

ACCRELIST LTD. (formerly known as WE HOLDINGS LTD.)**Financial Statement Announcement for the Financial Year Ended 31 March 2018**

The Board of Directors of Accrelist Ltd. (the "Company") wishes to announce the unaudited results of the Group and Company for the financial year ended 31 March 2018.

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

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

The contact person for the Sponsor is Mr Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd. at 9 Raffles Place #29-01 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6381 6757.

Part I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3, HALF-YEAR AND FULL YEAR RESULTS)**1(a)(i) An income statement and statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group		
	For the 12 months ended		
	31-Mar-18	31-Mar-17	Increase /
	S\$'000	S\$'000	(Decrease)
	(unaudited)	(restated)	
Revenue	112,543	870	>100%
Cost of sales	(107,541)	(729)	>100%
Gross profit	5,002	141	>100%
Other gains/(losses), net	6,036	(3,665)	nm
	11,038	(3,524)	nm
Other items of expenses			
Marketing and distribution expenses	(1,029)	(75)	>100%
Administration expenses	(8,855)	(2,560)	>100%
Finance costs	(1,085)	(119)	>100%
Share of profit/(loss) of associated company	298	(2,068)	nm
Profit/(loss) from operating activities before tax	367	(8,346)	nm
Income tax credit	300	34	>100%
Profit/(loss) for the year	667	(8,312)	nm
Other comprehensive (loss)/income after tax:			
Share of other comprehensive income of associated company	(163)	249	nm
Exchange difference on translating foreign operations	(2,458)	1,222	nm
Fair value loss on available-for-sale financial assets	(985)	-	nm
Total comprehensive loss for the year	(2,939)	(6,841)	(57%)
Loss attributable to:			
Owners of the parent	180	(8,312)	nm
Non-controlling interests	487	*	nm
	667	(8,312)	nm
Total comprehensive (loss)/income attributable to:			
Owners of the parent	(2,871)	(6,847)	(58%)
Non-controlling interests	(68)	6	nm
	(2,939)	(6,841)	(57%)

nm denotes not meaningful.

* less than S\$1,000

1(a)(ii) **Notes to the Income Statement**

The Group's profit/loss before income tax is arrived at after charging/(crediting):

	Group		
	For the 12 months ended		
	31-Mar-18	31-Mar-17	Increase /
	S\$'000	S\$'000	(Decrease)
	(unaudited)	(restated)	
Accretion of interest free loan	124	-	nm
Allowance for doubtful debts - other receivables	-	(1,369)	nm
Allowance for doubtful debts - trade receivables	-	(729)	nm
Amortisation of intangible assets	(1,544)	(19)	>100%
Bad debts written off	-	(22)	nm
Depreciation of property, plant and equipment	(511)	(84)	>100%
Dividends received	87	-	nm
Fair value gain on a derivative financial instrument	369	2,706	(86%)
Fair value gain on a financial liability carried at fair value	804	810	(1%)
Fair value loss on financial asset	-	(617)	nm
Foreign exchange adjustments losses - net	3,154	(291)	nm
Gain on bargain purchase	5,432	-	nm
Gain on disposal of property, plant and equipment	89	-	nm
Government grants (PIC bonus, WCS, SEC,TEC)	20	31	(35%)
Impairment of associated company	-	(4,983)	nm
Impairment of associated company	(300)	(34)	>100%
Interest income - interest free loan	85	268	(68%)
Miscellaneous income	253	182	39%
Remeasurement loss on deemed disposal of associated company	(4,301)	-	nm
Rental Expense	-	(25)	nm
Rental income	-	351	nm

nm denotes not meaningful.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group				Company			
	31-Mar-18 S\$'000	31-Mar-17 S\$'000	1-Apr-16 S\$'000	Increase / (Decrease)	31-Mar-18 S\$'000	31-Mar-17 S\$'000	1-Apr-16 S\$'000	Increase / (Decrease)
	(unaudited)	(restated)			(unaudited)	(restated)		
Non-current assets								
Property, plant and equipment	10,816	601	667	>100%	37	91	139	(59%)
Intangible assets	9,489	18	33	>100%	-	16	33	nm
Investments in subsidiary corporations	-	-	-	nm	32,663	355	5,057	>100%
Investments in associated companies	9,211	8,985	15,896	3%	-	7,693	18,006	nm
Other assets	-	20	20	nm	22	21	20	5%
Trade and other receivable	395	11,539	-	(97%)	896	11,539	-	(92%)
Total non-current assets	29,911	21,163	16,616	41%	33,618	19,715	23,255	71%
Current assets								
Inventories	15,098	1	-	>100%	-	-	-	nm
Trade and other receivables	31,007	12,597	25,515	>100%	14,826	13,441	27,943	10%
Other assets	1,704	6	102	>100%	-	1	-	nm
Income tax receivable	-	8	38	nm	-	8	8	nm
Convertible loan	-	8,631	-	nm	-	8,631	-	nm
Derivative financial instrument	-	4,631	-	nm	-	4,631	-	nm
Financial assets, at fair value through profit or loss	33	-	-	nm	-	-	-	nm
Financial assets, available for sale	1,320	-	-	nm	-	-	-	nm
Cash and cash equivalents	11,597	4,375	13,406	>100%	1,639	3,616	4,975	(55%)
Total current assets	60,759	30,249	39,061	101%	16,465	30,328	32,926	(46%)
Total assets	90,670	51,412	55,677	76%	50,083	50,043	56,181	0%
EQUITY AND LIABILITIES								
Equity								
Share capital	71,081	70,761	70,754	0%	111,772	111,452	111,445	0%
Accumulated losses	(37,965)	(38,145)	(29,833)	0%	(66,750)	(65,099)	(55,614)	3%
Others reserves	4,952	8,696	7,231	(43%)	-	-	-	nm
	38,068	41,312	48,152	(8%)	45,022	46,353	55,831	(3%)
Non-controlling interests	10,514	34	28	>100%	-	-	-	nm
Total equity	48,582	41,346	48,180	18%	45,022	46,353	55,831	(3%)
Non-current liabilities								
Deferred tax liabilities	2,371	771	805	>100%	-	-	-	nm
Convertible loan	2,382	3,186	-	(25%)	2,382	3,186	-	(25%)
Other financial liabilities	1,264	1,336	1,413	(5%)	-	-	-	nm
Total non-current liabilities	6,017	5,293	2,218	14%	2,382	3,186	-	-25%
Current liabilities								
Income tax payable	58	-	13	nm	-	-	-	nm
Trade and other payables	30,830	4,701	5,198	>100%	2,679	504	350	>100%
Other financial liabilities	5,183	72	68	>100%	-	-	-	nm
Total current liabilities	36,071	4,773	5,279	>100%	2,679	504	350	>100%
Total liabilities	42,088	10,066	7,497	>100%	5,061	3,690	350	37%
Total equity and liabilities	90,670	51,412	55,677	76%	50,083	50,043	56,181	0%

nm denotes not meaningful.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 March 2018		As at 31 March 2017	
(unaudited)		(restated)	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5,183	-	72	-

Amount repayable after one year

As at 31 March 2018		As at 31 March 2017	
(unaudited)		(restated)	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
91	1,173	1,336	-

Details of any collateral

All borrowings are denominated in United States Dollars ("USD") and Singapore Dollars ("SGD") and are interest bearing. The borrowing is secured by:

- (i) Legal mortgages of leasehold industrial properties of a subsidiary.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	For the 12 months ended	
	31-Mar-18 S\$'000	31-Mar-17 S\$'000
	(unaudited)	(restated)
Cash flows from operating activities		
Profit/(Loss) before tax	667	(8,312)
Adjustments for :-		
Depreciation of property, plant and equipment	511	84
Interest income	(85)	(268)
Amortisation of intangible assets	1,544	19
Accretion of interest free loan	124	-
Dividend income	(87)	-
Employee share award expense	-	7
Interest expense	961	119
Share of loss of associated company	(298)	2,068
Impairment on an associated company	-	4,983
Remeasurement loss on deemed disposal of associated company	4,301	-
Fair value loss on a financial asset through profit and loss	-	617
Fair value gain on a derivative financial instrument	(369)	(2,706)
Fair value gain on a financial liability carried at fair value	(804)	(810)
Gain on bargain purchase	(5,432)	-
Gain on disposal of property, plant and equipment	(89)	-
Income tax credit	(300)	(34)
Currency translation differences	(2,145)	1,227
Operating cash flows before working capital changes	(1,501)	(3,006)
Inventories	(2,244)	(1)
Trade and other receivables	25,782	12,746
Other assets	(922)	96
Trade and other payables	(16,593)	(610)
Cash generated from operations	4,522	9,225
Interest received	69	3
Income taxes refund	16	16
Net cash flow generated from operating activities	4,607	9,244
Cash flows from investing activities		
Purchase of property, plant and equipment	(495)	-
Purchase of intangible assets	-	(3)
Additions in investment in associated company	(870)	-
Additions in available-for-sale financial assets	(2,305)	-
Dividend received	87	-
Proceeds from disposal of property, plant and equipment	1,275	-
Loan granted to an associated company	-	(11,102)
Subscription of a convertible loan issued by an associated company	-	(11,102)
Subscription of rights shares of a subsidiary corporation by non-controlling interest	1,067	-
Net cash inflow on acquisition of a subsidiary corporation (Note 2)	4,094	-
Net cash flows generated from/(used in) investing activities	2,853	(22,207)
Cash flows from financing activities		
Repayment of finance lease	-	(121)
Repayment of other financial liabilities	(15)	-
Issuance of a convertible loan	-	4,000
Drawdown of cash restricted in use over 3 months	-	1,787
Bank deposits pledged	(2,212)	(1,102)
Proceeds from issuance of ordinary shares	320	-
Interest paid	(961)	(6)
Net cash flows (used in)/generated from financing activities	(2,868)	4,558
Net increase/(decrease)in cash and cash equivalents	4,592	(8,357)
Cash and cash equivalents at beginning of financial year (Note 1)	3,178	11,524
Effects of exchange rate changes on cash and cash equivalents	(24)	11
Cash and cash equivalents at end of financial year (Note 1)	7,746	3,178
Note 1		
	Balance as at	
	31-Mar-18 S\$'000	31-Mar-17 S\$'000
Cash and cash equivalents	11,597	4,375
Cash and cash equivalents as per statement of financial position	11,597	4,375
Less: Restricted in use	(3,409)	(1,197)
Less: Bank overdraft	(442)	-
Cash and cash equivalents as per consolidated statement of cash flow	7,746	3,178

Note 2

The Company has not yet completed and finalised its purchase price allocation ("PPA") exercise, whereby the Company will allocate the purchase price into various assets acquired and liabilities assumed from the new businesses. The Group has 12 months from the date of acquisition to finalise the fair value measurement and accounting as allowed under FRS 103 Business Combinations.

At the date of acquisition, the Group recognised a provisional gain on bargain purchase of S\$5.432 million based on provisional fair value of assets and liabilities of Jubilee.

	31-Mar-18 S\$'000
<u>Provisional fair value of assets acquired and recognised at the date of acquisition*</u>	
Current assets	51,099
Non-current assets	30,519
Current liabilities	(47,366)
Non-current liabilities	(1,918)
Total identifiable net assets at fair value	32,334
Non-controlling interest	(9,481)
	22,853
Gain on bargain purchase	(5,432)
Consideration transferred for the business (Fair value of previously held interest and conversion of convertible loan)	17,421
Net cash inflow arising from the acquisition	
Cash consideration transferred	-
Cash of the subsidiary corporation acquired included in current assets	4,094
Net cash inflow on acquisition	4,094

*The fair value of assets acquired and liabilities recognised on the acquisition of Jubilee presented may be subjected to changes upon the completion and finalisation of the PPA exercise.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

<u>Group</u>	Attributable to Equity Holders of the Group				Non-Controlling Interests	Total Equity
	Share Capital	Accumulated Losses	Other Reserves	Total Reserves		
	S\$'000	S\$'000	S\$'000	S\$'000		
2018						
Beginning of financial year	70,761	(38,145)	8,696	(29,449)	34	41,346
Total comprehensive income/(loss) for the financial year	-	180	(3,051)	(2,871)	(68)	(2,939)
Acquisition of subsidiary corporation	-	-	-	-	9,481	9,481
Subscription of right shares	-	-	-	-	1,067	1,067
Deemed disposal of associate	-	-	(693)	(693)	-	(693)
Issuance of new ordinary shares in the capital	320	-	-	-	-	320
End of financial year	71,081	(37,965)	4,952	(33,013)	10,514	48,582

	Attributable to Equity Holders of the Group				Non-Controlling Interests	Total Equity
	Share Capital	Accumulated Losses	Other Reserves	Total Reserves		
	S\$'000	S\$'000	S\$'000	S\$'000		
2017						
Beginning of financial year	70,754	(29,833)	7,231	(22,602)	28	48,180
Total comprehensive (loss)/income for the financial year	-	(8,312)	1,465	(6,847)	6	(6,841)
Issuance of new ordinary shares in the capital	7	-	-	-	-	7
End of financial year	70,761	(38,145)	8,696	(29,449)	34	41,346

<u>Company</u>	Share Capital	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000
	2018		
Beginning of financial year	111,452	(65,099)	46,353
Total comprehensive loss for the financial year	-	(1,651)	(1,651)
Issuance of new ordinary shares in the capital	320	-	320
End of financial year	111,772	(66,750)	45,022

	Share Capital	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000
	2017		
Beginning of financial year	111,445	(55,614)	55,831
Total comprehensive income for the financial year	-	(9,485)	(9,485)
Issuance of new ordinary shares in the capital	7	-	7
End of financial year	111,452	(65,099)	46,353

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, placement shares, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Company	
No of Shares '000	Share Capital S\$'000

Issued and fully paid up shares as at 1 April 2017	5,243,957	111,452
Issue of shares for Singapore Rixin Zhonghe in October 2017	59,259	320
Issued and fully paid up shares as at 31 March 2018	5,303,217	111,772

The company has no outstanding treasury shares as at 31 March 2018 and 31 March 2017.

Group	
No of Shares '000	Share Capital S\$'000

Issued and fully paid up shares as at 1 April 2017	5,243,957	111,452
Issue of shares for Singapore Rixin Zhonghe in October 2017	59,259	320
Issued and fully paid up shares as at 31 March 2018	5,303,217	111,772

The Group has no outstanding treasury shares as at 31 March 2018 and 31 March 2017.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Group	
31-Mar-18	31-Mar-17

Total number of ordinary shares issued ('000)	5,303,217	5,243,957
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There were no treasury shares as at 31 March 2018 and 31 March 2017.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury share as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial year reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Review Engagement, SSRE 2400 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year, which are consistent with those described in the audited financial statements for the financial year ended March 2017, except as disclosed in paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

(a) Change in functional currency of the Company

In 1QFY17, the Company changed its functional currency from United States Dollar ("US\$") to Singapore Dollar ("S\$") after considering the following factors:

- 1) the Company and its main operating subsidiary corporations operates mainly in Singapore and that the functional currency of Jubilee and its subsidiary corporations ("Jubilee Group"), which contributes approximately 95% of the business of the Group, is mainly Singapore Dollar.
- 2) certain newly incorporated subsidiary corporations are expected to commence its business activities in the next financial year and their functional currency is Singapore Dollar.

(b) Change in presentation currency

Following the change in functional currency of the Company, the Company changed its presentation currency from US\$ to S\$ in 1QFY17. The change in presentation currency has been applied retrospectively with comparative financial statements being restated into S\$ as follows:

- (1) all assets and liabilities are translated from their functional currency into the new presentation currency at the beginning of the comparative period using the opening exchange rate and retranslated at the closing rate;
- (2) income statement items are translated at average exchange rate;
- (3) share capital, other reserves and accumulated losses are restated into the new presentation currency as if it had always been the presentation currency; and
- (4) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

A statement of financial position as at the beginning of the earliest comparative period is also presented.

The Group has adopted all new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("Int FRS") that are relevant to its operations and effective for the financial year beginning on or after 1 April 2017, where applicable. The adoption of these new and revised standards from the effective date is not expected to result in any material adjustments to the financial statements of the Group for the current financial reporting year.

6. Earnings per ordinary share ("EPS") of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	For the period of 12 months ended	
	31-Mar-18	31-Mar-17
Loss for the period attributable to equity holders of the company (S\$'000)	180	(8,312)
(i) EPS based on the weighted average number of shares (in SGD cents)	0.00	(0.16)
(ii) EPS based on a fully diluted basis (in SGD cents)	0.00	(0.16)
Weighted average number of ordinary shares applicable to EPS ('000)	5,272,848	5,242,960
Weighted average number of ordinary shares fully diluted basis ('000)	5,272,848	5,242,960

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in Sgd cents)	0.92	0.79	0.85	1.06
	5,303,217	5,243,957	5,303,217	5,243,957

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income Statement

In FY2018, the Group registered a turnover of S\$112.5 million. This represents an increase of S\$111.7 million as compared to S\$0.9 million FY2017. The increase is mainly due to the increase in shareholdings in Jubilee Industries Holdings Ltd ("Jubilee"). This resulted in Jubilee being accounted for as a subsidiary of the Company with effect from the 29 June 2017 rather than an associated company. This accounting treatment is a result of converting the convertible loan outstanding to shares in Jubilee. Gross profits for FY2018 increased by S\$4.9 million compared to FY2017 of S\$0.1 million.

Other gains was S\$6.0 million for FY2018 as compared to other losses of S\$3.7 million in FY2017. The increase of S\$9.7 million in FY2018 was mainly due to net gain on bargain purchase of Jubilee amounting to S\$5.4 million after netting off amortisation. There was also an impairment of associated company of S\$5.0 million in FY2017, that was not present in FY2018.

Operating expenses rose from S\$2.8 million in FY2017 to S\$11.0 million in FY2018. Marketing and distribution expenses increased by S\$1.0 million from S\$0.08 million in FY2017 to S\$1.0 million in FY2018. Administration expenses increased by S\$6.3 million from S\$2.6 million in FY2017 to S\$8.9 million in FY2018. This is due to staff cost incurred with Jubilee being a subsidiary of the Company. Finance costs increased from S\$0.1 million in FY2017 to S\$1.1 million in FY2018 mainly due to interest incurred by Jubilee. Share of profit from associate was S\$0.3 million in FY2018 as compared to a share of loss of associate of S\$2.1 million in FY2017. This is mainly due to the associate being profitable in FY2018.

Balance Sheet

Non-current assets increased by 41% from S\$21.2 million as at 31 March 2017 to S\$29.9 million as at 31 March 2018. As mentioned above, the increase is mainly due to the increase in shareholdings in Jubilee resulting in Jubilee being a subsidiary rather than an associated company.

Current assets as at 31 March 2018 comprised inventories, trade and other receivables, other assets, financial assets available for sale and cash and cash equivalents. Total current assets amounted to S\$60.8 million as at 31 March 2018 as compared to S\$30.2 million as at 31 March 2017. The increase of S\$30.5 million is mainly attributable to the increase in inventories of S\$15.1 million, increase in trade and other receivables of S\$18.4 million, increase in financial assets available for sale of S\$1.3 million and increase in cash and cash equivalents of S\$7.2 million. This increase is due to accounting Jubilee as a subsidiary rather than an associated company.

Current liabilities as at 31 March 2018 comprised income tax payable, trade and other payables and other financial liabilities. Total current liabilities amounted to S\$36.1 million as at 31 March 2018 as compared to S\$4.8 million as at 31 March 2017. The increase of S\$31.3 million is mainly due to an increase in trade and other payables and other financial liabilities of S\$26.1 million and S\$5.1 million respectively from accounting Jubilee as a subsidiary rather than an associated company.

Non-current liabilities comprised deferred tax liabilities, convertible loan and other financial liabilities. Total non-current liabilities amounted to S\$6.0 million as at 31 March 2018 as compared to S\$5.3 million as at 31 March 2017. The decrease is mainly due to repayment of the convertible loan.

The Group had working capital of S\$24.7 million as at 31 March 2018 as compared to S\$25.5 million as at 31 March 2017. The decrease is due to the trade and other payables increasing at a greater rate than trade and other receivables being in line with the increase in cash and cash equivalents.

Cash Flow Statement

Net cash flow generated from operating activities for FY2018 was S\$4.6 million, comprising operating loss before working capital changes of S\$1.5 million and cash generated from operations of S\$6.1 million. The working capital outflow was mainly due to the increase in inventories of S\$2.2 million, increase in other assets of S\$0.9 million, and decrease in trade and other payables of S\$16.6 million. This decrease is offset by the decrease of trade and other receivables of S\$25.8 million. Net cash generated from investing activities for FY2018 of S\$2.9 million was mainly due to the acquisition of a subsidiary of S\$4.1 million and subscription of rights shares of Jubilee of S\$1.1 million. This increase is offset by the addition of available-for-sale financial assets of S\$2.3 million. Cash used in financing activities of S\$2.9 million is mainly due to bank deposits pledged and interest paid of S\$2.2 million and S\$1.0 million respectively. This is offset by the issuance of ordinary shares for the payment of interest on the convertible loan of S\$0.3 million. The Group's cash and cash equivalent was S\$7.7 million as at 31 March 2018 as compared to S\$3.2 million as of 31 March 2017, a net increase of S\$4.5 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No prospect statement or forecast has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group noted that the operating environment would be challenging going forward. The Group will work and devote its resources to seek new opportunities in new business segments. The Group will remain vigilant on cost, credit and cash management in response to the volatile operating environment as it carries out its expansion strategies.

The Company announced on 23 January 2018 on the proposed acquisition of Refresh Laser Clinic Lot1 Pte. Ltd., Refresh Laser Clinic Tampines Pte. Ltd., Refresh Laser ClinicTpy Pte. Ltd., and Refresh Laser Clinic Bedok Pte. Ltd. for a purchase consideration of S\$4 million. This purchase consideration would be paid by the Company by way of cash amounting S\$2 million and an allotment of shares in the share capital of the Company for the residual S\$2 million. The Company is of the opinion that the Aesthetics Medical Services sector has good prospects for the long-term growth of the Company with the social acceptance of this increasing. The Company intends to expand the Aesthetics Medical Services sector via its subsidiary's crowdfunding platform to reach out to potential investors, and this is in line with its expansion strategies. This proposed acquisition is subject to shareholders' approval.

Furthermore, in line with the Company's intention to expand its Corporate Accretion Services, the Company had on 13 April 2018 entered into a non-binding memorandum of understanding with Liaoning Meal Plus Technology Ltd. ("Liaoning Meal Plus") for a proposed acquisition of the latter. Liaoning Meal Plus is in the primary business of developing software and machinery for the food and beverage industry.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

The Company did not declare / recommend dividends for the current financial year reported on.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Group had entered into an IPT on 10 October 2017 greater than S\$100,000 with Mr. Liu Song, non-executive director of the Company, for placement of S\$2,000,000. This is subject to shareholders' approval and the Company is still in discussions with the relevant parties on how to proceed with the transaction.

14. Confirmation by the Board pursuant to Rule 720(1) of the Listing Manual

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

The Group operates predominantly in only two business segments, which is the Systems and Commodities segments. Accordingly, no segmental information is prepared based on business segment as it is not meaningful.

Geographical Information:

The following table provides an analysis of the revenue by geographical market, irrespective of the origin of the goods/services.

	Group	
	31-Mar-18 S\$'000 (unaudited)	31-Mar-17 S\$'000 (restated)
Revenue:		
Singapore	22,714	-
Malaysia	11,121	7
People's Republic of China and Hong Kong	41,991	580
Other countries	36,717	283
	<u>112,543</u>	<u>870</u>

The increase in revenue was mainly due to accounting Jubilee as a subsidiary rather than, an associated company. The turnover reported for FY2017 was from the Group's systems segment.

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and intangible assets analysed by the geographical area in which the assets are located :

	Group	
	31-Mar-18 S\$'000 (unaudited)	31-Mar-17 S\$'000 (restated)
Segment Assets:		
Singapore	28,813	37,578
Malaysia	695	1
Other countries	8	-
	<u>29,516</u>	<u>37,579</u>
Capital Expenditure:		
Singapore	110	3
Malaysia	441	-
	<u>551</u>	<u>3</u>

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Sales has increased due to accounting Jubilee as a subsidiary rather than, an associated company. For the Group's systems segment, the decrease in sales was due to new competitors in the industry as well as lower market demand for its products.

17. A breakdown of sales

Continuing Operations

	Group		
	31-Mar-18 (FY2018)	31-Mar-17 (FY2017)	Increase / (Decrease)
	S\$'000 (unaudited)	S\$'000 (restated)	%
(i) Sales reported for:			
First half year ended 30 September 2017 ("HY2018") and 30 September 2016 ("HY2017")	38,213	870	>100%
Second half year ended 31 March 2018 ("FY2018") and 31 March 2017 ("FY2017")	74,330	(1,858)	nm
	112,543	870	>100%
(ii) Profit/(loss) after tax reported for:			
First half year ended 30 September 2017 ("HY2018") and 30 September 2016 ("HY2017")	(2,676)	(1,858)	44%
Second half year ended 31 March 2018 ("FY2018") and 31 March 2017 ("FY2017")	3,343	(6,454)	nm
	667	(8,312)	nm

nm denotes not meaningful.

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

NA

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or Chief Executive Officer or substantial shareholder of the issuer pursuant to Rule 704 (10). If there is no such person, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10), the Company confirms that there is no person occupying a managerial position in the Company or its principal subsidiaries who is related to a Director or Chief Executive Officer or Substantial Shareholder of the Company for the financial year ended 31 March 2018.

20. Use of proceeds.

As at the date of this announcement, the net proceeds from issue of rights cum warrants of 2,370,630,317 new shares of the Company at the issue price S\$0.004 per share had been utilised as follows:

	Balance as at 31 March 2017 S\$ million	Reallocated Amount ¹ S\$ million	Amount utilised S\$ million	Balance as at 31 March 2018 S\$ million
Working capital	-	2.46	2.46	-
Potential acquisition, joint ventures, and/or strategic alliances	3.46	1.00	-	1.00
Total	3.46	3.46	2.46	1.00

Note:

1. Reallocated for repayment to suppliers and for other operating expenses.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary
30 May 2018