This business unit operated under Colibri Assembly (Thailand) Co., Ltd. ("**CAT**"). In October 2017, the Company announced that CAT had decided not to renew the exclusive contract manufacturing agreement with its sole customer. This was because it was no longer a commercially viable business with the slowdown in the hard disk drive industry, which had affected CAT's revenue and profitability. In February 2018, the Company announced the cessation of CAT's business and operations.

In FY2018, CAT incurred a loss of S$3.9 million, which included the cost of restoring CAT's factory to its original condition, retrenchment of staff and impairment of fixed assets amounting to an aggregate of S$2.2 million.

A NEW BEGINNING

On 27 April 2018, the Company entered into a conditional sale and purchase agreement to acquire all the ordinary shares and convertible bonds issued by Mobile Credit Payment Pte. Ltd. ("**MC Payment**", and together with its subsidiaries, the "**MCP Group**"), which if successfully completed, will result in a reverse takeover ("**RTO**") of the Company. This corporate move is well supported by our controlling shareholder, Mr. Ching Chiat Kwong, setting the stage for a new beginning for the Company. Due diligence for the proposed RTO is on-going and the Company will make the necessary announcement(s) when there are any material developments on this transaction.

MC Payment is an established provider of electronic payment solutions in the Asia Pacific region, including blockchain enabled payment solutions. It is one of the earliest financial technology (fintech) companies in Singapore. The fintech industry is identifiably a global sunrise industry. In 2017, fintech was a US$120 billion industry, and is estimated to reach US$265 billion by 2025*. The rise in digital payments and increasing adoption of cashless payments in the region presents prospects for significant long-term growth, giving our shareholders the opportunity to participate in a fintech business with expansive potential.

APPRECIATION

On behalf of the Board, we would like to thank Dr Ofer Miller and Mr. Koh Boon Liang Alan for their past services as directors of the Company. We would also like to take this opportunity to thank all our shareholders, investors, employees and all other stakeholders for their unwavering support and understanding.

Together, we look forward to a better tomorrow and a brighter future.

Ng Weng Sui Harry
Non-Executive Chairman and Independent Director

Goh Tzu Seoh Kenneth
Executive Director and Chief Executive Officer

* The Straits Times of 7 May 2018 titled "How to invest in the fintech era"

REVIEW OF OPERATIONS

STATEMENT OF COMPREHENSIVE INCOME

Following the completion of the disposal of Artimedia Pte. Ltd. and its wholly-owned subsidiary, Artimedia IL ("**Artimedia Group**") in August 2017 and the cessation of the business and operations of Colibri Assembly (Thailand) Co., Ltd ("**CAT**") in February 2018, the Group does not currently have any active business. All discontinued operations were separately disclosed in the Group's income statement. As such, there was no revenue and gross profit reported by the Group in the continuing operations for the financial year ended 31 March 2018 ("**FY2018**"). The figures for the corresponding comparative financial year ended 31 March 2017 ("**FY2017**") relating to Artimedia Group and CAT had been reclassified to discontinued operations.

(a) **Continued Operations**

The Group's distribution and administrative expenses for FY2018 amounted to S$2.4 million, as compared to S$1.8 million for FY2017. This increase was mainly attributable to the increase in professional fees and other expenses related to the disposal of Artimedia Group, the cessation of business of CAT and the proposed acquisition of Mobile Credit Payment Pte. Ltd..

For FY2018, the finance cost amounted to S$1.0 million, as compared to S$4.1 million for FY2017. This was mainly due to the savings on interest on repayment of the convertible loan and bonds in FY2018.

(b) **Discontinued Operations**

Artimedia Group

During FY2018, the Group entered into an agreement to dispose of the entire share capital of Artimedia Group for S$5.0 million. The disposal was completed on 11 August 2017 ("**Completion**"). Pursuant to the agreement, the consideration of S$5.0 million is payable in three tranches as follows:

a. S$3.0 million to be payable on the date of Completion, which the Group has since received;
b. S$1.0 million to be payable within 6 months from Completion, which the Group has since received in February 2018; and
c. S$1.0 million to be payable within 12 months from Completion, which will be due in August 2018.

In FY2018, the Group recorded a loss of S$0.8 million in respect of the discontinued operations under Artimedia Group.

CAT

On 25 October 2017, the Company announced that CAT had decided not to renew the exclusive contract manufacturing agreement with its sole customer. This was due to the slowdown in the hard disk drive industry, which had affected CAT's revenue and profitability. Accordingly, it was no longer a commercially viable business. On 27 February 2018, the Company announced the cessation of CAT's business and operations.

In FY2018, CAT incurred a loss of S$3.9 million, which included the cost of restoring CAT's factory to its original condition, retrenchment of staff and impairment of assets amounting to an aggregate of S$2.2 million.

STATEMENT OF FINANCIAL POSITION

Net Current Liabilities

The Group's net current liabilities increased from S$4.0 million as at 31 March 2017 to S$5.0 million as at 31 March 2018. This was mainly due to the losses of S$8.1 million incurred during FY2018, partially offset by the increase in share capital of S$3.0 million and the consideration from the disposal of Artimedia Group of S$5.0 million. The increase in share capital arose from the exercise of 185,185,185 share options issued in connection with the 2016 December Bonds by a bondholder.

Convertible Loan and Bonds

As at 31 March 2018, the convertible loan and bonds payable stood at S$6.9 million, as compared to S$12.7 million as at 31 March 2017. This was attributable to the repayment of the convertible loan of S$5.5 million in April 2017 and the repayment of the 2015 December Bonds of S$2.0 million in June 2017, partially offset by an issue of new 2017 April Bonds of S$2.0 million in April 2017.

Property, Plant and Equipment

Property, plant and equipment decreased from S$2.7 million as at 31 March 2017 to S$5,000 as at 31 March 2018, mainly due to the impairment of CAT's property, plant and equipment of S$2.2 million and depreciation charge of S$0.5 million.

Equity

The Group had a negative equity of S$5.0 million as at 31 March 2018, mainly attributable to the losses incurred during the year. Mr Ching Chiat Kwong (the controlling shareholder of the Company) has given a letter of financial support undertaking to provide adequate funds to the Group to enable the Group to pay its liabilities as and when they fall due and to continue to operate as a going concern, up to and including the completion date of the acquisition by the Company of a business which is able to satisfy the Singapore Exchange's requirements for a new listing.

REVIEW OF OPERATIONS

STATEMENT OF CASH FLOWS

Net cash used in operating activities for FY2018 was S$2.3 million, mainly due to the losses incurred by the Group during FY2018. Net cash generated from investing activities for FY2018 was S$4.0 million, mainly due to the proceeds received from the first two tranches of payment for the disposal of Artimedia Group. Net cash used in financing activities for FY2018 was S$3.5 million, mainly due to the repayment of the convertible loan of S$5.5 million, redemption of bonds of S$2.3 million and the payment of interest of S$0.6 million. This was partially offset by proceeds of S$3.0 million from the exercise of 185,185,185 share options issued in connection with the 2016 December Bonds by a bondholder and issue of new bonds of S$2.0 million in April 2017.

As a result of the above, the cash and cash equivalents of the Group as at 31 March 2018 was S$2.3 million, as compared to S$4.0 million as at 31 March 2017.

PROFILE OF DIRECTORS

PROFILE OF DIRECTORS

MR NG WENG SUI, HARRY

Mr Ng Weng Sui Harry was appointed as our Independent Director on 25 June 2008 and as the Non-Executive Chairman on 5 May 2017. He is currently the executive director of HLM (International) Corporate Services Pte Ltd ("**HLM**"), which provides corporate services including corporate advisory, business consultancy, accounting, tax and secretarial services. Mr Ng has more than 30 years of experience in accountancy, finance and audit. Prior to joining HLM, he was the chief financial officer of a number of companies listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

Mr Ng is also the independent director and Chairman of the Audit Committee of Q&M Dental Group (Singapore) Limited, Oxley Holdings Limited, IEV Holdings Limited and HG Metal Manufacturing Limited, all of which are currently listed on the SGX-ST.

Mr Ng is a Fellow member of the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accountants (UK). He obtained a Master of Business Administration (General Business Administration) from The University of Hull, UK.

MR GOH TZU SEOH KENNETH

Mr Goh Tzu Seoh Kenneth joined the Group as Chief Operating Officer on 9 July 2010 and was appointed as an Executive Director on 23 June 2011 and Chief Executive Officer on 18 November 2014.

Mr Goh has over 20 years of experience in the financial industry, specifically in wealth management and private equity investments, as well as in the consumer services sectors. He was the founder of LifeBrandz Ltd, a company he successfully guided to a listing on the Mainboard of the SGX-ST in 2004 and was the company's chief operating officer from 2001 to 2009.

Mr Goh graduated with a Bachelor of Business in Banking and Finance (Hons) from Nanyang Technology University in 1993.

PROFILE OF DIRECTORS

MR KESAVAN NAIR

Mr Kesavan Nair was appointed as our Independent Director on 5 May 2017. He is a practicing Advocate and Solicitor with Bayfront Law LLC.

Mr Nair is also an independent director of several companies listed on SGX-ST, namely Kitchen Culture Holdings Ltd, Arion Entertainment Singapore Limited, HG Metal Manufacturing Ltd and IEV Holdings Limited.

Mr Nair is a member of the Law Society of Singapore, the Singapore Academy of Law, the Honourable Society of The Middle Temple, the Singapore Institute of Arbitration, the Criminal Legal Aid Scheme and the Association of Criminal Lawyers in Singapore. He was admitted as a Barrister-at-Law, Middle Temple in 1990, a Barrister and Solicitor of the Supreme Court of the Australian Capital Territory in 1991 and an Advocate and Solicitor of the Supreme Court of Singapore in 1992. Mr Nair graduated from the University College Wales with a Bachelor of Laws (Honours) degree in 1998. He is also a Notary Public and a Commissioner for Oaths.

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CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or "**Directors**") of Artivision Technologies Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to setting in place corporate governance practices to provide necessary structure through which protection of shareholders' interests and enhancement of shareholders' value and corporate transparency are met.

This report outlines the corporate governance framework and practices adopted by the Company with specific reference made to the principles of the Code of Corporate Governance 2012 (the "**Code**") issued on 2 May 2012.

The Board confirms that, for the financial year ended 31 March 2018 ("**FY2018**"), the Company has complied with the principles and guidelines set out in the Code. Where there are deviations from the Code, appropriate explanations are provided. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure compliance with the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

BOARD MATTERS

The Board's Conduct of Affairs

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

The key functions of the Board, apart from its statutory responsibilities, include:–

- reviewing and overseeing the management of the Group's business affairs, financial controls, performance and resource allocation;
- overseeing the process of risk management, financial reporting and compliance, as well as evaluating the adequacy and the effectiveness of internal controls of the Group;
- approving the Group's strategic plans, key business initiatives, acquisitions and disposals of assets, significant investments and funding decisions and major corporate policies;
- reviewing and approving, *inter alia*, the release of the Group's quarterly and full year financial results announcements, approval of the annual report and financial statements, material acquisitions and disposals of assets, interested person transactions, corporate strategies, annual budgets and investment proposals of the Group;
- appointing Directors and key management personnel of the Group ("**Management**"), including the review of their performance and remuneration packages;
- overseeing succession planning for the Management;
- ensuring accurate and timely reporting in communicating with shareholders of the Company ("**Shareholders**");
- providing entrepreneurial leadership and setting out the overall strategy and direction of the Group; and
- assuming responsibility of the corporate governance framework of the Group.

All Directors objectively discharge their duties and responsibilities at all times and take decisions in the interests of the Group.

CORPORATE GOVERNANCE **REPORT**

Board Committees

To ensure efficient discharge of the Board's responsibilities, certain functions of the Board have been delegated to various board committees namely, the Audit Committee ("**AC**"), the Remuneration Committee ("**RC**") and the Nominating Committee ("**NC**") (collectively, the "**Board Committees**").

Membership in each of the Board Committees is carefully managed to ensure that there is equitable distribution of responsibilities amongst Board members to maximise the effectiveness of the Board and foster active participation and contribution. Each member of the Board Committees is picked based on his work experience and professional expertise. The Board Committees, which operate within clearly defined terms of reference, play an important role in ensuring good corporate governance in the Company and within the Group.

Board Meetings

The Board meets on a regular basis, with at least four scheduled meetings on a quarterly basis for the purposes of, *inter alia*, approving the release of the Group's quarterly and full year financial results. Ad-hoc meetings are convened as and when necessary to address any specific matter. The Company's Constitution provides for meetings of the Directors to be held by means of telephone or similar communication equipment as the Board may determine.

The number of Board and Board Committees meetings held and attended by each Board member during FY2018 is set out below:–

	Audit Committee	Nominating Committee	Remuneration Committee	Board
Number of meetings held	**4**	**1**	**1**	**5**
	Attendance			
Dr Ofer Miller(1)	0	0	0	1
Goh Tzu Seoh Kenneth	4**	1*	1*	5
Ng Weng Sui Harry	4	1	1	5
Koh Boon Liang Alan(2)	2	1	1	3
Yang Tse Pin(3)	0	0	0	0
Kesavan Nair(4)	4	1	1	4

* By invitation

** Goh Tzu Seoh Kenneth was appointed as a member of the AC with effect from 9 November 2017.

Notes:–

(1) Dr Ofer Miller resigned and ceased to be an Executive Director and Chief Technology Officer of the Company with effect from 7 September 2017.

(2) Koh Boon Liang Alan resigned and ceased to be an Independent Director of the Company, Chairman of the RC, and a member of the AC and the NC with effect from 22 August 2017.

(3) Yang Tse Pin resigned and ceased to be an Independent Director of the Company, and a member of the AC, the NC and the RC with effect from 5 May 2017.

(4) Kesavan Nair was appointed as an Independent Director of the Company, Chairman of the NC, and a member of the AC and the RC with effect from 5 May 2017. He was subsequently appointed as Chairman of the RC with effect from 28 May 2018.

The Board may also have informal discussions requiring urgent attention which would then be formally approved by circular resolutions in writing.

While the Board considers Directors' attendance at Board meetings important, it should not be the only criterion used to measure their contributions. The Board also takes into account the contributions by Board members in other forms, including periodical reviews and the provision of guidance and advice on various matters relating to the Group.

The Group has adopted internal guidelines setting forth matters that require the Board's approval. Matters specifically reserved for the Board's approval are those relating to the strategy, business plan and budget of the Group, material acquisitions and disposals of assets, capital related matters including corporate or financial restructuring, investment or expenditure exceeding certain threshold limits, share issuances, interim dividends, other returns to Shareholders and interested person transactions.

The Management is responsible for day-to-day operations and administration of the Group and it is accountable to the Board. Clear directions have been given to the Management that reserved matters as mentioned above must be approved by the Board.

Orientation and Training Programs

The Company conducts comprehensive orientation programs for new Directors. Appropriate training on Continuing Directors Responsibilities and Continuing Listing Requirements are also conducted as and when required to ensure that new Directors are familiar with the Company's businesses and corporate governance practices.

The aim of the orientation programs is to give new Directors a better understanding of the Group's structure and organisation, its businesses and corporate governance policies and to allow them to assimilate into their new roles. New Directors are encouraged to attend seminars which are aimed at providing them with the latest updates about changes in the relevant regulations, accounting standards, and corporate governance practices. Such seminars will be funded by the Company.

A formal letter of appointment will also be sent to the newly appointed Directors explaining their duties and obligations upon their appointment.

The Board as a whole is updated regularly on risk management issues, corporate governance, insider trading and key changes in the relevant regulatory requirements and financial standards, so as to enable them to properly discharge their duties as Board members or Board Committees members.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are circulated to the Board by the Company Secretary. The Company Secretary also informs the Directors of upcoming conferences and seminars relevant to their roles and duties as Directors, which will be funded by the Company.

All Directors had also received updates (i) on any changes to the Catalist Rules; and (ii) on the developments in financial reporting and governance standards, so as to enable them to make well-informed decisions and to properly discharge their duties as Directors. Further, Directors are encouraged to attend relevant training programmes conducted by the Singapore Institute of Directors, the SGX-ST as well as other business and financial institutions.

CORPORATE GOVERNANCE **REPORT**

Board Composition and Guidance

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

During FY2018, changes to the composition of the Board were made. As at the date of this Annual Report, the composition of the Board and the Board Committees are as follows:–

		Board Committee Membership		
Name	**Designation of Board Members**	**Audit Committee**	**Nominating Committee**	**Remuneration Committee**
Ng Weng Sui Harry	Non-Executive Chairman and Independent Director	Chairman	Member	Member
Goh Tzu Seoh Kenneth(1)	Executive Director and Chief Executive Officer	Member	–	–
Kesavan Nair(2)	Independent Director	Member	Chairman	Chairman

Notes:–

(1) Goh Tzu Seoh Kenneth was appointed as a member of the AC with effect from 9 November 2017.

(2) Kesavan Nair was appointed as an Independent Director of the Company, Chairman of the NC, and a member of the AC and the RC with effect from 5 May 2017. He was subsequently appointed as Chairman of the RC with effect from 28 May 2018.

The Board comprises three (3) Directors, two (2) of whom are considered independent by the Board. The Board is satisfied that there is a strong and independent element on the Board, with Non-Executive Independent Directors constituting at least half of the Board. The roles of the Chairman and the Chief Executive Officer ("**CEO**") are assumed by different persons.

The Non-Executive Independent Directors provide the Board with independent and objective judgment on the corporate affairs of the Group and have the necessary experience to assist the Board in decision-making and to provide a check and balance to the Board as they are not involved in the day-to-day operations of the Company.

The Board has adopted the criteria of independence based on the definition given by the Code, that is, an independent Director is one who has no relationship with the Company, its related corporations, its 10% Shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company.

The independence of each Director is reviewed annually by the NC in accordance with the Code's definition of independence. Each Director is required to declare his independence by duly completing and submitting a 'Confirmation of Independence' form. The said form, which is drawn up based on the definitions and guidelines set forth in Principle 2 of the Code and the Guidebook for Audit Committees in Singapore (Second Edition) issued by the Monetary Authority of Singapore, ACRA and the SGX-ST in August 2014 ("**Guidebook**"), requires each Director to assess whether he considers himself independent despite not having any of the relationships identified in the Code.

CORPORATE GOVERNANCE **REPORT**

The interests in shares and share options held by each Director in the Company are set out in the "Directors' Statement" section of this Annual Report. Save for their direct and deemed interests in the shares of the Company, none of the Directors or any of their immediate family members is related to any other Director or a 10% Shareholder.

The Board takes into account the scope and nature of the Group's operations and is of the opinion that the size of the current Board is ideal to facilitate effective deliberations and decision-making of the Board. Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board. The decisions are made based on collective decision without any individual influencing or dominating the decision-making process.

The composition of the Board is reviewed annually by the NC to ensure that there is an appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective of issues that are brought before the Board. Together, the Directors provide core competencies in business, investment, industry knowledge, legal, regulatory matters, audit, accounting and tax matters. The Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board noted that gender diversity on the board of directors is also one of the recommendations under the Code to provide an appropriate balance and diversity. Although there is currently no female Director appointed to the Board, the Board does not rule out the possibility of appointing a female Director if a suitable candidate is nominated for the Board's consideration.

The Non-Executive Directors are particularly important in ensuring that the strategies proposed by the Management are constructively challenged and active participation by the Non-Executive Directors has helped to develop proposals on strategies. They also review the performance of the Management and ensure that agreed goals are met and also monitor the reporting of performance. Where necessary, the Non-Executive Directors meet and discuss on the Group's affairs without the presence of the Management and feedback will be provided to the Chairman after such meetings, if necessary.

Chairman and Chief Executive Officer

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

The Chairman of the Board is Ng Weng Sui Harry, who is a Non-Executive and Independent Director. As Chairman of the Board, he is responsible for, amongst other things, the proper functioning of the Board. He ensures that the Board receives accurate, timely and clear information, making sure that Board meetings are held as and when necessary and sets the Board's meeting agendas. He ensures that effective communication is maintained with the Shareholders. The Chairman also encourages constructive relations between the Board and the Management, facilitating the effective contribution of Independent Directors, as well as encouraging constructive relations amongst the Directors and hence, promoting high standards of corporate governance.

The Group's CEO is Goh Tzu Seoh Kenneth. In accordance with the Group's internal policy, the CEO, being the highest ranking executive officer of the Group, is responsible for the effective management and supervision of daily business operations of the Group in accordance with the strategies, policies, budget and business plans as approved by the Board.

The separation of the roles of the Chairman and the CEO ensures an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Non-Executive Chairman is not related to the CEO. The Board believes that currently there is a strong and independent element on the Board and adequate safeguards in place against an uneven concentration of power and authority in a single individual.

CORPORATE GOVERNANCE **REPORT**

In situations where Shareholders may have concerns or issues and such communication with the Non-Executive Chairman or CEO has failed to resolve or where such communication is inappropriate, Shareholders should feel free to directly contact any other Director of the Company to raise their concerns or issues. As and when necessary, the Independent Directors meet without the presence of the other Directors and provide feedback to the Chairman and CEO after such meetings, if necessary.

Board Membership

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

The members of the NC are as follows:–

Kesavan Nair (Chairman)
Ng Weng Sui Harry (Member)

Notwithstanding that the Code provides for the NC to comprise at least three (3) directors, the NC currently comprises the aforementioned two (2) members (after the resignation of Koh Boon Liang Alan with effect from 22 August 2017), all of whom, including the Chairman of the NC, are Independent Directors. As the Company is currently a cash company as defined under Rule 1017 of the Catalist Rules, the Board is of the view the current composition of the NC is an interim measure pending completion of the Company's proposed acquisition of Mobile Credit Payment Pte. Ltd. (the "**Proposed Acquisition**"), details of which are contained in separate announcements of the Company released on 31 October 2017, 31 January 2018 and 2 May 2018. The Board has determined that the NC will be reconstituted only upon completion of the Proposed Acquisition or as and when the Board deems appropriate.

The NC is governed by its written terms of reference. The principal duties of the NC include:–

- reviewing the Board structure, size and composition having regard to the scope and nature of the operations of the Group and the core competencies of the Directors;
- reviewing and assessing candidates for appointment and re-appointment to the Board and making plans for succession, in particular for the Chairman and the CEO;
- reviewing and assessing the effectiveness of the Board and each of the Board Committees as a whole;
- reviewing the independence of the Directors on an annual basis;
- deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director; and
- reviewing the adequacy of the Board's training and professional development programs.

The NC makes recommendation to the Board on all nominations for appointment and re-appointment of Directors to the Board. It ascertains the independence of Directors and evaluates the Board's performance as a whole on an annual basis. The NC assesses the independence of Directors based on the guidelines set out in the Code, the Guidebook and any other salient factors.

In the nomination and selection process, the NC reviews the composition of the Board by taking into consideration the mix of expertise, skills and attributes of existing Board members, so as to identify desirable competencies for a particular appointment. In doing so, it strives to source for candidates who possess the skills and experience that will further strengthen the Board and are able to contribute to the Company in relevant strategic business areas, in line with the growth and development of the Group. The Board ensures that the selected candidate is aware of the expectations and the level of commitment required.

CORPORATE GOVERNANCE **REPORT**

All the Directors have declared their board representations. When a Director has multiple board representations, the NC will consider whether the Director is able to adequately carry 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. The NC does not currently set a cap on the maximum number of listed company board representations that any Director may hold, given that the Board has experienced minimal competing time commitments among its Board members and Board and Board Committee meetings are planned and scheduled in advance. The NC believes that putting a maximum limit on the number of listed company board representations that any Director can hold is arbitrary, given that time requirements for each vary, and thus should not be prescriptive. The Board will consider setting the maximum number of listed company board representations that any Director may hold when the need arises.

The NC also reviews the independence of the Directors as mentioned under Guideline 2.3 of the Code. The NC has affirmed that Ng Weng Sui Harry and Kesavan Nair are independent and free from any relationship outlined in the Code. Each of the Independent Directors has also confirmed his independence to the Company. Other than Ng Weng Sui Harry, none of the Independent Directors has served on the Board beyond nine years from their respective dates of appointment.

Rigorous review is conducted by the NC and the Board to assess the continuing independence of the Independent Director having served the Board for more than nine (9) years. The NC and the Board will consider that the Independent Director is not involved in the day-to-day business and operations of the Company and the Group, he remains independent in character, diligently discharging his duties and exercising sound independent business judgement and objectivity in an exemplary manner, in the interests of the Company, and has exhibited a strong spirit of professionalism which did not diminish with time.

The NC and the Board are of the view that Ng Weng Sui Harry (who has served on the Board beyond nine (9) years from his date of appointment as a Director) has a crucial role in the Company's affairs and regardless of his period of service, he has continued to demonstrate strong independency in character, judgement and expressed his viewpoints, debated issues and objectively scrutinised and challenged the Management, sought clarification and amplification as he considered necessary in the manner in which he has discharged his duties and responsibilities as an Independent Director. Taking into account the above factors, the NC has affirmed that Ng Weng Sui Harry is independent and free from any relationship outlined in the Code after taking into consideration his experience and involvement he has had in the Company.

Pursuant to the Company's Constitution, at least one-third of the Directors for the time being shall retire from office by rotation and a Director appointed by the Board to fill a casual vacancy or as an additional Director shall hold office only until the next Annual General Meeting ("**AGM**") of the Company following his appointment. Directors who retire are eligible to offer themselves for re-election. Each member of the NC shall abstain from voting on any resolution in respect of his re-nomination as a Director.

The NC has reviewed and recommended the re-election of Goh Tzu Seoh Kenneth, who is retiring pursuant to Article 91 of the Company's Constitution, at the forthcoming AGM of the Company to be held on 31 July 2018.

Goh Tzu Seoh Kenneth will, upon re-election as a Director, remain as the Executive Director and CEO, and a member of the AC.

The Board has accordingly accepted the recommendation of the NC and put forward the nomination of the retiring Director, namely Goh Tzu Seoh Kenneth, for re-election at the forthcoming AGM of the Company to be held on 31 July 2018.

The information of the retiring Director, namely Goh Tzu Seoh Kenneth, required under Guideline 4.7 of the Code is set out in the Notice of AGM on pages 93 to 96 of this Annual Report.

CORPORATE GOVERNANCE **REPORT**

There are no alternate Directors on the Board.

Other than the key information regarding the Directors set out below, information pertaining to the Directors' interest in shares, options and other convertible securities are set out in the "Directors' Statement" section of this Annual Report and information in relation to background and principal commitments of the Directors are set out under the "Profile of Directors" section of this Annual Report.

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Directorships and Chairmanships both present and held over the preceding 3 years in other listed companies and other principal commitments
Ng Weng Sui Harry	Non-Executive and Independent	25 June 2008	27 July 2017	Present Directorships 1. Q&M Dental Group (Singapore) Limited 2. Oxley Holdings Limited 3. IEV Holdings Limited 4. HG Metal Manufacturing Limited Past Directorships None
Goh Tzu Seoh Kenneth	Executive	23 June 2011	29 July 2015 (to be re-elected at the forthcoming AGM of the Company)	Present Directorships None Past Directorships None
Kesavan Nair	Non-Executive and Independent	5 May 2017	27 July 2017	Present Directorships 1. Kitchen Culture Holdings Limited 2. IEV Holdings Limited 3. Arion Entertainment Singapore Limited 4. HG Metal Manufacturing Limited Past Directorships None

Board Performance

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

The NC had established various performance criteria and evaluation procedures for the assessment of the effectiveness and performance of the Board as a whole. The performance criteria include financial targets, contributions by the Board members as well as expertise, sense of independence and industry knowledge. This encourages feedback from the Board members and leads to an enhancement of the Board's performance over time. These performance criteria in the forms do not change from year to year, and where circumstances deem it necessary for any criteria to be changed, the onus will be on the Board to justify the change.

CORPORATE GOVERNANCE REPORT

The NC had implemented and continued with a formal evaluation process to assess the effectiveness and the performance of the Board as a whole. The results of the evaluation are used constructively by the NC to identify areas for improvements and recommend the necessary action to be taken by the Board. The NC has decided unanimously, that the Directors will not be evaluated individually, as each member of the Board contributes in different areas to the success of the Company, and therefore, it would be more appropriate to assess the Board as a whole. Although the Directors are not evaluated individually, the NC, in considering the re-nomination and re-appointment of the Directors, had considered amongst others, the attendance record at meetings of the Board and Board Committees, the intensity of participation in the proceedings at meetings and quality of contributions made as well as the qualification and experience of such Directors.

The evaluation of effectiveness and performance of each Board Committee as a whole is carried out annually on a self-evaluation basis by the respective members of each Board Committee. The results of the evaluation are reviewed and discussed by each respective Board Committee, and each Board Committee reports the evaluation results to the Board thereafter. The assessment criteria include but are not limited to the composition of the Board Committees and the procedures and accountability of each Board Committee.

No external facilitator has been engaged by the Company for the purpose of evaluation of the Board and Board Committees during FY2018.

Access to information

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

In order to ensure that the Board is able to fulfill its responsibilities, the Management is required to provide adequate and timely information to the Board on Board affairs and issues that require the Board's decision as well as ongoing reports relating to the operational and financial performance of the Group. For issues that require the Board's decision, relevant management staff are invited to attend at a specific allocated time during the meetings of the Board and the Board Committees (the "**Meetings**") when necessary. Periodic financial reports, budgets, forecasts, material variance reports and disclosure documents are provided to the Board, where appropriate, prior to the Meetings.

The calendar of the Meetings is planned a year in advance. Draft agendas for the Meetings are also circulated in advance to the respective Chairmen for review, and if necessary, to provide additional agenda items for the respective Board Committees meetings.

Access to Management and Company Secretary

The Board has separate and independent access to the Management and the Company Secretary. The Company Secretary provides the Board with regular updates on the requirements of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**"), the Code and changes on the Catalist Rules. The Company Secretary will attend the Meetings and assist the respective Chairmen of the Board and Board Committees in ensuring that relevant rules and procedures are followed and reviewed such that the Board and the Board Committees can function effectively. The appointment and removal of the Company Secretary is subject to approval of the Board.

The Directors have the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the operations or undertakings of the Group in furtherance of their duties and responsibilities.

CORPORATE GOVERNANCE **REPORT**

REMUNERATION MATTERS

Procedures For Developing Remuneration Policies

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

The members of the RC are as follows:–

Kesavan Nair (Chairman)
Ng Weng Sui Harry (Member)

Notwithstanding that the Code provides for the RC to comprise at least three (3) directors, the RC currently comprises the aforementioned two (2) members (after the resignation of Koh Boon Liang Alan with effect from 22 August 2017), all of whom, including the Chairman of the RC, are Independent Directors. As the Company is currently a cash company as defined under Rule 1017 of the Catalist Rules, the Board is of the view the current composition of the RC is an interim measure pending completion of the Proposed Acquisition. The Board has determined that the RC will be reconstituted only upon completion of the Proposed Acquisition or as and when the Board deems appropriate.

The aim of the RC is to provide compensation packages to attract, motivate and retain Directors and key management personnel.

The RC is governed by its written terms of reference. The principal duties of the RC include:–

- reviewing and recommending to the Board the framework of remuneration and specific remuneration packages for all Directors and key management personnel;
- reviewing the service contract(s) of the Executive Director(s), to consider what compensation commitments the Executive Director(s) would entail in the event of early termination with a view to be fair and avoid rewarding poor performance; and
- reviewing and approving the performance targets for assessing the performance of each of the key management personnel and recommending such targets for the determination of specific remuneration packages for each such key management personnel.

The recommendations of the RC are submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, share options and benefits-in-kind are covered by the RC. In structuring and reviewing the Directors' remuneration packages, the RC seeks to align interests of the Directors with those of the Shareholders and link rewards to corporate and individual performance as well as roles and responsibilities of each Director. As and when the need arises, the RC will also review the Company's obligations arising in the event of termination of the Executive Director(s)' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

Each member of the RC will abstain from voting on and making any recommendations and/or participating in any deliberations of the RC in respect of his remuneration package.

CORPORATE GOVERNANCE REPORT

The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The Company did not engage any remuneration consultant in respect of the remuneration matters of the Group during FY2018.

Level and Mix of Remuneration

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

In setting remuneration packages of the Directors, the Company takes into consideration the remuneration packages and employment conditions within the industry as well as the Group's relative performance and the performance of individual Directors.

The RC also reviews the remuneration of the key management personnel (including but not limited to the CEO) on an annual basis. The standard remuneration package for key management personnel comprises a fixed component (monthly basic salary), variable component (discretionary performance bonus), benefits-in-kind (parking charges, mobile charges etc), share options and share awards.

The remuneration of related employees will be reviewed annually by the RC to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increments and/or promotions for these related employees will also be subject to the review and approval of the RC. In the event that a member of the RC is related to the employee under review, he will abstain from participating in the review.

The Independent Directors are paid with Directors' fees as well as share options and/or share awards in accordance with their contributions, while the Non-Executive Non-Independent Directors are paid with share options and/or share awards taking into account factors such as the contribution, effort, time spent and the scope of responsibilities of such Directors. For the avoidance of doubt, there are currently no Non-Executive Non-Independent Directors as at the date of this Annual Report. Directors' fees for the Independent Directors are proposed by the Executive Director and CEO and reviewed and recommended by the RC, based on the effort and time spent and the responsibilities of the Independent Directors. No Director is involved in deciding his own remuneration. The Independent Directors have not been over-compensated to the extent that their independence is compromised. The total remuneration of the Independent Directors is recommended for Shareholders' approval at each AGM of the Company. Directors' fees of S$67,500 for the financial year ended 31 March 2017 ("**FY2017**") had been approved by Shareholders at the last AGM of the Company held on 27 July 2017. Directors' fees of S$35,918 for FY2018 are recommended by the Board and subject to the approval of Shareholders at the forthcoming AGM of the Company.

The Company has put in place the Artivision Technologies Employee Share Award Scheme (the "**Scheme**") approved by Shareholders on 29 July 2015. Directors and employees of the Group are eligible to participate in the Scheme. Pursuant to the Scheme, the number of shares in respect of which options and awards may be granted shall be determined at the discretion of the RC who shall take into account, *inter alia*, the performance of the Group, prevailing economic conditions, level of responsibility, the length of service, performance evaluation and potential development of the Directors and employees of the Group. Following industry practice, the Company has chosen the aforementioned factors to tie in with the overall performance of the Group, and to reward individuals who have made contributions towards the growth of the Group. The vesting of performance related share awards granted by the Company pursuant to the Scheme is subject to the satisfaction of the prescribed performance targets set over the performance period and in accordance with the terms of the Scheme. Further information on the Scheme is set out in the "Directors' Statement" section of this Annual Report.

CORPORATE GOVERNANCE **REPORT**

The Company currently does not use contractual provisions to allow it to reclaim incentive components of remuneration from the Executive Director and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

Disclosure on Remuneration

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

A breakdown, showing the level and mix of each Director's remuneration for FY2018 is as listed below:–

Name	Directors' Fee (S$'000)	Salary[1] (S$'000)	Variable (S$'000)	Benefits-in-kind (S$'000)	Fair value of share options and share awards granted[2] (S$'000)	Total (S$'000)
Executive Directors						
Goh Tzu Seoh Kenneth	–	252	–	2	–*	254
Dr Ofer Miller[3]	–	187	–	–	–	187
Independent Directors						
Ng Weng Sui Harry	15	–	–	–	–*	15
Koh Boon Liang Alan[4]	6	–	–	–	–	6
Yang Tse Pin[5]	–	–	–	–	–	–
Kesavan Nair	15	–	–	–	–	15

* less than S$1,000

Notes:–

(1) Includes allowances, social contributions and contributions to Central Provident Fund (where applicable).

(2) Refers to the expense on share options and share awards granted to the Directors recognised in the financial statements. Negative amount represents a write back of the expense due to vesting condition not met.

(3) Dr Ofer Miller resigned as an Executive Director and Chief Technology Officer of the Company with effect from 7 September 2017.

(4) Koh Boon Liang Alan resigned as an Independent Director of the Company with effect from 22 August 2017.

(5) Yang Tse Pin resigned as an Independent Director of the Company with effect from 5 May 2017.

CORPORATE GOVERNANCE REPORT

A breakdown, showing the level and mix of each of the Group's key management personnel's (who are not Directors or CEO) remuneration for FY2018 is as listed below:–

Name[1]	Directors' Fee (S$'000)	Salary[2] (S$'000)	Variable (S$'000)	Benefits-in-kind (S$'000)	Fair value of share options and share awards granted[3] (S$'000)	Total (S$'000)
Below S$250,000						
Soh Kim Hock Benedict[4] (General Manager for Colibri Assembly (Thailand) Co., Ltd.)	–	47	–	13	–	60
Choo Leng Leng Susan[5] (Financial Controller)	–	145	–	1	–	146
Lee See Jui (Consultant for Colibri Assembly (Thailand) Co., Ltd.)[6]	–	152	–	–	–*	152
David Kedem (Chief Operating Officer for Artimedia Technologies Ltd.)[7]	–	101	–	–	–	101

* less than S$1,000

Notes:–

(1) The Group has only four (4) key management personnel (who are not Directors or CEO) during the FY2018.

(2) Includes allowances, social contributions and contributions to Central Provident Fund (where applicable).

(3) Refers to the expense on share options and share awards granted to the key management personnel recognised in the financial statements. Negative amount represents a write back of the expense due to vesting condition not met.

(4) Soh Kim Hock Benedict resigned as General Manager for Colibri Assembly (Thailand) Co., Ltd. of the Company with effect from 20 June 2017.

(5) Choo Leng Leng Susan resigned as Financial Controller of the Company with effect from 28 February 2018.

(6) Colibri Assembly (Thailand) Co., Ltd. has ceased its business and operations with effect from 27 February 2018, and is currently in the process of undertaking a members' voluntary winding up.

(7) The proposed disposal of the entire issued and paid-up share capital of Artimedia Pte. Ltd. (which wholly-owns Artimedia Technologies Ltd.) was completed on 11 August 2017.

The aggregate remuneration paid to the Group's key management personnel (who are not Directors or CEO) for FY2018 was approximately S$459,000.

There is no employee of the Company or its subsidiaries who is an immediate family member of any Director, CEO or substantial Shareholder of the Company and whose remuneration exceeded S$50,000 during FY2018.

CORPORATE GOVERNANCE **REPORT**

The RC has reviewed and approved the remuneration packages of the Executive Directors and the key management personnel, having regard to their contributions as well as the financial performance and the commercial needs of the Group and has ensured that the Executive Directors and key management personnel are adequately but not excessively remunerated.

There are no termination, retirement and post-employment benefits that are granted to the Directors and key management personnel (who are not Directors or CEO).

The Board has not included a separate annual remuneration report on the remuneration of the Directors and the key management personnel to Shareholders in this Annual Report 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 Annual Report and in the financial statements of the Company.

ACCOUNTABILITY AND AUDIT

Accountability

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

The Board understands its accountability to Shareholders on the Group's performance, position and prospects. The objectives of the presentation of the annual audited financial statements, quarterly and full year unaudited financial results to Shareholders are to provide them with the timely release of a balanced and understandable analysis of the Group's financial performance, position and prospects.

The Board also takes adequate steps to ensure compliance with legislative and regulatory requirements and observes obligations of continuing disclosure under the Catalist Rules. For example, for the interim unaudited financial statements, the Board provides a negative assurance confirmation to Shareholders, in line with Rule 705(5) of the Catalist Rules. The Board also provides Shareholders with periodic updates and reports through announcements where necessary with regard to the Group's business developments.

The Management will provide the Board with periodic updates covering operational performance, financial results, marketing and business development efforts, as well as other important and relevant information as the Board may require from time to time, to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

Risk Management and Internal Controls

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

The Board acknowledges that it is responsible for the Group's overall system of internal controls, but also recognises that no internal control system will preclude all material errors and irregularities. The Group's system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable assurance against material misstatement or loss. The Board believes in the importance of maintaining a sound system of risk management and internal controls. The internal controls in place will address the financial, operational, compliance and information technology risks, and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material losses and assets are safeguarded.

The AC has carried out assessments on the adequacy and effectiveness of key internal controls of the Group during FY2018, based on the reports from the Management, and external auditors, as well as the representation letters from the Management. Any material non-compliance or weaknesses in internal controls or recommendations from the external auditors to further improve the internal controls are reported to the AC. The AC will follow up on the actions taken by the Management on the recommendations made by the external auditors.

The Board has received the Management representation letters from the CEO and the Financial Controller (prior to the resignation of the Financial Controller which took effect on 28 February 2018) of the Company, as well as from the director and manager of the Company's key subsidiary, being Colibri Assembly (Thailand) Co., Ltd., in relation to the financial information for FY2018 ("**Management Representation Letters**").

The Management Representation Letters have provided assurance that, *inter alia*, the financial records have been properly maintained in accordance with the Companies Act, the financial statements are properly drawn up to give a true and fair view of the Company's operations and finances; and they are not aware of any significant deficiencies, including material weakness, in the design or operation of robust and effective internal controls in addressing financial, operational, compliance and information technology risks that could adversely affect the Group's ability to record, process, summarise and report financial data.

The Group regularly reviews and improves its business and activities to identify areas of significant business risk as well as take appropriate measures to control and mitigate these risks. The Group reviews all significant control policies and procedures and highlights all significant matters to the AC and the Board.

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

Based on the various management controls put in place, the reports from the external auditors on follow-up actions taken by the Management, the Management Representation Letters and the periodic reviews undertaken by the Management, the Board, with the concurrence of the AC, is of the opinion that the system of risk management and internal controls maintained by the Group during FY2018 are adequate and effective in addressing the financial, operational, information technology and compliance risks of the Group.

In view of the Proposed Acquisition, the Board will review and take appropriate steps in relation to the Group's overall system of risk management and internal controls.

Audit Committee

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

The members of the AC are as follows:–

Ng Weng Sui Harry (Chairman)
Kesavan Nair (Member)
Goh Tzu Seoh Kenneth (Member)

CORPORATE GOVERNANCE **REPORT**

The AC comprises three (3) members, of which two (2) members, including the Chairman of the AC, are Independent Directors and one (1) member is an Executive Director. The Board notes that the Company does not comply with Guideline 12.1 of the Code with regard to the composition of the AC whereby all members of the AC should be Non-Executive Directors. The appointment of Goh Tzu Seoh Kenneth, an Executive Director and CEO of the Company, as a member of the AC with effect from 9 November 2017 after the resignation of Koh Boon Liang Alan on 22 August 2017, is an interim measure pending completion of the Proposed Acquisition as the Company is currently a cash company as defined under Rule 1017 of the Catalist Rules. The Board has determined that the AC will be reconstituted only upon completion of the Proposed Acquisition or as and when the Board deems appropriate.

Neither the members nor the Chairman of the AC is a partner or director of the Group's auditing firms or former partner or former director of the Group's auditing firms. None of them has any financial interest in the Group's auditing firms.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records and develop and maintain effective systems of internal controls.

The Board is of the view that the members of the AC are appropriately qualified, and that they have sufficient accounting or related financial management expertise and experience to discharge the AC's function. The AC comprises members who are experienced in the fields of finance, legal and business.

The AC is governed by its terms of reference, which was reviewed and amended, where appropriate, to adopt relevant best practices set out in the Guidebook and the Code, and used as a reference to assist the AC in the discharge of its responsibilities and duties.

The principal duties of the AC include:–

- to review with the external auditors the audit plan, including the nature and scope of the audit before the audit commences, results of the audit, their reports, their Management letter and the Management's response;
- to oversee the financial reporting process, review the quarterly and full year financial statements to ensure integrity of the said financial statements before submission to the Board for approval;
- to meet with the external auditors and internal auditors without the presence of the Management on an annual basis, to discuss any problems and concerns they may have in the co-ordination between the external auditors/internal auditors and the Management; in ensuring monitoring of timely and proper implementation of required corrective, preventive or improvement measures;
- to review annually the independence and objectivity of the external auditors;
- where the external auditors also provide non-audit services to the Group, to review the nature and extent of such services in order to balance the maintenance of objectivity, and to ensure that the independence of the external auditors would not be compromised;
- to review the adequacy and effectiveness of the Group's internal controls;
- to select and appoint internal auditors, fix their remuneration, to review the scope and assess their performance, results of the internal audit procedures including the effectiveness of the internal audit function and ensure that the internal audit function is adequately resourced and has appropriate standing within the Group and to review and ensure annually the adequacy of the internal audit function;
- to recommend the appointment, re-appointment and removal of external auditors, to fix their remuneration, to review the scope of external audit and to assess the external auditors' performance;

- to review the Group's procedures for detecting fraud and whistle-blowing matters and to ensure that arrangements are in place by which any employee, may in confidence, raise concerns about improprieties in matters of financial reporting, financial control, or any other matters. A report is presented to the AC on a quarterly basis whenever there is a whistle-blowing issue; and
- to review Interested Person Transactions ("**IPT**") falling within the scope of the Catalist Rules.

The AC has explicit authority to investigate any matters within its terms of reference. The AC also has full access to and co-operation from the Management and full discretion to invite any Director and/or key management personnel to attend its meetings, and has reasonable resources to enable it to discharge its functions properly. The AC has, within its terms of reference, the authority to obtain independent professional advice at the Company's expense as and when the need arises.

The AC keeps abreast of new accounting standards and related issues which have a direct impact on the Group's financial statements through regular updates from the Company's relevant advisors.

The Company has in place a whistle-blowing framework where staff of the Group can raise concerns about improprieties in matters of financial reporting or other matters to the officers of the Group or to the AC via email or letter. There were no reports received through the whistle-blowing mechanism during FY2018.

The Company has paid the following aggregate amount of fees to the external auditors of the Group, for FY2018:–

Services	**Amount (S$'000)**
Audit service	
– PricewaterhouseCoopers LLP, the external auditors of the Company	57
– Other auditors	29
Non-audit service	
- PricewaterhouseCoopers LLP, the external auditors of the Company	12
Total	98

The AC has undertaken a review of all the non-audit services provided by the external auditors of the Company, and is satisfied that the provision of such services did not affect the independence and objectivity of the external auditors of the Company.

PricewaterhouseCoopers LLP has been appointed as the auditors of the Company and its Singapore and Thailand subsidiaries. The Company's Thailand subsidiary, Colibri Assembly (Thailand) Co., Ltd., has since ceased its business and operations on 27 February 2018 pursuant to a members' voluntary winding up. Barzily & Co., a Certified Public Accountant in Israel, had been appointed as the auditors of Artimedia Technologies Ltd., the Company's former principal subsidiary incorporated in Israel, which was disposed of on 11 August 2017. Both the Board and the AC are satisfied that the appointment of different external auditors for the Group's subsidiaries would not compromise the standard and effectiveness of the audit of the Company and are of the opinion that Rule 716 of the Catalist Rules has been complied with.

CORPORATE GOVERNANCE **REPORT**

The AC is satisfied that the external auditors of the Company, PricewaterhouseCoopers LLP, an auditing firm registered with the ACRA, are independent and they had also provided a confirmation of their independence to the AC. The AC had assessed the external auditors of the Company based on factors such as performance, adequacy of resources and experience of their audit engagement partners and audit team assigned to the Group's audit as well as the size and complexity of the Group. Accordingly, the AC is satisfied that Rule 712 and Rule 715 of the Catalist Rules have been complied with and has recommended to the Board, the nomination of PricewaterhouseCoopers LLP, the external auditors of the Company, for re-appointment at the forthcoming AGM of the Company.

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant matter impacting the financial statements was discussed with the Management and the external auditors, and were reviewed by the AC:–

Matters considered	**How the AC reviewed these matters and what decisions were made**
Provisions for liabilities relating to the cessation of Colibri Assembly (Thailand) Co., Ltd. ("**CAT**") manufacturing operations	The AC considered the judgement taken by the Company in the assessment of the realisable value of the assets and adequacy of provisions arising from the cessation of CAT's operations, which the Management has estimated based on the advice from the appointed liquidator. The adequacy of provisions arising from the cessation of CAT's operations was an area of focus for the external auditors. The external auditors have included this item as a key audit matter in its audit report for FY2018. Please refer to page 40 of this Annual Report.

Internal Audit

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

The current size of the operations of the Group does not warrant the Group having an in-house internal audit function. As of the date of this Annual Report, no internal auditors have been appointed by the Company for FY2018 in view of the Company ceasing to have any operating subsidiaries or businesses and having become a cash company as defined under Rule 1017 of the Catalist Rules. The AC will look into formation of an internal audit function for the Group when the need arises, and whether this function should be outsourced to a qualified and professional firm or undertaken internally. The Company will update its Shareholders in due course.

To ensure adequacy of the internal audit function, the AC meets on a regular basis to review this function. During the financial year, the AC had reviewed the audit plans and the findings of the external auditors which include review on the accounting and internal control system of the operating subsidiary corporations. The AC will ensure that the Group follows up on the auditors' recommendations raised, if any, during the audit process. The AC is generally satisfied with the adequacy of the current arrangement and will continue to assess the adequacy and effectiveness of the internal audit function regularly, at least on an annual basis.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights

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

The Company is committed to providing Shareholders with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the share price or value. The Company ensures that all material information is disclosed on a comprehensive and timely basis via SGXNet, so as to enable Shareholders to make informed decisions in respect of their investments in the Company.

The Group strongly encourages Shareholders' participation during the general meetings which are held in Singapore. Shareholders are able to proactively engage the Board and the Management on the Group's business activities, financial performance and other business-related matters. Resolutions are passed through a process of voting in accordance with established voting rules and procedures, which Shareholders are informed of. The results for each resolution put forth are presented during the general meetings.

The Company's Constitution allows registered Shareholders (other than a relevant intermediary as defined in Section 181 of the Companies Act) who are unable to attend the general meetings to appoint up to two (2) proxies to attend, speak and vote on his behalf at general meetings of the Company. The Companies Act allows relevant intermediaries which include banking corporations, corporations which provide custodial services and the Central Provident Fund Board to appoint multiple proxies to attend, speak and vote at general meetings of the Company.

Communication with Shareholders

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

The Group is committed to regular and proactive communications with Shareholders and the continuous disclosure obligations under the Catalist Rules. The Group ensures that Shareholders are informed of all major developments that may have an impact on the Group. Information is communicated to Shareholders on a timely basis and is made through:–

(a) annual reports that are prepared and issued to all Shareholders;

(b) quarterly and full year unaudited financial results announcements;

(c) circulars and notices issued to all Shareholders;

(d) disclosures to the SGX-ST via SGXNet; and

(e) the Company's website, www.arti-vision.com, which provides corporate information, the Company's announcements, press releases and other information pertaining to the Group.

The Company does not practice selective disclosure as all material and price-sensitive information are released through SGXNet in a timely manner.

CORPORATE GOVERNANCE **REPORT**

The Board welcomes the views of Shareholders on matters affecting the Group, whether at the general meetings of the Company or on an ad hoc basis. At the general meetings, Shareholders will be given the opportunity to express their views and ask the Directors or the Management questions regarding the Group.

The Company currently does not have a fixed dividend policy. The form, frequency and amount of dividends that the Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors:–

(a) the level of the earnings of the Group;
(b) the financial condition of the Group;
(c) the projected levels of the Group's capital expenditure and other investment plans;
(d) the restrictions on payment of dividends imposed on the Group by the Group's financing arrangements (if any); and
(e) other factors as the Directors may consider appropriate.

As the Group is in an accumulated losses position, the Board did not recommend any dividend for FY2018.

Conduct of Shareholder Meetings

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

Shareholders are encouraged to attend the Company's general meetings, including AGMs and Extraordinary General Meetings to ensure a high level of accountability and to stay informed of the Group's strategies and growth plans.

The respective Chairmen of the Board, the AC, the RC and the NC as well as the external auditors of the Company are also available at the general meetings to address any Shareholders' queries on the conduct of the external audit and the preparation and content of the auditors' report, and the audited financial statements of the Group. The proceedings of all general meetings including questions and answers exchanged between the Company and Shareholders are recorded in the minute's books of the Company, and are available to Shareholders upon request.

If any Shareholder is unable to attend, he/she is allowed to appoint proxies to vote on his/her behalf at the general meetings through proxy forms sent to the Company within the prescribed period. The Company has not amended its Constitution to provide for absentia voting methods. Voting in absentia and by electronic mail may only be possible following careful study to ensure that integrity of the information and authentication of Shareholders' identities through the web are not compromised.

The Company has introduced the system of voting, pursuant to which each resolution put forth at the general meetings is voted by poll. The percentages of votes voted in favour and against each resolution will be announced via SGXNet after the general meetings.

Notice of the general meetings will be advertised in newspapers and announced on SGXNet. Each item of special business included in the notice of the general meetings will be accompanied by a full explanation of the effects of a proposed resolution. Separate resolutions are proposed for each substantially separate issue at the general meetings.

CORPORATE GOVERNANCE REPORT

DEALING IN SECURITIES

In line with Rule 1204(19) of the Catalist Rules, the Company has in place a policy whereby the Directors and officers of the Group should not deal in the Company's securities during the period commencing two (2) weeks before the announcement of the Group and the Company's financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the Group and the Company's full year financial statements.

In addition, the Company and its officers are expected to be mindful of insider trading laws at all times including when they are in possession of any unpublished price-sensitive information during the permitted trading periods. They are also discouraged from dealing in the Company's shares on short-term considerations.

MATERIAL CONTRACTS

Save for the conditional sale and purchase agreement entered into between the Company and its then Executive Director and Chief Technology Officer, Dr Ofer Miller, on 9 June 2017 relating to the disposal of the entire issued and paid-up share capital of Artimedia Pte. Ltd. (which was approved by Shareholders at an extraordinary general meeting held on 27 July 2017 and has since completed on 11 August 2017, details of which had been announced on SGXNet) (the "**Disposal**"), there was no material contract entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling Shareholders, either still subsisting at the end of FY2018, or if not then subsisting, entered into since the end of FY2017.

INTERESTED PERSON TRANSACTIONS ("IPT")

The Company does not have a general mandate from Shareholders for IPT. However, the Company has an IPT policy which sets out procedures for review and approval of Company's IPT. To ensure compliance with the relevant rules under Chapter 9 of the Catalist Rules, the Board and the AC regularly consider and discuss if the Company will be entering into any IPT and if it does, to ensure that the Company complies with the requisite rules under Chapter 9 of the Catalist Rules in that, all the IPT are conducted at arm's length and on normal commercial terms and ensures that it will not be prejudicial to the interests of the Company and its minority Shareholders.

Ng Weng Sui Harry, the Non-Executive Chairman and Independent Director, holds the entire shareholding interest in HLM (International) Corporate Services Pte. Ltd., which provided corporate services to the Company in relation to the preparation of this Annual Report for a fixed fee of S$9,500. Dr Ofer Miller, who on 9 June 2017 had entered into a conditional sale and purchase agreement with the Company relating to the Disposal for a consideration of S$5,000,000, was then an Executive Director and Chief Technology Officer of the Company. The total IPT amount for FY2018 amounted to an aggregate of S$5,009,500. Save for the aforesaid transactions, there was no other IPT entered into between the Company or its subsidiaries and any of its other interested persons during FY2018.

CORPORATE GOVERNANCE REPORT

USE OF PROCEEDS FROM THE DISPOSAL

On 11 August 2017, the Company completed the Disposal and received the first tranche payment of the cash consideration of S$3.00 million ("**First Tranche Consideration**"), and on 12 February 2018, it received the second tranche payment of the cash consideration of S$1.00 million ("**Second Tranche Consideration**"), out of the total gross consideration of S$5.00 million in respect of the Disposal. After deducting expenses incurred in respect of the Disposal, the net proceeds from the First Tranche Consideration and Second Tranche Consideration amounted to approximately S$3.77 million ("**Net Proceeds from the First Tranche Consideration and Second Tranche Consideration**").

The following is a summary of the use of the Net Proceeds from the First Tranche Consideration and Second Tranche Consideration:–

	S$'million
Net Proceeds from the First Tranche Consideration and Second Tranche Consideration	3.77
Use of net proceeds:–	
Repayment of bonds, inclusive of interest	(2.51)
Amount utilised for working capital purposes	
– Distribution and administrative expenses	(0.44)
– Legal and professional fees, including those incurred for the Proposed Acquisition	(0.40)
Balance as at 31 March 2018	0.42

CATALIST SPONSOR

With reference to Rule 1204(21) of the Catalist Rules, the amount of fees (exclusive of goods and services tax) for non-sponsor services rendered by the Company's sponsor, ZICO Capital Pte. Ltd., to the Group for FY2018 are as follows:–

	S$'000
Independent financial advisory fees in relation to the Disposal	70
Financial advisory fees in relation to the Proposed Acquisition	35
Total	105

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 March 2018 and the statement of financial position of the Company as at 31 March 2018.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 44 to 90 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2018 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due having considered the factors presented in Note 2.1 of these consolidated financial statements.

Directors

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

Ng Weng Sui Harry
Goh Tzu Seoh Kenneth
Kesavan Nair (appointed on 5 May 2017)

Arrangements to enable directors to acquire shares and debentures

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

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

Directors' interests in shares or debentures

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

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At 31.03.2018	At 01.04.2017 or date of appointment, if later	**At 31.03.2018**	At 01.04.2017 or date of appointment, if later
Company				
(No. of ordinary shares)				
Ng Weng Sui Harry	**5,490,000**	5,490,000	–	–
Goh Tzu Seoh Kenneth	–	9,689,333	–	–
Kesavan Nair	–	–	–	–

(b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Employee Share Option Plan (the "Plan") and the Employee Share Award Scheme (the "Scheme") as set out below and under "Share plans" of this statement.

	No. of unissued ordinary shares under option	
	At 31.03.2018	At 01.04.2017
Ng Weng Sui Harry		
– options to subscribe for ordinary shares exercisable at:		
– $0.22 between 22.08.2013 to 22.08.2017	–	250,000
– $0.048 between 22.04.2015 to 22.04.2019	**200,000**	200,000
Goh Tzu Seoh Kenneth		
– options to subscribe for ordinary shares exercisable at:		
– $0.22 between 22.08.2013 to 22.08.2017	–	4,000,000
– $0.048 between 22.04.2015 to 22.04.2019	**4,000,000**	4,000,000

(c) The directors' interests in the ordinary shares of the Company as at 21 April 2018 were the same as those as at 31 March 2018.

Share plans

The Company offers the following share plans to its employees:

(a) Employee Share Option Plan (the "Plan")
(b) Employee Share Award Scheme (the "Scheme")

All share plans are administered by the Remuneration Committee.

(a) Employee Share Option Plan

Artivision Technologies Ltd.'s Plan was approved and adopted by its members at an Extraordinary General Meeting on 21 October 2007. The Plan is administered by the Company's remuneration committee comprising, Ng Weng Sui Harry and Kesavan Nair.

Under the Plan, all options to be issued will have a term no longer than 10 years from the date of grant. Subject to compliance with any applicable laws and regulations in Singapore, the Plan may be continued beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

The exercise price of the option will be the average of the closing prices of the Company's ordinary shares on the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five market days immediately preceding the date of grant.

The aggregate number of shares over which options may be granted on any date, when added to the number of shares issued and issuable in respect of all options granted under the Plan, shall not exceed 10% of the issued share capital of the Company on the day proceeding that date.

The total number of shares available to controlling shareholders and their associates shall not exceed 25% of the number of shares in respect of which the Company may grant options under the Plan and the total number of shares available to each controlling shareholder or his associate shall not exceed 10% of the number of shares in respect of which the Company may grant options under the Plan.

The Plan has expired on 21 October 2017. However, a grant given on 22 April 2014 with expiry on 22 April 2019, shall remain valid.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

Share plans (continued)

(a) Employee Share Option Plan (continued)

Under the Plan, options will vest as follows:

(a) one year after the date of grant for 25% of the ordinary shares subject to the options;
(b) two years after the date of grant for an additional 25% of the ordinary shares subject to the options;
(c) three years after the date of grant for an additional 25% of the ordinary shares subject to the options; and
(d) four years after the date of grant for an additional 25% of the ordinary shares subject to the options.

All options are settled by physical delivery of shares.

Under the terms of the respective grants, all share options, if not exercised, will expire five (5) years from the date of grant.

For share options granted on 20 July 2010 onwards to employees/directors who have since ceased to be employees/directors of the Group, vested options must be exercised prior to the last date of service and non-vested options shall lapse on the last day of service.

At the end of the financial year, details of options granted under the Plan on the unissued ordinary shares of the Company, are as follows:

Group and Company	Exercise price $	Beginning of financial year	Granted During the year	Forfeited/ expired during financial year	Exercised during financial year	End of financial year	Number of option holders at 31.03.2018	Exercise period
		No. of ordinary shares under option						
2018								
Date of grant								
22.04.2014	0.048	12,680,000	–	(5,000,000)	–	7,680,000	3	22.04.2015 to 22.04.2019
		12,680,000	–	(5,000,000)	–	7,680,000		

Share plans (continued)

(a) Employee Share Option Plan (continued)

Details of options granted to the directors and controlling shareholders of the Company under the Plan are as follows:

	No. of unissued ordinary shares of the Company under option				
Name of director	**Granted in financial year ended 31.03.2018**	**Aggregate granted since commencement of the Plan to 31.03.2018**	**Aggregate exercised since commencement of the Plan to 31.03.2018**	**Aggregate expired since commencement of the Plan to 31.03.2018**	**Aggregate outstanding as at 31.03.2018**
Ng Weng Sui Harry	–	2,110,000	(250,000)	(1,660,000)	200,000
Goh Tzu Seoh Kenneth	–	17,200,000	(2,350,000)	(10,850,000)	4,000,000
Total	–	19,310,000	(2,600,000)	(12,510,000)	4,200,000

No controlling shareholder or his associate has received more than 10% of the total number of options available under the Plan. The total number of shares granted to the controlling shareholders and their associates has also not exceeded 25% of the total number of options available under the Plan.

Since the commencement of the Plan, except for the directors disclosed above, no individuals had been granted 5% or more of the total number of options available under the Plan.

The options granted by the Company do not entitle the holders of the options, by virtue of such holding, to any rights to participate in any share issue of any other related corporations.

Share options outstanding

The number of unissued ordinary shares of the Company under option in relation to the Plan outstanding at the end of the financial year was as follows:

Date of grant	**No. of unissued ordinary shares under option at 31.03.2018**	**Exercise price**	**Exercise period**
22.04.2014	**7,680,000**	$0.048	22.04.2015 – 22.04.2019

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

Share plans (continued)

(b) Employee Share Award Scheme

Artivision Technologies Ltd.'s Scheme was approved and adopted by its members at an Extraordinary General Meeting on 29 July 2015. The Scheme is administered by the Company's remuneration committee comprising, Ng Weng Sui Harry and Kesavan Nair.

Under the Scheme, all share awards to be issued will have a term no longer than 10 years commencing 29 July 2015. Subject to compliance with any applicable laws and regulations in Singapore, the Scheme may be continued beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

The aggregate number of new shares to be issued pursuant to the share awards granted under the Scheme on any date, when added to the number of shares issued and issuable under any other share incentive schemes or share plans adopted by the Company from the time being in force, including but not limited to the share option plan, shall be limited to 15% of the total number of issued share capital of the Company (excluding treasury shares, if any) on the day preceding that date.

The total number of shares available to controlling shareholders and their associates shall not exceed 25% of the number of shares in respect of which the Company may grant share awards under the Scheme and the total number of shares available to each controlling shareholder or his associate shall not exceed 10% of the number of shares in respect of which the Company may grant share awards under the Scheme.

The participants of the Scheme will receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, and in relation to a performance-related share award, upon the participant achieving prescribed performance targets are met within a prescribed performance period. Performance targets set under the Scheme are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth.

Details of share awards granted to the directors and controlling shareholders of the Company under the Scheme are as follows:

	No. of unissued ordinary shares of the Company under share awards				
Name of director	**Granted in financial year ended 31.03.2018**	**Aggregate granted since commencement of the Scheme to 31.03.2018**	**Aggregate allotted and issued since commencement of the Scheme to 31.03.2018**	**Aggregate forfeited/ expired since commencement of the Scheme to 31.03.2018**	**Aggregate outstanding as at 31.03.2018**
Ng Weng Sui Harry	–	3,000,000	(3,000,000)	–	–
Goh Tzu Seoh Kenneth	–	6,000,000	–	(6,000,000)	–
Total	–	9,000,000	(3,000,000)	(6,000,000)	–

Share plans (continued)

(b) Employee Share Award Scheme (continued)

No controlling shareholder or his associate has received more than 10% of the total number of share awards available under the Scheme. The total number of shares granted to the controlling shareholders and their associates has also not exceeded 25% of the total number of share awards available under the Scheme.

Since the commencement of the Scheme, except for the directors disclosed above, no individual had been granted 5% or more of the total number of share awards available under the Scheme.

The share awards granted by the Company do not entitle the holders of the share awards, by virtue of such holding, to any rights to participate in any share issue of any other related corporations.

Share awards outstanding

The number of unissued ordinary shares of the Company under share awards in relation to the Scheme outstanding at the end of the financial year was as follows:

Date of grant	No. of unissued ordinary shares under share awards at 31.03.2018
18.12.2015	300,000

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Ng Weng Sui Harry	(Non-Executive Chairman and Independent Director)
Goh Tzu Seoh Kenneth	(Executive Director)
Kesavan Nair	(Independent Director)

The Audit Committee carried out its functions in accordance with Section 201B of the Singapore Companies Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held four meetings since the last directors' report. In performing those functions, the Audit Committee met with the Company's external auditors to discuss the scope of their work and the results of their examination.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

Audit Committee (continued)

The Audit Committee also reviewed the following:

- assistance provided by the Company's management to the external auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual);
- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's external auditor and any recommendations on internal accounting controls arising from statutory audit; and
- the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2018 before their submission to the Board of Directors, as well as the Independent Auditor's report on the statement of financial position of the Company and the consolidated financial statements of the Group.

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

The Audit Committee has reviewed the independence of the external auditors as required under Section 206(1A) of the Act and determined that the external auditors were independent in carrying out their audit of the financial statements of the Group and the Company.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Ng Weng Sui Harry Director	Goh Tzu Seoh Kenneth Director

2 July 2018

INDEPENDENT AUDITOR'S **REPORT**

TO THE MEMBERS OF ARTIVISION TECHNOLOGIES LTD.

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying consolidated financial statements of Artivision Technologies Ltd. (the "Company") and its subsidiaries (the "Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the year ended 31 March 2018;
- the statements of financial position of the Group and of the Company as at 31 March 2018;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended, and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1 in the financial statements, which indicates that the Group incurred a net loss of S$8.1 million for the financial year ended 31 March 2018 and, as of that date, the Group's current liabilities exceeded its current assets and total liabilities exceeded its total assets by S$5.0 million and S$5.0 million respectively. As stated in Note 2.1, these events or conditions, along with other matters as set forth in Note 2.1, indicate that a material uncertainty exists that may cast significant doubt on the ability of the Group to continue as a going concern. Our opinion is not qualified in respect of this matter.

INDEPENDENT AUDITOR'S **REPORT**

TO THE MEMBERS OF ARTIVISION TECHNOLOGIES LTD.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2018. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
Provision for liabilities relating to the cessation of Colibri Assembly (Thailand) Co. Ltd. ("CAT") manufacturing operations	
On 27 February 2018, the Company's wholly-owned subsidiary, CAT, terminated its agreement to manufacture disk drive filter technology products for its sole customer. Consequently, the results of the operation of CAT for the financial year have been shown separately in the Statement of Comprehensive Income as arising from discontinued operations. Management has assessed, with advice of the appointed liquidator, that the amount of provisions, accruals and liabilities with respect to the winding down of the operations is estimated to be S$0.6 million. We focused on this area as there is significant management judgement required in determining the adequacy of provision and accrued liabilities of the CAT business that is being wound down.	We evaluated management's estimate that the provisions for employee termination benefits and other accruals and liabilities required to complete the winding up of the business. We have discussed with the appointed liquidator in determining the adequacy and appropriateness of the amount of accruals and provisions. Based on the audit procedures performed, we found management's assessment to be reasonable and appropriate.

INDEPENDENT AUDITOR'S **REPORT**

TO THE MEMBERS OF ARTIVISION TECHNOLOGIES LTD.

Other Information

Management is responsible for the other information. The other information refers to the "Directors' Statement" (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections") which are expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR'S **REPORT**

TO THE MEMBERS OF ARTIVISION TECHNOLOGIES LTD.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARTIVISION TECHNOLOGIES LTD.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Mr Lee Chian Yorn.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 2 July 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2018

Group	Note	2018 $'000	2017 $'000
Revenue	4	–	–
Cost of sales		–	–
Gross profit		–	–
Other gains – net	6	5	89
Expenses			
– Distribution		(72)	(157)
– Administrative		(2,301)	(1,662)
– Finance	7	(1,013)	(4,054)
Loss before income tax		(3,381)	(5,784)
Income tax expense	8(a)	–	–
Loss from continuing operations		(3,381)	(5,784)
Discontinued Operations (see page 45)			
Loss from discontinued operations		(4,738)	(10,072)
Net loss for the year		(8,119)	(15,856)
Other comprehensive loss:			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
– Gains/(losses)		(121)	(706)
– Reclassification upon disposal of subsidiary		1,175	–
Total comprehensive loss		(7,065)	(16,562)
Loss per share (expressed in cents per share)			
– Basic	9(a)	0.45	1.20
– Diluted	9(b)	0.45	1.20

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

STATEMENT OF COMPREHENSIVE INCOME OF DISCONTINUED OPERATIONS

For the financial year ended 31 March 2018

Results from discontinued operations (Note 10)

	Note	2018 $'000	2017 $'000
Revenue		**13,071**	21,751
Cost of sales		**(9,779)**	(17,972)
Gross profit		**3,292**	3,779
Other (losses)/gains – net	6	**(117)**	1,323
Expenses			
– Distribution		**(865)**	(1,965)
– Administrative		**(7,013)**	(13,154)
– Finance		**(15)**	–
Share of loss of a joint venture		**(20)**	(55)
Loss before income tax		**(4,738)**	(10,072)
Income tax expense		**–**	–
Loss after income tax		**(4,738)**	(10,072)
The loss from discontinued operations is analysed as follows:			
Loss from Artimedia Pte. Ltd. (Note 10(a))		**(810)**	(444)
Loss from Colibri Assembly (Thailand) Co., Ltd. (Note 10(b))		**(3,928)**	(9,628)
Total loss from discontinued operations		**(4,738)**	(10,072)

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

STATEMENTS OF FINANCIAL POSITION – GROUP AND COMPANY

For the financial year ended 31 March 2018

	Note	Group		Company	
		2018	2017	2018	2017
		$'000	$'000	$'000	$,000
ASSETS					
Current assets					
Cash and cash equivalents	11	**2,276**	4,038	**935**	2,845
Available-for-sale financial asset	15	**–**	–	**–**	–
Trade and other receivables	12	**1,299**	471	**1,237**	179
Other current assets	13	**123**	211	**66**	106
Inventories	14	**–**	252	**–**	–
		3,698	4,972	**2,238**	3,130
Assets of disposal group classified as held-for-sale	10	**–**	9,078	**–**	1
		3,698	14,050	**2,238**	3,131
Non-current assets					
Other receivables	12	**–**	–	**–**	5,000
Investments in subsidiaries	16	**–**	–	**–**	1,315
Investment in a joint venture		**–**	–	**–**	–
Property, plant and equipment	17	**5**	2,657	**–**	6
Intangible assets	18	**–**	429	**–**	–
		5	3,086	**–**	6,321
Total assets		**3,703**	17,136	**2,238**	9,452
LIABILITIES					
Current liabilities					
Trade payables and other liabilities	19	**1,843**	1,264	**1,053**	899
Derivative financial instruments		**–**	13	**–**	13
Convertible loan	20	**–**	5,523	**–**	5,523
Bonds payable	21	**6,875**	7,175	**6,875**	7,175
		8,718	13,975	**7,928**	13,610
Liabilities directly associated with disposal group classified as held-for-sale	10	**–**	4,078	**–**	–
		8,718	18,053	**7,928**	13,610
Total liabilities		**8,718**	18,053	**7,928**	13,610
NET LIABILITIES		**(5,015)**	(917)	**(5,690)**	(4,158)
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	22	**71,777**	68,787	**71,777**	68,787
Other reserves	23	**2,673**	1,642	**2,515**	2,538
Accumulated losses		**(79,465)**	(71,346)	**(79,982)**	(75,483)
Total equity		**(5,015)**	(917)	**(5,690)**	(4,158)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2018

	Share capital $'000	Currency translation reserve $'000	Share-based compensation reserve $'000	Capital reserve $'000	Accumulated losses $'000	Total equity $'000
Group						
2018						
Beginning of financial year	**68,787**	**(896)**	**2,538**	**–**	**(71,346)**	**(917)**
Loss for the year	–	–	–	–	(8,119)	(8,119)
Other comprehensive income for the year	–	1,054	–	–	–	1,054
Total comprehensive income for the year	**–**	**1,054**	**–**	**–**	**(8,119)**	**(7,065)**
Renounceable and non-underwritten Rights Issue	–	–	–	–	–	–
Share issue expenses (Note 22)	(10)	–	–	–	–	(10)
Share issuance (Note 22)	3,000	–	–	–	–	3,000
Net write-back of employee services received for issue of share options and share awards	–	–	(23)	–	–	(23)
End of financial year	**71,777**	**158**	**2,515**	**–**	**(79,465)**	**(5,015)**
2017						
Beginning of financial year	51,402	(190)	3,091	–	(55,490)	(1,187)
Loss for the year	–	–	–	–	(15,856)	(15,856)
Other comprehensive loss for the year	–	(706)	–	–	–	(706)
Total comprehensive loss for the year	–	(706)	–	–	(15,856)	(16,562)
Renounceable and non-underwritten Rights Issue	13,056	–	–	–	–	13,056
Share issue expenses	(171)	–	–	–	–	(171)
Share Placement	4,500	–	–	–	–	4,500
Net write-back of employee services received for issue of share options and share awards	–	–	(553)	–	–	(553)
End of financial year	68,787	(896)	2,538	–	(71,346)	(917)

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

CONSOLIDATED STATEMENT OF
CASH FLOWS

For the financial year ended 31 March 2018

	Note	2018 $'000	2017 $'000
Cash flows from operating activities			
Net loss		**(8,119)**	(15,856)
Adjustments for			
– Amortisation of intangible assets		**412**	271
– Impairment of intangible assets		**18**	–
– Depreciation of property, plant and equipment		**501**	626
– Impairment of property, plant and equipment		**2,215**	–
– Unrealised currency translation (gains)/losses		**(50)**	165
- Realised currency exchange gains		**(244)**	–
– Interest income		**(4)**	(16)
– Interest expense on convertible loan		**102**	2,346
– Interest expense on bonds		**911**	1,707
– Fair value changes on derivative financial instruments		**(13)**	(314)
– Loss on disposal of property, plant and equipment		**–**	11
– Impairment loss on assets held-for-sale		**–**	6,887
– Impairment loss on available-for-sale financial asset		**–**	613
– Share of loss of a joint venture		**20**	55
– Loss on disposal of subsidiary		**187**	–
– Inventory written off		**72**	–
– Write-back of share-based compensation expenses		**(23)**	(553)
		(4,015)	(4,058)
Change in working capital:			
– Inventories		**181**	53
– Trade and other receivables		**67**	(3,520)
– Other current assets		**101**	119
– Trade payables and other liabilities		**3,614**	(235)
Cash used in operations		**(52)**	(7,641)
Interest received		**1**	16
Income tax paid		**–**	(49)
Net cash used in operating activities		**(51)**	(7,674)
Cash flows from investing activities			
Additions to intangible assets		**–**	(37)
Additions to property, plant and equipment		**–**	(84)
Disposal of subsidiary, net of cash disposed of	11	**1,710**	–
Sales proceeds on disposal of property, plant and equipment		**–**	5
Net cash used in investing activities		**1,710**	(116)
Cash flows from financing activities			
Proceeds from the renounceable and non-underwritten Rights Shares		**–**	10,306
Proceeds from issuance of bonds		**2,000**	2,000
Proceeds from share placement		**–**	4,500
Proceeds from exercise of share options		**3,000**	–
Repayment of convertible loan		**(5,520)**	–
Interest paid on convertible loan		**(414)**	(824)
Interest paid on bonds		**(214)**	–
Share issue expense		**(10)**	(171)
Redemption of bond payable		**(2,300)**	(4,000)
Net cash provided by financing activities		**(3,458)**	11,811
Net increase in cash and cash equivalents		**(1,799)**	4,021
Cash and cash equivalents			
Beginning of financial year		**4,038**	3,469
Effects of currency translation on cash and cash equivalents		**37**	277
Cash and cash equivalents of disposal group		**–**	(3,729)
End of financial year	11	**2,276**	4,038

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2018

Reconciliation of liabilities arising from financing activities

	2017 $'000	Net cash flows $'000	Non-cash changes: Conversion of interest payable to bonds principal* $'000	Non-cash changes: Amortisation of interest expense $'000	Non-cash changes: Foreign exchange movement $'000	2018 $'000
Convertible loan	5,523	(5,520)	–	66	(69)	**–**
Bonds payable	7,175	(514)	214	–	–	**6,875**

* On 18 June 2017, the Company had obtained the agreement from Ms Poh Chew Hua Christine to extend the repayment period from 31 July 2017 to a date on or before 8 September 2017 for the initial principal amount of S$2,000,000 and interest due, on the same terms (including interest rate of 15% per annum) as the subscription agreement dated 31 December 2015. The bonds including interest portion was fully repaid on 11 August 2017.

	2016 $'000	Net cash flows $'000	Non-cash changes: Conversion of interest payable to bonds principal** $'000	Non-cash changes: Amortisation of interest expense $'000	Non-cash changes: Foreign exchange movement $'000	2017 $'000
Convertible loan	3,852	–	–	1,517	154	**5,523**
Bonds payable	7,460	(2,000)	675	–	–	**7,175**

** On 9 November 2016, the Company had obtained the agreement from Ms Poh Chew Hua Christine for the amount of $2,000,000 (including interest due of $300,000) (out of the total amount of $4,500,000) to extend the repayment period from 30 December 2016 to 30 June 2017 on the same terms (including interest rate of 15% per annum) as the subscription agreement dated 31 December 2015. On 29 December 2016, the Company had announced that the aggregate principal amount of $2,500,000 and the interest portion of $375,000 was redeemed by way of set-off against a new bond subscription agreement subscribed for by Mr Low See Ching on 27 December 2016.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

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

1. GENERAL INFORMATION

Artivision Technologies Ltd. (the "Company") is listed on the Singapore Exchange-Catalist and incorporated and domiciled in Singapore. The address of its registered office is 67 Ubi Avenue 1 #06-03 Starhub Green, Singapore 408942.

The principal activities of the Company are the development and licensing of computer vision technologies; inventing, manufacturing, producing and/or marketing of various machine vision based on applications and solutions for media publishers and media content providers and investment holding. The principal activities of its subsidiaries are set out in Note 16.

On 11 August 2017, the Company completed the disposal of Artimedia Group to Dr Ofer Miller. Under the sale and purchase agreement, the Company transferred all assets and liabilities related to the Artimedia Group to Dr Ofer Miller for a cash consideration of $5.0 million.

On 27 February 2018, the Company's wholly-owned subsidiary, Colibri Assembly (Thailand) Co., Ltd. ("CAT"), has ceased its business and operations. A members' voluntary winding up of CAT is being undertaken and CAT appointed a liquidator for the voluntary winding up.

As a result of the disposal of Artimedia Group and the cessation of the business and operations of CAT, the Company ceased to own and operate any business. The Company became a Cash Company under Rule 1017 of the Singapore Exchange Securities Trading Limited Listing Manual. On 5 April 2018, the Company received a waiver from SGX-ST for compliance to Rule 1017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2018

On 1 April 2017, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with relevant transitional provisions in the respective FRS and INT FRS.

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2018 (continued)

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

FRS 7 Statement of cash flows

The Group has early adopted the amendments to FRS 7 Statement of cash flows (Disclosure initiative) on 1 April 2016. The amendment is applicable for annual periods beginning on or after 1 January 2017. It sets out the required disclosures that enables users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has included the additional required disclosures in the consolidated statement of cash flows.

Going concern

The Group reported a net loss of $8.1 million for the financial year ended 31 March 2018 and, as of that date, the Group's current liabilities exceeded its current assets and total liabilities exceeded its total assets by $5.0 million and $5.0 million respectively. These conditions indicate the existence of material uncertainties that may cast significant doubt on the ability of the Group to continue as a going concern. Notwithstanding the above, these financial statements have been prepared on a going concern basis as the Directors are of the view that it is appropriate to do so having considered the following:

(a) In August 2018, the Company will receive the last tranche of payment of S$1 million from the disposal of Artimedia, notwithstanding it will be put under escrow.

(b) The cash flow forecast up to 31 March 2019, prepared by the management.

(c) The controlling shareholder, Mr Ching Chiat Kwong had undertaken to provide adequate funds to the Group to enable it to continue its operations on a going concern basis and also to enable the Group to pay its liabilities as and when they fall due, up to 31 August 2019.

(d) In April 2018, the Company has entered into a conditional sales and purchase agreement (SPA) to acquire 100% of Mobile Credit Payment Pte. Ltd.. If successfully completed, this will result in a reverse take-over. Under the SPA, the controlling shareholder, Mr Ching Chiat Kwong, will acquire all the bonds, to achieve zero liability. He had also undertaken to provide adequate funds to the Group to enable the Group to pay its liabilities as and when they fall due and continue to operate as a going concern, up to and including the completion date of the acquisition by the Company.

If the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities or realise its assets in the normal course of business. Assets may need to be realised at amounts which could differ from the amounts at which they are currently recorded in the statement of financial position and additional liabilities may arise. No such adjustments have been made in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.2 Revenue recognition

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

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Sale of goods – Contract manufacturing disk drive technology products

Revenue from these sales is recognised when the Group entity has delivered the contract manufacturing disk drive technology products specified by its customers and the customers have accepted the products in accordance with the sales contract.

Contract manufacturing disk drive technology products are sold to certain customers with volume discount and these customers also have the right to return faulty products. Revenue from these sales is recorded based on the contracted price less the estimated volume discount and returns at the time of sale. Past experience and projections are used to estimate the anticipated volume of sales and returns.

(b) Rendering of services – Media solutions

Revenue from services rendered, which includes the rendering of monetisation services for the delivery of advertisements in and around the video content, is recognised upon realisation of video viewing.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

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

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

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.3 Group accounting (continued)

(a) *Subsidiaries* (continued)

(ii) *Acquisitions*

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

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

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

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

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

(iii) *Disposals*

When a change in the Group'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 are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

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

Please refer to the paragraph "Investments in subsidiaries and a joint venture" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Group accounting (continued)

(b) Joint venture

The Group's joint venture is an entity over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investment in a joint venture is accounted for in the consolidated financial statements using the equity method of accounting less impairment losses.

(i) Acquisitions

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

(ii) Equity method of accounting

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

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

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.3 Group accounting (continued)

(b) Joint venture (continued)

(iii) Disposals

Investment in a joint venture is derecognised when the Group loses joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when joint control is lost and its fair value is recognised in profit or loss.

Gains and losses arising from partial disposals or dilutions in investment in a joint venture in which joint control is retained are recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and a joint venture" for the accounting policy on investment in a joint venture in the separate financial statements of the Company.

2.4 Property, plant and equipment

(a) Measurement

All items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item 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. Cost also includes borrowing costs that are directly attributable to the acquisition.

(b) Depreciation

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

	Useful lives
Building	5 years – 10 years
Furniture and fittings	3 years – 5 years
Office equipment	3 years – 5 years
Plant and equipment	3 years
Motor vehicles	5 years

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Property, plant and equipment (continued)

(c) Construction-in-progress

Construction-in-progress represents building under construction or pending installation and is stated at cost less accumulated impairment losses. This includes cost of construction and other direct attributable cost. No provision for depreciation is made on construction-in-progress until such a time as the relevant assets are completed and ready for intended use. When the asset concerned is brought into use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy stated above.

(d) Subsequent expenditure

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

(e) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "Administrative expenses".

2.5 Intangible assets

(a) Measurement

(i) Acquired computer software licenses

Acquired computer software licenses are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use.

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

(ii) Acquired customer relationship

Customer relationship acquired is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of five years.

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.5 Intangible assets (continued)

(b) Review of amortisation period and method

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

2.6 Borrowing costs

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

2.7 Investments in subsidiaries and a joint venture

Investments in subsidiaries and a joint venture are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.8 Impairment of non-financial assets

Intangible assets
Property, plant and equipment
Investments in subsidiaries and a joint venture

Intangible assets, property, plant and equipment and investments in subsidiaries and a joint venture are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

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

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

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.8 Impairment of non-financial assets (continued)

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

2.9 Financial assets

(a) *Classification*

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables", "cash and cash equivalents", and deposits within "other current assets" on the statements of financial position.

(ii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless management intends to dispose of the assets within 12 months after the reporting date.

(b) *Recognition and derecognition*

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

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets (continued)

(c) Initial measurement

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

(d) Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) Impairment

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

(i) Loans and receivables

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.9 Financial assets (continued)

(e) *Impairment* (continued)

(ii) *Available-for-sale financial assets*

In addition to the objective evidence of impairment described in Note 2.9(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If there is objective evidence of impairment, the cumulative loss that had been recognised in other comprehensive income is reclassified from equity to profit or loss. The amount of cumulative loss that is reclassified is measured as the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss. The impairment losses recognised as an expense for an equity security are not reversed through profit or loss in subsequent period.

(f) *Offsetting of financial instruments*

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

2.10 Borrowings

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

(a) *Borrowings*

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

(b) *Foreign currency convertible loan*

On issuance of foreign currency convertible loan, the proceeds are allocated between the embedded equity conversion option and the liability component. The embedded option is recognised at its fair value. The liability component is recognised as the difference between total proceeds and the fair value of the equity conversion option.

The equity conversion option is subsequently carried at its fair value with fair value changes recognised in profit or loss. The foreign currency-denominated liability component is carried at amortised cost until the liability is extinguished on conversion or redemption.

When an equity conversion option is exercised, the carrying amounts of the liability component and the equity conversion option are derecognised with a corresponding recognition of share capital.

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.11 Trade payables and other liabilities

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

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

2.12 Derivative financial instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value.

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

The fair value of a trading derivative is presented as a current asset or liability.

2.13 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

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

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

2.14 Leases

The Group leases land, factory, office premise, equipment and motor vehicle under operating leases from non-related parties.

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

When a lease is terminated before the lease period expires, any payment made (or received) by the Group as penalty is recognised as an expense (or income) when termination takes place.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using either the specific identification method or weighted average method. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.16 Income taxes

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

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

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

Deferred income tax is measured:

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

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

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

2.17 Provisions

(a) Provision for warranty

Provisions for warranty are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

The Group recognises the estimated liability for repair or repair products still under warranty at the reporting date. This provision is calculated based on historical experience of the level of repairs and replacements.

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

2.17 Provisions (continued)

(b) Provision for employee benefits

Provision for employee benefits are recognised when the Group has an obligation under labour law in benefit payable under the plan for employees until retirement date. The maximum amount of obligation shall not exceed the amount of final salary payable for 10 months. The employees will receive the payment amount at retirement date. The Group estimated a provision at the end of reporting period, which calculation is based on current salary of specific group of employees, who are entitled, reflected by the proportion of working period of employees and working period until retirement.

2.18 Employee compensation

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

(a) Defined contribution plans

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

(b) Share-based compensation

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

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share-based compensation reserve are credited to share capital account, when new ordinary shares are issued. When the awards are allotted, the related balance previously recognised in the share-based compensation reserve are credited to the share capital account when new ordinary shares are issued.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve. When a foreign operation is disposed of, a proportionate share of the accumulated translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

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

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

(c) Translation of Group entities' financial statements

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

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

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

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

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Directors. The results of the operating segments are regularly reviewed by the Executive Directors to make decisions about resources to be allocated to the segment and assess its performance.

For FY2018, the Company disposed and discontinued the businesses of both its operating subsidiaries and became a cash company as defined by Rule 1017 of the Singapore Exchange Securities Trading Listing Manual. Hence, there will be no segment reporting for this financial year.

2.21 Cash and cash equivalents

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

2.22 Share capital

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

2.23 Non-current assets (or proposed disposal groups) held-for-sale

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

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;
(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

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

Provision of liabilities relating to discontinued operations

On 27 February 2018, the Group ceased its business and operations of its wholly-owned subsidiary, CAT.

Judgement is required by management in determining the amount of provisions required to wind down the operations completely.

Provisions and accruals of $0.6 million with respect to employee salaries, termination costs and other liabilities was estimated and recorded with the advice of the appointed liquidator within Trade and Other Payables (Note 19).

4. REVENUE – CONTINUING OPERATIONS

	2018	2017
	$'000	$'000
Revenue	**–**	–

Following the disposal of Artimedia Pte. Ltd. on 11 August 2017 and cessation of Colibri Assembly (Thailand) Co., Ltd. in February 2018, the Group does not have any active business at the balance sheet date. All discontinued businesses are separately disclosed in the statement of comprehensive income of discontinued operations. Hence, there was no revenue for the current year. The corresponding comparative figures were also reclassified to "Discontinued operations" accordingly.

5. EXPENSES BY NATURE

(a) Continuing operations

	2018	2017
	$'000	$'000
Operating lease expenses	**123**	213
Write-back of share-based compensation expenses (Note 23)	**(23)**	(553)
Wages and salaries	**1,018**	1,476
Employer's contribution to defined contribution plans including Central Provident Fund	**69**	79
Directors' fees (Note 26)	**36**	68
Professional and consultancy expenses	**785**	311

5. EXPENSES BY NATURE (continued)

(b) Discontinued operations

	2018 $'000	2017 $'000
Amortisation of intangible assets (Note 18)	412	271
Impairment of intangible assets (Note 18)	18	–
Depreciation of property, plant and equipment (Note 17)	495	620
Impairment of property, plant and equipment	2,215	–
Impairment loss on assets held-for-sale	–	6,888
Write-back of provision for warranties (Note 19)	(3)	–
Wages and salaries	4,431	7,716

6. OTHER GAINS – NET

	Group	
	2018 $'000	2017 $'000
Currency translation (losses)/gains	(212)	1,633
Fair value changes on derivative financial instruments	13	314
Interest income from bank deposits	4	16
Impairment loss on available-for-sale financial asset (Note 15)	–	(613)
Others	83	62
	(112)	1,412

7. FINANCE EXPENSES

	Group	
	2018 $'000	2017 $'000
Interest expenses on convertible loan	102	2,347
Interest expenses on bonds	911	1,707
	1,013	4,054

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

8. INCOME TAXES

(a) Income tax expense

	Group	
	2018	2017
	$'000	$'000
Tax expense attributable to loss is made up of:		
– Loss for the financial year:		
Current income tax		
– Foreign	**–**	–

(b) Deferred income taxes

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

The Group has significant carried forward unutilised tax losses from prior years and the current financial year. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits. The unrecognised deferred tax assets from a reconciling item from the Group's net loss before tax to income tax expense for current and prior financial year. The amount of unutilised tax losses available for carried forward is not disclosed as the amount may be subjected to change upon the acquisition of Mobile Credit Payment Pte. Ltd. (Note 28).

9. LOSS PER SHARE

(a) Basic loss per share

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

	Continuing operations		Discontinued operations	
	2018	2017	**2018**	2017
Net loss attributable to equity holders of the Company ($'000)	**3,381**	5,784	**4,738**	10,072
Weighted average number of ordinary shares outstanding for basic loss per share	**1,794,241,489**	1,317,949,826	**1,794,241,489**	1,317,949,826
Basic loss per share (cents)	**0.19**	0.43	**0.26**	0.77

(b) Diluted loss per share

For the purpose of calculating diluted loss per share, net loss attributable to equity holders of the Company and the weighted average number of ordinary shares in issue are adjusted for the dilutive effects of potential ordinary shares issues.

The Company has three categories of potentially dilutive ordinary shares, namely, share options, share awards, and call options as at 31 March 2018 and 31 March 2017.

9. **LOSS PER SHARE** (continued)

(b) Diluted loss per share (continued)

For share options and share awards, the weighted average number of shares in issue have been adjusted as if all dilutive share options were exercised and when the condition for issuance of share awards is met at the end of reporting date, which was also the end of the vesting period. The number of shares that could have been issued upon the exercise of all dilutive share options, which condition is fulfilled less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net loss.

Diluted loss per share attributable to equity holders of the Company is calculated as follows:

	2018	2017
Net loss used to determine diluted loss per share ($'000)	**8,119**	15,856
Weighted average number of ordinary shares outstanding for basic loss per share	**1,794,241,489**	1,317,949,826
Adjustments for		
– Share options	**–**	–
– Call options	**–**	166,412,988
	1,794,241,489	1,484,362,814*

The following outstanding share options were excluded from the diluted weighted average number of ordinary share calculation as their effect would have been anti-dilutive due to the fact that the exercise price has been higher than the market price:

Date of grant of options	**As at 31 March 2018**	As at 31 March 2017
23 June 2011	**Expired**	Expired
23 December 2011	**Expired**	Expired
22 August 2012	**Expired**	6,120,000
22 April 2014	**7,680,000**	12,680,000
17 April 2015	**Expired**	63,694,267
22 September 2015	**Expired**	30,000,000
18 December 2015	**Expired**	300,000
31 December 2015	**Expired**	33,750,000
29 December 2016	**555,555,555**	–
27 April 2016	**200,000,000**	–

* In the financial year ended 31 March 2017, although the options granted were dilutive in nature, the diluted loss per share was computed based on the weighted average number of shares of 1,317,949,826 shares as the Group had incurred losses.

	2018	2017
Diluted loss per share (cents)	**0.45**	1.20

The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

10. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE

(a) Sale of Artimedia Group

On 9 June 2017, the Company entered into a sale and purchase agreement ("Agreement") with Dr Ofer Miller, an executive director and Chief Technology Officer of the Company. Under the Agreement, the Company would transfer all assets and liabilities related to the Artimedia Group to Dr Ofer Miller for a cash consideration of $5.0 million. The transaction was approved by the shareholders at an extraordinary general meeting on 27 July 2017. Correspondingly, the results of the Artimedia Group are presented separately on the statement of comprehensive income as "Discontinued operations". The transaction was completed on 11 August 2017. A loss on disposal of $0.2 million was recorded in the statement of comprehensive income.

Out of the $5.0 million cash consideration, $4.0 million has been received and the remaining $1.0 million is due in August 2018.

	2018	2017
	$'000	$'000
Assets held-for-sale	–	9,078
Liabilities held-for-sale	–	(4,078)
	–	5,000

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

	2018	2017
	$'000	$'000
Operating cash flows	**(3,328)**	(4,201)
Investing cash flows	**(89)**	(42)
Financing cash flows	**2,000**	5,710
Net cash (outflows)/inflows	**(1,417)**	1,467

(b) Cessation of CAT business and operations

In October 2017, the Company announced that CAT had decided not to renew the exclusive contract manufacturing agreement with its sole customer. This was because it was no longer a commercially viable business with the slowdown in the hard disk drive industry, which had affected CAT's revenue and profitability. On 27 February 2018, the Company announced the cessation of CAT's business and operations. Correspondingly, the results of the CAT are presented separately on the statement of comprehensive income as "Discontinued operations".

A write-down of the plant, equipment and machineries of CAT was recorded to reflect its realisable value based on the sales of scrap. Provisions for employee salaries and termination costs were recorded with advice of the appointed liquidator. There are no assets or liabilities that are being classified as held-of-sale as the winding up of CAT does not meet the criteria under FRS 105.

10. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE (continued)

(b) Cessation of CAT business and operations (continued)

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

	2018	2017
	$'000	$'000
Operating cash flows	**310**	1,734
Investing cash flows	**(3)**	(30)
Financing cash flows	**(181)**	(1,505)
Net cash inflows	**126**	199

11. CASH AND CASH EQUIVALENTS

	Group		**Company**	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Cash at bank	**2,276**	4,038	**935**	2,845

Disposal of subsidiary – Artimedia Group

On 11 August 2017, the Company completed the transfer of all assets and liabilities related to the Artimedia Group to Dr Ofer Miller for a cash consideration of $5.0 million. Please refer to Note 10 (a) for details of the disposal. The effects of the disposal on the cash flows of the Group were:

	Group
	2018
	$'000
Details of the assets of disposal group that were disposed are as follows:	
Plant and equipment	**158**
Intangible assets	**35**
Trade and other receivables	**15,693**
Other current assets	**153**
Cash and cash equivalents	**2,290**
Total assets	**18,329**
Less: Impairment of assets held-for-sale	**(6,887)**
Total assets net of impairment	**11,442**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

11. CASH AND CASH EQUIVALENTS (continued)

	Group 2018 $'000
Details of the liabilities of disposal group that were disposed are as follows:	
Trade payables and other liabilities	5,416
Loan from third party	2,014
Total liabilities	7,430
Net assets disposed of	4,012

The aggregate cash inflows arising from the disposal of Artimedia Group were:

	Group 2018 $'000
Net assets disposed of (as above)	4,012
– Reclassification of currency translation reserve (Note 23(ii))	1,175
	5,187
Loss on disposal	(187)
Cash proceeds from disposal	5,000
Less: Outstanding payments (Note 12)	(1,000)
Less: Cash and cash equivalents in subsidiary disposed of	(2,290)
Net cash inflow on disposal	1,710

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Current:				
Trade receivables				
– Subsidiaries	**–**	–	**–**	2,839
– Non-related parties	**57**	480	**–**	19
	57	480	**–**	2,858
Less:				
Allowance for impairment of receivables				
– Subsidiaries (Note (a))	**–**	–	**–**	(2,839)
– Non-related parties	**–**	(19)	**–**	(19)
Trade receivables – net	**57**	461	**–**	–
Other receivables				
– Subsidiaries (non-trade) (Note(b))	**–**	–	**8**	2,879
– Non-related parties	**242**	10	**237**	–
– Receivable for disposal of subsidiary (Note 10 (a))	**1,000**	–	**1,000**	–
Loans to subsidiaries (Note (b))	**–**	–	**–**	179
	1,242	10	**1,245**	3,058
Less:				
Allowance for impairment of receivables				
– Subsidiaries (non-trade) (Note(a))	**–**	–	**(8)**	(2,879)
Other receivables – net	**–**	10	**1,237**	179
	1,299	471	**1,237**	179
Non-current:				
Other receivables				
– Subsidiaries (Note (c))	**–**	–	**–**	11,145
Loans to subsidiaries	**–**	–	**–**	20,643
	–	–	**–**	31,788
Less: Allowance for impairment of receivables				
– Subsidiaries (Note (a))	**–**	–	**–**	(11,145)
– Loans to subsidiaries (Note (a))	**–**	–	**–**	(15,643)
	–	–	**–**	(26,788)
Other receivables – net	**–**	–	**–**	5,000

(a) Due to continued operating losses and a net deficit in shareholders' equity recorded by the subsidiaries, majority of the amounts due from the subsidiaries were impaired at $0.008 million (2017: $32.5 million).

(b) The non-trade amounts due from subsidiaries and loans to subsidiaries are unsecured, interest-free and repayable on demand.

(c) Other receivables due from subsidiaries are unsecured and interest-free. The repayment of the amount is neither planned nor likely to occur in the next 12 months from the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

13. OTHER CURRENT ASSETS

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Deposits	**84**	113	**28**	54
Prepayments	**39**	98	**38**	52
	123	211	**66**	106

14. INVENTORIES

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	'000
Spare parts	**–**	148	**–**	–
Work-in-progress	**–**	1	**–**	–
Finished goods	**–**	103	**–**	–
	–	252	**–**	–

A full write-down amounting to $0.07 million (2017: nil) was recorded to recognise the inventories at net realisable value. This was recognised as an expense and included in "cost of sales".

15. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group and Company	
	2018	2017
	$'000	$'000
Beginning of financial year	**613**	613
Accumulated impairment loss (Note (a))	**(613)**	(613)
End of financial year	**–**	–

(a) On 17 December 2013, the Company entered into a conditional subscription agreement with 212 DB Corp. ("212 DB") for the proposed subscription of 4.99% of the issued and paid-up share capital of 212 DB. The proposed subscription was completed on 20 January 2014. The investment in equity securities of 212 DB was recognised as an available-for-sale financial asset ("AFS") as at 31 March 2014.

On 1 October 2014, a publicly traded entertainment technology company, Nyxio Technologies Corporation ("Nyxio") acquired all of the issued and outstanding shares of 212 DB in exchange for the issuance of Nyxio's convertible preferred shares. As a result of the share exchange, the investment in equity securities of Nyxio was recognised as an AFS on 1 October 2014 and the Company recognised a loss on share exchange of $2,056,992 for the financial year ended 31 March 2015. There was no cash movement arising from the above transaction.

As the asset had been fully impaired in the financial year ended 31 March 2017, no other action is necessary, even though the trade prices had been below cost for a prolonged period of time.

15. AVAILABLE-FOR-SALE FINANCIAL ASSETS (continued)

(b) This security had been stated at cost as at the respective reporting dates. Fair values have not been disclosed because the fair values cannot be reliably measured as the equity securities are not quoted on any market.

16. INVESTMENTS IN SUBSIDIARIES

	Company	
	2018	2017
	$'000	$'000
Equity investment, at cost		
Beginning of financial year	**1,315**	1,316
Asset held-for-sale (Note 10) (Note (a))	**–**	(1)
Impairment of subsidiary (Note 10) (Note (b))	**(1,315)**	–
End of financial year	**–**	1,315

(a) On 11 August 2017, the Company completed a sale of Artimedia Group to Dr Ofer Miller, an executive director and Chief Technology Officer of the Company, for a cash consideration of $5.0 million.

(b) On 27 February 2018, the Company announced the cessation of CAT's business and operations. Correspondingly, the cost of investment in CAT has been fully written down as at the balance sheet date.

Details of subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation/ business	Effective equity interest held by the Group	
			2018	2017
			%	%
Artisecurity Technologies Pte. Ltd.^	Development and provision of video management solutions	Singapore	**100**	100
Colibri Assembly (Thailand) Co., Ltd.@	Contract manufacturer of disk drive technology products	Thailand	**100**	100

^ Audited by PricewaterhouseCoopers LLP Singapore.

@ Audited by PricewaterhouseCoopers LLP ABAS Ltd.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

17. PROPERTY, PLANT AND EQUIPMENT

	Building $'000	Plant and equipment $'000	Furniture and fittings $'000	Office equipment $'000	Motor vehicles $'000	Construction-in-progress $'000	Total $'000
Group							
2017							
Cost							
Beginning of financial year	3,356	706	417	567	59	–	5,105
Additions	–	16	4	59	–	5	84
Transfer	–	3	–	2	–	(5)	–
Reclassified to assets held-for-sale (Note 10(a))	–	–	(126)	(287)	–	–	(413)
Disposals	–	(46)	–	–	–	–	(46)
Write-off	–	(8)	–	(23)	–	–	(31)
Currency translation differences	201	26	21	25	3	–	276
End of financial year	3,557	697	316	343	62	–	4,975
Accumulated depreciation							
Beginning of financial year	775	457	277	428	31	–	1,968
Depreciation charge	380	100	55	76	15	–	626
Reclassified to assets held-for-sale (Note 10(a))	–	–	(115)	(205)	–	–	(320)
Disposals	–	(31)	–	–	–	–	(31)
Write-off	–	(7)	–	(23)	–	–	(30)
Currency translation differences	57	13	14	19	2	–	105
End of financial year	1,212	532	231	295	48	–	2,318
Net book value							
End of financial year	2,345	165	85	48	14	–	2,657
2018							
Cost							
Beginning of financial year	**3,557**	**697**	**316**	**343**	**62**	**–**	**4,975**
Additions	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Transfer							
Disposals							
Currency translation differences	**76**	**5**	**–**	**4**	**1**	**–**	**86**
End of financial year	**3,633**	**702**	**316**	**347**	**63**	**–**	**5,061**
Accumulated depreciation							
Beginning of financial year	**1,212**	**532**	**231**	**295**	**48**	**–**	**2,318**
Depreciation charge – discontinued operations	**362**	**79**	**58**	**(4)**	**–**	**–**	**495**
Depreciation charge – continuing operations	**–**	**–**	**–**	**6**	**–**	**–**	**6**
Currency translation differences	**15**	**3**	**3**	**–**	**1**	**–**	**22**
	1,589	**614**	**292**	**297**	**49**	**–**	**2,841**
Impairment	**2,044**	**88**	**19**	**50**	**14**	**–**	**2,215**
End of financial year	**3,633**	**702**	**311**	**347**	**63**	**–**	**5,056**
Net book value							
End of financial year	**–**	**–**	**5**	**–**	**–**	**–**	**5**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

17. PROPERTY, PLANT AND EQUIPMENT (continued)

	Plant and equipment $'000	Furniture and fittings $'000	Office equipment $'000	Total $'000
Company				
2017				
Cost				
Beginning of financial year	274	106	212	592
Additions	–	–	3	3
Write-off	(7)	–	(23)	(30)
End of financial year	267	106	192	565
Accumulated depreciation				
Beginning of financial year	274	102	207	583
Depreciation charge	–	4	2	6
Write-off	(7)	–	(23)	(30)
End of financial year	267	106	186	559
Net book value				
End of financial year	–	–	6	6
2018				
Cost				
Beginning of financial year	**267**	**106**	**192**	**565**
Additions	**–**	**–**	**–**	**–**
End of financial year	**267**	**106**	**192**	**565**
Accumulated depreciation				
Beginning of financial year	**267**	**106**	**186**	**559**
Depreciation charge	**–**	**–**	**6**	**6**
End of financial year	**267**	**106**	**192**	**565**
Net book value				
End of financial year	–	–	–	–

18. INTANGIBLE ASSETS

	Group		Company	
	2018 $'000	2017 $'000	**2018 $'000**	2017 $'000
Composition:				
Computer software licences (Note (a))	–	21	–	–
Customer relationship (Note (b))	–	408	–	–
	–	429	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

18. INTANGIBLE ASSETS (continued)

(a) Computer software licences

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Cost				
Beginning of financial year	**1,793**	1,859	**1,741**	1,741
Additions	**–**	37	**–**	–
Reclassified to assets held-for-sale (Note 10(a))	**–**	(111)	**–**	–
Currency translation differences	**1**	8	**–**	–
End of financial year	**1,794**	1,793	**1,741**	1,741
Accumulated amortisation				
Beginning of financial year	**1,772**	1,807	**1,741**	1,741
Amortisation charge	**4**	26	**–**	–
Reclassified to assets held-for-sale (Note 10(a))	**–**	(67)	**–**	–
Impairment	**18**	–	**–**	–
Currency translation differences	**–**	6	**–**	–
End of financial year	**1,794**	1,772	**1,741**	1,741
Net book value	**–**	21	**–**	–

(b) Customer relationship

	Group	
	2018	2017
	$'000	$'000
Cost		
Beginning and end of financial year	**1,225**	1,225
Accumulated amortisation		
Beginning of financial year	**817**	572
Amortisation charge	**408**	245
End of financial year	**1,225**	817
Net book value	**–**	408

This represents the value of the customer relationship pursuant to the acquisition of a subsidiary during the financial year ended 31 March 2014.

Amortisation expense of intangible assets is included within "Administrative expenses" in the statement of comprehensive income of discontinued operations.

19. TRADE PAYABLES AND OTHER LIABILITIES

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Trade payables to:				
– Non-related parties	**66**	75	**–**	–
Other payables – non-related parties	**64**	36	**107**	36
Accrued operating expenses	**1,536**	1,058	**945**	772
Advance payments from customer	**–**	90	**–**	90
Advance payments from share option holders	**1**	1	**1**	1
Provision for employee termination benefits	**176**	–	**–**	–
Provision for warranties	**–**	4	**–**	–
	1,843	1,264	**1,053**	899

Movement in provision for warranties is as follows:

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Beginning of financial year	**3**	3	**–**	–
Provision write-back	**(3)**	–	**–**	–
Currency translation differences	**–**	–	**–**	–
End of financial year	**–**	3	**–**	–

The Group and the Company provide up to one-year warranty on certain products and undertake to repair or replace items that fail to perform satisfactorily. Provisions are made for expected warranty claims based on past experience of the level of repairs and returns. No provision is recognised at the reporting date.

20. CONVERTIBLE LOAN

On 17 April 2015, the Company entered into a convertible loan agreement (the "**Loan Agreement**") with NCL Housing Pte. Ltd. (the "**Lender**"), pursuant to which the Lender agreed to grant the Company loans of up to US$4,000,000 in principal amount (the "**Convertible Loan**") with an interest of 15% per annum. The Convertible Loan has an interest rate of 15% per annum, payable semi-annually. The loan will mature on 16 April 2017, and is convertible into 42,462,845 shares (the "**Convertible Shares**") at the Lender's option at a conversion price of US$0.0942 per Conversion Share at any time after the first drawdown date. The Convertible Loan was fully redeemed on 16 April 2017.

Pursuant to the Loan Agreement, the Company has granted the Lender the right to subscribe for 21,231,422 shares (the "**April Option Shares**") at an exercise price of US$0.0942 for each April Option Share, subject to a maximum subscription amount of approximately US$2.0 million (the "**April Options**"). During the financial year, none of the April Call Options was exercised. The April Options had expired on 16 April 2017.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

21. BONDS PAYABLE

(a) September Bonds

On 22 September 2015, the Company entered into a subscription agreement (the "**September Subscription Agreement**") with Mr Ho Kok Fi John (the "**First Subscriber**") and Mr Lim Chye Huat @ Bobby Lim Chye Huat (the "**Second Subscriber**") (together, the "**September Subscribers**"), pursuant to which the September Subscribers agreed to subscribe for bonds in aggregate principal amount of $4.00 million to be issued by the Company ("**September Bonds**") at a subscription price of 80% of the principal amount of the September Bonds ("**September Issuance of Bonds**"). The bonds are interest-free. On 21 September 2016, the Company redeemed US$4.00 million in aggregate principal amount of the September Bonds at their principal amount at the redemption date. Following such redemption, the September Bonds was cancelled and there was no September Bonds outstanding.

In connection with the September Issuance of Bonds, the Company had, on the same day, entered into an option deed with the September Subscribers, pursuant to which the Company granted the September Subscribers a total of 30,000,000 share options ("**September Options**") (of which 22,500,000 options are granted to the First Subscriber and 7,500,000 options are granted to the Second Subscriber, with each option carrying the right to subscribe for one new Share ("**September Option Share**") at the exercise price of $0.10 for each September Option Share.

None of the September Options was exercised. The September Options has expired on 21 September 2017.

(b) 2015 December Bonds

On 31 December 2015, the Company entered into a subscription agreement (the "**2015 December Subscription Agreement**") with Mr Low See Ching ("**Mr Low**") and Ms Poh Chew Hua Christine ("**Ms Poh**") (together, the "2015 December Subscribers"), pursuant to which the 2015 December Subscribers agreed to subscribe for bonds in aggregate principal amount of $4.50 million to be issued by the Company ("**2015 December Bonds**") at a subscription price of 100% of the principal amount of the Bonds ("**2015 December Issuance of Bonds**"). The 2015 December Bonds have an interest rate of 15% per annum, payable when the 2015 December Bonds mature.

On 9 November 2016, the Company had obtained the agreement from Ms Poh for the amount of $2.00 million (including interest due of $300,000) (out of the total amount of $4.50 million) to extend the repayment period from 30 December 2016 to 30 June 2017 on the same terms (including interest rate of 15% per annum) as the subscription agreement dated 31 December 2015. On 29 December 2016, the Company had announced that the aggregate principal amount of $2.50 million and the interest portion of $375,000 was redeemed by way of set-off against a new bond subscription agreement subscribed for by Mr Low on 27 December 2016. The bond held by Ms Poh was redeemed 29 December 2016.

21. BONDS PAYABLE (continued)

(b) 2015 December Bonds (continued)

In connection with the 2015 December Issuance of Bonds, the Company had, on the same day, entered into an option deed (the "**2015 December Option Deed**") with the 2015 December Subscribers, pursuant to which the Company granted the 2015 December Subscribers a total of 33,750,000 share options ("**2015 December Options**") (of which 18,750,000 options were granted to Mr Low and 15,000,000 options to Ms Poh, with each 2015 December Option carrying the right to subscribe for one new Share ("**2015 December Option Share**") at the exercise price of $0.10 for each 2015 December Option Share.

During the financial year, none of the 2015 December Options was exercised. The 2015 December Options had expired on 31 December 2017.

(c) 2016 December Bonds

On 29 December 2016, the Company announced that it had, on 27 December 2016, entered into two separate subscription agreements (the "**2016 December Subscription Agreements**") with Mr Low and Mr Tee Wee Sien ("**Mr Tee**") (together, the "**2016 December Subscribers**"), pursuant to which the 2016 December Subscribers agreed to subscribe for bonds in aggregate principal amount of S$4,875,000 to be issued by the Company ("**2016 December Bonds**") (of which S$2,875,000 is subscribed for by Mr Low and S$2,000,000 is subscribed for by Mr Tee) at a subscription price of 100% of the principal amount of the Bonds ("**2016 December Issuance of Bonds**"). The 2016 December Issuance of Bonds have an interest rate of 10% per annum, payable when the 2016 December Bonds mature at the end of six months from the date of the 2016 December Bonds are issued or such other date as may be agreed between the Company and the 2016 December Subscribers.

In connection with the 2016 December Issuance of Bonds, the Company had, on 27 December 2016, entered into two separate option deeds with the 2016 December Subscribers respectively, pursuant to which the Company granted the 2016 December Subscribers a total of 740,740,740 share options ("**2016 December Options**"), whereby each of the 2016 December Subscribers is granted 370,370,370 2016 December Options, with each 2016 December Option carrying the right to subscribe for one new Share ("**2016 December Option Share**") at the exercise price of S$0.0162 for each 2016 December Option Share.

On 7 April 2017, the Company announced that an exercise notice was received from Mr Tee to exercise 185,185,185 share options at S$3.0 million, in accordance to the option deed. On 11 April 2017, the exercise was completed and the shares were duly allotted and issued to him.

As at 31 March 2018, except for the above mentioned exercise, none of the 2016 December Options was exercised. The 2016 December Options will expire on 29 December 2019 for Mr Low and 18 January 2020 for Mr Tee.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

21. BONDS PAYABLE (continued)

(d) 2017 April Bonds

On 6 April 2017, the Company announced that it had on 5 April 2017, entered into a subscription agreement (the "**2017 April Subscription Agreement**") with Mr Tang Boo Teck ("**Mr Tang**") (the "**2017 April Subscriber**"), pursuant to which the 2017 April Subscriber agreed to subscribe for bonds in aggregate principal amount of S$2,000,000 to be issued by the Company ("**2017 April Bonds**") at a subscription price of 100% of the principal amount of the Bonds ("**2017 April Issuance of Bonds**"). The 2017 April Issuance of Bonds have an interest rate of 15% per annum, payable when the 2017 April Bonds mature at the end of six months from the date of the 2017 April Bonds are issued or such other date as may be agreed between the Company and the 2017 April Subscriber. On 5 June 2017, the Company entered into a supplementary agreement with Mr Tee to amend the repayment date to 6 October 2017 to 31 August 2018. All other terms and conditions remained the same.

In connection with the 2017 April Issuance of Bonds, on 5 April 2017, the Company entered into an option deed with the 2017 April Subscriber, pursuant to which the Company granted 2017 April Subscriber 200,000,000 share options ("**2017 April Options**") with each 2017 April Option carrying the right to subscribe for one new Share ("**2017 April Option Share**") at the exercise price of S$0.0216 for each 2017 April Option Share.

As 31 March 2018, none of the 2017 April Options have been exercised. The 2017 April Options will expire on 4 April 2020.

22. SHARE CAPITAL

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

	No. of ordinary shares issued share capital	Amount of share capital $'000
Group and Company		
2017		
Beginning of financial year	899,627,918	51,402
Renounceable and non-underwritten Rights Issue	435,202,106	13,056
Share placement	277,777,777	4,500
Share issue expenses	–	(171)
End of financial year	1,612,607,801	68,787
2018		
Beginning of financial year	**1,612,607,801**	**68,787**
Issuance of new shares pursuant to the 2016 December Options (Note (a))	**185,185,185**	**3,000**
Share issue expenses	**–**	**(10)**
End of financial year	**1,797,792,986**	**71,777**

(a) On 7 April 2017, the Company announced that an exercise notice was received from Mr Tee to exercise 185,185,185 2016 December options at $3.0 million, in accordance to the option deed. On 11 April 2017, the exercise was completed and the shares were duly allotted and issued to him.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

23. OTHER RESERVES

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Composition:				
Share-based compensation reserve	**2,515**	2,538	**2,515**	2,538
Currency translation reserve	**158**	(896)	**–**	–
Capital reserve	**–***	–*	**–***	–*
	2,673	1,642	**2,515**	2,538

* Less than $1,000

(i) Share-based compensation reserve

The share-based compensation reserve comprises the cumulative value of employee services received for the issue of share options and share awards.

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Movements:				
Beginning of financial year	**2,538**	3,091	**2,538**	3,091
– Write-back of the value of employee services (Note 5(a))	**(23)**	(553)	**(23)**	(553)
– Share awards allotted	**–**	–	**–**	–
End of financial year	**2,515**	2,538	**2,515**	2,538

Share-based compensation reserve is non-distributable.

(ii) Currency translation reserve

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the subsidiaries and joint venture whose functional currency are different from that of the Company.

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Movements:				
Beginning of financial year	**(896)**	(190)	**–**	–
Net currency translation differences of financial statements of foreign subsidiaries	**(121)**	(706)	**–**	–
Reclassification on disposal	**1,175**	–	**–**	–
End of financial year	**158**	(896)	**–**	–

Currency translation reserve is non-distributable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

23. OTHER RESERVES (continued)

(iii) Capital reserve

The capital reserve comprises the call option included in the converted loan.

	Group		Company	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Beginning and end of financial year	**–***	–*	**–***	–*

* Less than $1,000

Capital reserve is non-distributable.

24. COMMITMENTS

Operating lease commitments – where the Group is a lessee

As at 31 March 2018, the Group leases office space from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

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

	Group	
	2018	2017
	$'000	$'000
Not later than one year	**118**	537
Between one and five years	**14**	337
	132	874

25. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

Financial risk management is integral to the business of the Group. The Group has a system of controls and policies such as authority levels and oversight responsibilities to manage risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

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

25. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk

(i) Currency risk

Entities in the Group are exposed to foreign currency risk on transactions and balances that are denominated currencies other than their respective functional currencies. Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the Singapore Dollar ("SGD") and Thai Baht ("THB"). To manage the currency risk, individual Group entities use natural hedging for cash foreign currency exposure risk in connection with the foreign currency. The Group does not enter into transactions to hedge against its foreign currency risk.

In respect of other monetary assets and liabilities held in currencies other than SGD, the Group ensures that the net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rates, where necessary, to address short-term imbalances. The exposure to foreign currencies as at reporting date is not significant to the Group.

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations in Thailand. Currency exposure to the net assets of the Group's foreign operations in Thailand is minimal as it maintains minimal capital in Thailand respectively.

(ii) Interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing asset that is based on floating rate, the Group's income is substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade and other receivables. Bank deposits are placed with banks with high credit-ratings assigned by international credit-rating agencies. For trade receivables, the Group adopts a credit policy, which establishes credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Otherwise, the credit quality of customers is assessed after taking into account its financial position and past experience with the customers. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The allowance account in respect of trade and other receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

25. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. Note 2.1 of these financial statements describes how the Group continues as a going concern as conditions that indicate material uncertainties related to going concern exist as at the reporting date.

At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and short-term deposits as disclosed in Note 11. The Group has no overdraft facility as at the reporting date.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year $'000	More than 1 year $'000
Group		
At 31 March 2018		
Trade payables and other liabilities	**949**	–
Bonds payable	**7,769**	–
Convertible loan*	**–**	–
At 31 March 2017		
Trade payables and other liabilities	1,170	–
Bonds payable	7,590	–
Convertible loan	6,009	–
Company		
At 31 March 2018		
Trade payables and other liabilities	**159**	–
Bonds payable	**7,769**	–
Convertible loan*	**–**	–
At 31 March 2017		
Trade payables and other liabilities	809	–
Bonds payable	7,590	–
Convertible loan	6,009	–

* The convertible loan matured on 16 April 2017 and has been fully drawn down and repaid on 16 April 2017.

25. FINANCIAL RISK MANAGEMENT (continued)

(d) Capital risk

The Group defines "Capital" to include share capital, other reserves and accumulated losses.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain or achieve an optimal capital structure so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board monitors the working capital requirements of the Group periodically to ensure that there are sufficient financial resources available to meet the needs of the business. In order to maintain or achieve an optimal capital structure, the Group may issue new shares or obtain new borrowings.

There were no changes in the Group's approach to capital management during the financial year. Neither the Company nor any of its subsidiaries are subject to any capital requirements for the financial years ended 31 March 2018 and 2017.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position and in Note 15 and Note 21 to the financial statements.

26. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Key management personnel compensation is as follows:

	Group	
	2018	2017
	$'000	$'000
Directors' fees (Note 5 (a))	**36**	67
Wages and salaries (including allowances)	**851**	1,308
Employer's contribution to defined contribution plans, including Central Provident Fund	**33**	102
Share-based compensation expense at fair value (write-back)/charged to profit or loss during the financial year	**–**	(440)
Other benefits	**16**	62
	936	1,099

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

27. SEGMENT INFORMATION

The Company disposed and discontinued the businesses of both its operating subsidiaries during the financial year. As at the reporting date, there are no operating segments requiring segment reporting.

28. EVENTS OCCURRING AFTER REPORTING DATE

Purchase of Mobile Credit Payment Pte. Ltd.

On 27 April 2018, the Company has entered into a conditional sale and purchase agreement ("SPA") to acquire 100% of Mobile Credit Payment Pte. Ltd. The acquisition shall be satisfied by the allotment of 446,428,570 new Consolidated shares at a post issue price of $0.28 each. If successful, this will result in a reverse-takeover. Mr Ching Chiat Kwong, the controlling shareholder, has also undertaken to provide adequate funds to the Group to enable the Group to pay its liabilities as and when they fall due and to operate as a going concern, up to and including the completion date of the acquisition by the Company of a business which is able to satisfy the SGX-ST's requirements for a new listing.

29. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2018 and which the Group has not early adopted:

- FRS 115 Revenue from contracts with customers (effective for annual periods beginning on or after 1 January 2018)

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

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

29. **NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS** (continued)

- FRS 115 Revenue from contracts with customers (effective for annual periods beginning on or after 1 January 2018) (continued)

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

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

- FRS 109 Financial instruments (effective for annual periods beginning on or after 1 January 2018)

  The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI.

  While the Group has yet to undertake a detailed assessment of the classification and measurement of financial assets, equity instruments currently classified as available-for-sale (AFS) financial assets would appear to satisfy the conditions for classification as at fair value through OCI and hence there will be no change to the accounting for these assets, except cumulative gains or losses in OCI are not recycled to the profit or loss.

  Debt instruments classified as held-to-maturity or loans and receivables and measured at amortised cost appear to meet the conditions for classification at amortised cost under FRS 109.

  Accordingly, the Group does not expect the new guidance to have a significant impact on the classification of its financial assets.

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

  FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. The Group does not expect a significant impact on the accounting for its hedging relationships.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

29. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (continued)

- FRS 109 Financial instruments (effective for annual periods beginning on or after 1 January 2018) (continued)

  There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through OCI, contract assets under FRS 115 Revenue from contracts with customers, lease receivables, loan commitments and certain financial guarantee contracts. While the Group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, it may result in an earlier recognition of credit losses.

  The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

- FRS 116 Leases (effective for annual periods beginning on or after 1 January 2019)

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

  The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of $132,000 (Note 24). However, the Group has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

  Some of the commitments may be covered by the exception for short-term and low-value.

30. ADOPTION OF SFRS(I)

The Singapore Accounting Standards Council has introduced a new Singapore financial reporting framework that is identical to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The new framework is referred to as 'Singapore IFRS-identical Financial Reporting Standards' ("SFRS(I)") hereinafter.

As required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) on 1 April 2018 and will be issuing its first set of financial information prepared under SFRS(I) for the year ended 31 March 2019.

In adopting SFRS(I), the Group will apply all of the specific transition requirements in SFRS(I) equivalent of IFRS 1 First-time Adoption of IFRS. As of the date of this report, the Group has not determined which optional exemptions will be applied.

31. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Artivision Technologies Ltd. on 2 July 2018.

STATISTICS OF SHAREHOLDINGS

As at 18 June 2018

SHARE CAPITAL

Number of issued shares	:	1,797,792,986
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share (excluding treasury shares)
Number of treasury shares	:	Nil
Number of subsidiary holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

RANGE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	10	0.53	459	0.00
100 - 1,000	77	4.09	65,203	0.00
1,001 - 10,000	135	7.16	877,700	0.05
10,001 - 1,000,000	1,485	78.78	319,317,538	17.76
1,000,001 AND ABOVE	178	9.44	1,477,532,086	82.19
TOTAL	**1,885**	**100.00**	**1,797,792,986**	**100.00**

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Company's Register of Substantial Shareholders)

	DIRECT INTEREST		DEEMED INTEREST	
NAME	NO. OF SHARES	%	NO. OF SHARES	%
Ching Chiat Kwong	395,068,911	21.98	–	–
Tee Wee Sien	186,185,185	10.36	–	–

STATISTICS OF SHAREHOLDINGS

As at 18 June 2018

TWENTY LARGEST SHAREHOLDERS

No.	Shareholder's Name	No. of Shares Held	%
1	Ching Chiat Kwong	256,080,246	14.24
2	Tee Wee Sien (Zheng Weixian)	186,185,185	10.36
3	DB Nominees (Singapore) Pte Ltd	107,656,266	5.99
4	Maybank Kim Eng Securities Pte Ltd	74,115,798	4.12
5	Raffles Nominees (Pte) Ltd	72,754,131	4.05
6	DBS Nominees Pte Ltd	40,006,593	2.23
7	Phillip Securities Pte Ltd	37,555,332	2.09
8	OCBC Securities Private Ltd	31,201,366	1.74
9	Citibank Nominees Singapore Pte Ltd	22,108,766	1.23
10	Chen Wei Ling	20,150,900	1.12
11	UOB Kay Hian Pte Ltd	18,646,999	1.04
12	Tan Lae Kuan (Chen Lijuan)	17,525,900	0.97
13	Kuang Eng Kong @ Kuan Yong Kuan	17,294,033	0.96
14	Ofer Miller	15,111,244	0.84
15	Low Woon Ming	14,800,000	0.82
16	Lee Lin, Elijah (Li Lin)	13,895,300	0.77
17	Lee Kuan Kheng Candy (Li Guangqing)	13,617,947	0.76
18	Tham Weng Fie	13,200,000	0.73
19	Tay Teck Loon	11,636,600	0.65
20	Tan Yong Kui	10,403,700	0.58
	Total	**993,946,306**	**55.29**

PERCENTAGE OF SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 18 June 2018, approximately 67.36% of the Company's shares listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") were held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of ARTIVISION TECHNOLOGIES LTD. (the "**Company**") will be held at 16 Arumugam Road, Lion Building D, #05-01, Seminar Room, Singapore 409961 on Tuesday, 31 July 2018 at 10.00 a.m. to transact the following business:

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 March 2018 ("**FY2018**"), together with the Auditor's Report thereon. **(Resolution 1)**

2. To re-elect Mr Goh Tzu Seoh Kenneth, a director of the Company ("**Director**"), retiring pursuant to Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election, as a Director of the Company.

   [See Explanatory Note (i)] **(Resolution 2)**

3. To approve the payment of Directors' fees of S$35,918 for FY2018 (FY2017: S$67,500). **(Resolution 3)**

4. To re-appoint PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 4)**

5. To transact any other ordinary business as can be transacted at an Annual General Meeting of the Company.

AS SPECIAL BUSINESS

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

6. **Authority to allot and issue shares**

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

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

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

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

NOTICE OF
ANNUAL GENERAL MEETING

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

(the **"Share Issue Mandate")**

provided that:

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

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

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

(b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided that such share options or awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares;

and, in sub-paragraph (1) above and this sub-paragraph (2), "subsidiary holdings" has the meaning given to it in the Catalist Rules;

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

(4) (unless revoked or varied by the Company in a general meeting), the Share Issue Mandate shall continue in force (i) 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 or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments."

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

NOTICE OF
ANNUAL GENERAL MEETING

7. **Authority to grant awards and to allot and issue Shares under the Artivision Technologies Employee Share Award Scheme**

"That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to:

(a) offer and grant share awards under the Artivision Technologies Employee Share Award Scheme (the "**Scheme**"); and

(b) allot and issue from time to time such number of fully paid-up Shares as may be required to be allotted and issued pursuant to the vesting of share awards granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Catalist Rules)) from time to time and such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note (iii)] **(Resolution 6)**

By Order of the Board

Ms Ong Beng Hong and Ms Tan Swee Gek
Company Secretaries

Date: 13 July 2018

Explanatory Notes:

(i) Mr Goh Tzu Seoh Kenneth will, upon re-election as a Director of the Company, remain as an Executive Director and Chief Executive Officer of the Company and a member of the Audit Committee. Mr Goh Tzu Seoh Kenneth has a direct interest of 4,000,000 share options in the Company. Save for the aforementioned interest in the Company, Mr Goh Tzu Seoh Kenneth does not have any relationships, including immediate family relationships with the Directors of the Company, the Company or its 10% shareholders. The Board considers Mr Goh Tzu Seoh Kenneth to be non-independent for the purpose of Rule 704(7) of the Catalist Rules.

Further detailed information on Mr Goh Tzu Seoh Kenneth who is proposed to be re-appointed at the Annual General Meeting of the Company can be found under the sections entitled "**Profile of Directors**" and "**Corporate Governance Report**" of the Company's Annual Report 2018.

(ii) Resolution 5, if passed, will authorise and empower the Directors of the Company from the date of this Annual General Meeting of the Company until the date 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 revoked or varied by the Company in a general meeting, whichever is the earliest, to allot and issue Shares, and to make or grant Instruments (such as warrants and debentures) convertible into Shares, and to issue Shares pursuant to such Instruments, up to an aggregate number not exceeding one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) may be issued other than on a pro-rata basis to existing shareholders of the Company.

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

NOTICE OF ANNUAL GENERAL MEETING

(iii) Resolution 6, if passed, will authorise and empower the Directors of the Company, from the date of this Annual General Meeting of the Company until the date 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 revoked or varied by the Company in a general meeting, whichever is the earliest, to issue Shares pursuant to the vesting of share awards granted or to be granted under the Scheme up to a number not exceeding in total (for the entire duration of the Scheme) fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

Notes:

1. A member of the Company (other than a Relevant Intermediary) entitled to attend and vote at the Annual General Meeting of the Company (the "**Meeting**") is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. Where a member of the Company (other than a Relevant Intermediary) appoints two (2) proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the instrument appointing the proxies.
3. A member who is a Relevant Intermediary entitled to attend and vote at the Meeting is entitled to appoint more than two (2) 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 each member. Where such member appoints more than two (2) 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, Chapter 19 of Singapore, 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, Chapter 289 of Singapore, and who holds shares in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, 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 CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its duly authorised officer or attorney.
6. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Company Secretary, c/o Wong Tan & Molly Lim LLC, at 80 Robinson Road, #17-02, Singapore 068898 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

Personal Data Privacy:

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting of the Company 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 Annual General Meeting of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting of the Company (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this notice.*

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

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

ARTIVISION TECHNOLOGIES LTD.

(Company Registration No. 200407031R)
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing the Proxy Form)

IMPORTANT:

1. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") may attend and cast his vote(s) at the annual general meeting of the Company ("**AGM**") in person. SRS Investors who are unable to attend the AGM but would like to vote, may inform their SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the SRS Investors shall be precluded from attending the AGM.
2. This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

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

of ____________________

being a member/members* of Artivision Technologies Ltd. (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 attend, speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company (the "**Meeting**") to be held at 16 Arumugam Road, Lion Building D, #05-01, Seminar Room, Singapore 409961 on Tuesday, 31 July 2018 at 10.00 a.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her* discretion.

☐ Please tick here if more than two (2) proxies will be appointed (Please refer to note 4). This is only applicable for intermediaries such as banks and capital markets services licence holders which provide custodial services.

NOTE: The Chairman of the Meeting will be exercising his right under Article 61 of the Company's Constitution to demand a poll in respect of each of the resolutions to be put to the vote of members of the Company at the Meeting and at any adjournment thereof. Accordingly, each resolution at the Meeting will be voted on by way of a poll.

No.	Resolutions	Number of votes	
ORDINARY BUSINESS		**For****	**Against****
1	The Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 March 2018, together with the Auditor's Report thereon		
2	Re-election of Mr Goh Tzu Seoh Kenneth as a Director of the Company		
3	Approval of the payment of Directors' fees of S$35,918 for the financial year ended 31 March 2018		
4	Re-appointment of PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration		
5	Authority to allot and issue shares in the capital of the Company		
6	Authority to allot and issue shares in the capital of the Company under the Artivision Technologies Employee Share Award Scheme		

** Voting will be conducted by poll, If you wish to exercise all your votes "For" or "Against" the relevant resolutions, please indicate with a "√" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ________ day of ____________ 2018

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

____

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

*Delete where inapplicable

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and shares 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. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 of Singapore ("**Companies Act**"), a member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) 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 (2) proxies, the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy shall be specified. If the proportion of shareholding is not specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her name in the Depository Register and the entire number of shares registered in his/her name in the Register of Members, and any second named proxy as an alternate to the first named proxy.

4. Pursuant to Section 181(6) of the Companies Act, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote instead of the member at the Meeting provided that each proxy is appointed to exercise the rights attached to different shares held by the members. In such event, the Relevant Intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

5. Completion and return of the instrument appointing a proxy or proxies 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 appointing a proxy or proxies to the Meeting.

6. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Company Secretary, c/o Wong Tan & Molly Lim LLC, at 80 Robinson Road, #17-02, Singapore 068898 not less than forty-eight (48) hours before the time appointed for the holding the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his 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 common seal or under the hand of an attorney or duly authorised officer. 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 appointing a proxy or proxies.

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.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing 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.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 July 2018.

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artivision technologies

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