WE Holdings Ltd.

Annual Report 2015

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Corporate Profile

MISSION STATEMENT

We are a dedicated commodities-focused Group with a strong emphasis on long-term sustainability to unlock and maximise shareholders' value.

BUSINESS PHILOSOPHY

People are an integral part of our business and they are at the core of our business philosophy. Led by a strong leadership team and guided by sound business ethics, we aim to deliver value to all our stakeholders.

CORPORATE PROFILE

Our vision is to deliver long-term shareholders' value through:

> Focused management expertise

> Excellent market knowledge

> An entrepreneurial spirit

WE Holdings started out as a distributor and manufacturer's representative for electronics products based in Singapore covering Southeast Asia. As part of the Group's overall consolidation and repositioning effort to focus purely on commodities, WE Holdings successfully disposed its electronics businesses as they were no longer complementary and synergistic to the future direction of the Group.

WE Holdings has since embarked on its diversification strategy into the commodities sector. After identifying growth opportunities in Myanmar, the Group is looking to transform its business to focus on resources such as petroleum and oil and gas in the region.

On May 18, 2013, WE Holdings entered into a non-binding term sheet for the proposed acquisition of shares in Dragon Cement Co., Ltd, a company that is principally engaged in the business of cement manufacturing, and is majority owned by His Excellency Nay Win Tun ("H.E. Nay Win Tun"). H.E. Nay Win Tun is a prominent Myanmar businessman and the Chairman of the Ruby Dragon Group of companies.

WE Holdings has also entered into a joint venture, WE Dragon Resources Pte. Ltd., together with H.E. Nay Win Tun, to assess potential petroleum, oil and gas, and related resources business opportunities in Myanmar. The Company has also entered into a non-binding Memorandum of Understanding with H.E. Nay Win Tun for a proposed collaboration to carry out petroleum operations projects in five target oilfields in Myanmar through a project company.

In addition to assessing potential petroleum, oil and gas, and related resources business opportunities in Myanmar, the Group will also explore opportunities in the exploration, extraction/mining and trading of energy and metal resources and the production and trading of cement, sand and steel, subject to shareholders' approval.

SYSTEMS INTEGRATION

Representing various international principals with their advanced systems and solutions, our Systems Integration business unit provides commissioning for a range of testing and analytical equipment including X-ray Fluorescence elementary analyzers, burn-in and environmental chambers.

Our core competency is in the hard disk drive, semiconductor and industrial market segments. Our trained and experienced engineers perform highly complex system installation, calibration, training, service and repair as well as integration and testing to engage in this technologically advanced market.

Our service centres are strategically located in Singapore, Malaysia, Thailand and China enabling us to deliver excellent service commitment to our regional customers with a fast turnaround time for part replacement and onsite engineers.

Chairman's Message

Dear Shareholders,

On behalf of WE Holdings Ltd. ("WE Holdings") and together with its subsidiaries (the "Group"), I present the Group's Annual Report for the financial year ended 31 March 2015 ("FY2015").

FY2015 was a year of consolidation as WE Holdings concentrated its efforts in solidifying the Group's focus as a regional commodities player. In the course of FY2015, the Group also looked to improving its overall financial standing, while laying the foundation for commodities to be a pillar of growth going forward.

OVERVIEW OF FY2015

On 31 January 2015, in line with the Group's strategy to focus its efforts of transforming into a regional commodities player, the Group completed the disposal of one of its subsidiaries; WE Components Pte. Ltd. (and together with its subsidiaries, "WE Components Group") and the results of the disposed group have been separately presented on the Group's income statement as Discontinued Operations for FY2015 and the financial year ended 31 March 2014 ("FY2014").

The Group posted revenue of US$4.8 million for FY2015, representing a decrease of 77.9% or US$16.9 million, as compared to US$21.7 million for the financial year ended FY2014.

Chairman's Message

The decline was largely attributable to the transfer of the Group's component business to WE Components Group due to a refocus of Group strategy from electronics to commodities, and of which the WE Components Group was subsequently disposed of on 31 January 2015.

As a result of the dip in revenue, gross profit decreased to US$1.1 million and gross profit margins dipped from 41.2% in FY2014 to 23.2% in FY2015, due to stiffer price competition in the global electronics industry. The Group turned in a total comprehensive income of US$898,000 for FY2015, compared to a loss of US$6.3 million in the preceding year.

The Group also saw an overall decrease in borrowings, and as at 31 March 2015, the Group has cash and cash equivalents amounting to US$5.5 million.

CORPORATE DEVELOPMENTS

As part of the overall consolidation and repositioning effort, the Group successfully disposed of WE Components Group, WE Components (Penang) Sdn. Bhd., and terminated the proposed acquisition of shares in SingYaSin Technologies Pte. Ltd and SCT Technologies Pte Ltd, as these companies were no longer complementary and synergistic to the future direction of the Group.

The Group also decided against following through with the proposed acquisition of Maritrans Recycler, Inc ("Maritrans"), an electronic scrap recycling and export company operating in the Philippines, as the outcome of due diligence checks turned out unsatisfactory.

Having now successfully turned around its financial health, and in light of the current softness in the global commodities markets, the Group has adopted a cautious approach when making any advancement in the sector. With a stringent selection and assessment process in place, the Group will only seek to pursue growth opportunities which will be of long-term benefit, and ensure the sustainability of the Group. It is important that the Group's long-term interests are placed above any potential short-term or short-lived gains; hence the decision was taken not to proceed with the Maritrans acquisition. The Group will continue to exercise prudence for each strategic initiative to ensure that the interests of our shareholders are upheld, and that only the best opportunities are followed through in order to unlock value for our shareholders.

OUTLOOK

As part of the transformation and diversification into commodities, the Group has identified opportunities in the exploration, extraction, mining and trading of energy and metal resources asset management, and is actively working on acquisition projects in order to broaden the Group's reach in commodities. In particular, the Group is exploring opportunities presented by the cement, oil & gas and petroleum sectors in Myanmar.

The Group's balance sheet remains healthy, and will provide a platform to fund our growth plans. As evidenced from our previous announcements on the Group's forays into Myanmar, we are committed to making strategic investments in Myanmar's commodities industry, though we remain mindful of socio-political risks that may arise.

A NOTE OF THANKS

I would like to extend a warm welcome to Mr Wan Tai Foong, who joined us as a Non-Executive and Independent Director of the Group on 26 February 2015. Mr Wan's extensive business and financial management experience will serve the Group well.

The Board also wishes to express its gratitude to Mr Tan Soon Tien for his contributions. Mr Tan has since retired at the Group's FY2014 Annual General Meeting.

To our valued shareholders, the business partners and staff of WE Holdings, it is during the toughest times that the Group has seen how your utmost dedication has shone through, and we would like to express our heartfelt appreciation for your continued support.

The Group believes that it has turned the corner, and will work towards our long-term success.

Thank you.

Mr Terence Tea
Executive Chairman and Managing Director
WE Holdings

15 July 2015

Financial and Operations Review

For the financial year ended 31 March 2015 ("FY2015"), the Group recorded revenue of US$4.8 million, a decrease of 77.9% as compared to US$21.7 million for the financial year ended 31 March 2014 ("FY2014"). This was primarily due to the disposal of its subsidiaries; WE Components Pte. Ltd. and its subsidiaries ("WE Components Group").

Correspondingly, the Group's gross profit decreased 87.5% to US$1.1 million and gross profit margins dipped from 41.2% to 23.2% in FY2015.

Other credits surged 163.6% to US$4.4 million from US$1.7 million mainly due to replacement of cash bonus scheme with WE Share Award Scheme. This resulted in a write back of provisions made under the cash bonus scheme of US$1.9 million and proceeds from the disposal of WE Components Group of US$1.8 million.

The Group's operating expenses, increased marginally to US$8.4 million in FY2015, from US$8.2 million in FY2014, while marketing and distribution expenses decreased by 27.0% to US$1.1 million in FY2015.

Administration expenses decreased 16.0% to US$5.1 million in FY2015, while lower borrowings in FY2015 resulted in a decrease in finance costs by 72.0%. Other charges increased to US$2.2 million in FY2015, due mainly to the provision of bad debts and exchange losses.

As a result of the above and after including a share of profit and bargain purchase of its associate, Jubilee Industries Holdings Ltd. ("Jubilee") of US$0.8 million and US$2.0 million respectively, profit from Discontinued Operations of US$1.4 million, a share of other comprehensive losses of associate and exchange difference on translation of foreign currency, the Group posted a total comprehensive income of US$898,000.

Earnings per share of the Group stood at 0.10 US cents for FY2015, compared to a loss of 0.85 US cents in FY2014. The net asset value per share for the Group was 1.20 US cents in FY2015, compared to 1.18 US cents for FY2014.

BALANCE SHEET

The Group's non-current assets increased 169.1% to US$16.5 million as at 31 March 2015, from US$6.1 million as at 31 March 2014, largely due to the investment in associate, Jubilee for US$16.0 million. The decrease in fixed assets from US$6.0 million to US$0.4 million was due to the assets being temporarily held in trust.

Total current assets amounted to US$28.7 million as at 31 March 2015 compared to US$41.9 million as at 31 March 2014, largely due to a reduction in inventory and cash and cash equivalents. Inventory decreased from US$6.2 million in FY2014 to US$0.01 million in FY2015 as the Group ceased to hold any components inventory following the completion of the disposal of WE Components Group.

Cash and cash equivalents decreased to US$5.5 million, while trade and other receivables increased to US$22.3 million in FY2015.

Total current liabilities amounted to US$9.3 million as at 31 March 2015 due to a decrease in trade and other payables, while non-current liabilities as at 31 March 2015 was US$1.7 million, due to a decrease in other financial liabilities.

The Group had a working capital of US$19.5 million as at 31 March 2015, obtained from the purchase proceeds on the disposal of its subsidiary, and funds from placement shares and rights cum warrant exercises.

CASH FLOW

Net cash flow used in operating activities for FY2015 amounted to US$12.3 million, comprising operating loss before working capital changes of US$3.3 million and cash used in operations of US$12.3 million. The working capital outflow was mainly due to increase in trade and other receivables of US$4.9 million and a decrease in trade and other payables of US$5.3 million.

Net cash used in investing activities is mainly for the investment in Jubilee as well as the purchase of property, plant and equipment, offset by the disposal of WE Components Group with properties held in trust. Net cash used in financing activities was US$0.5 million, mainly due to repayment of finance lease of US$0.7 million and cash restricted in use of US$1.8 million offset by proceeds from the issuance of placement shares of US$2.0 million.

The Group recorded a net decrease in cash and cash equivalents of US$14.0 million in FY2015, with cash and cash equivalents standing at US$3.7 million as at 31 March 2015.

Board of Directors

Mr Terence Tea Yeok Kian

Executive Chairman and Managing Director

Mr Terence Tea Yeok Kian is a successful entrepreneur and a highly regarded member of the business community. He is responsible for strategising businesses, building and establishing right platforms on organisational levels for various core businesses and lead corporations to successful acquisitions and reverse acquisitions thus revolving companies to greater heights. Mr Tea was known for his name when he kicked off with an impact founding a PCB testing company and eventually listed up in the SESDAQ board in 2004. He brought the company to a whole new level in a very short period of time where it was soon being uplifted to become one of the main board listing in 2007.

Mr Tea currently serves on the boards of several companies. He is the Chairman and CEO of WE Holdings Ltd., Managing Director and CEO of Jubilee Industries Holdings Ltd., CEO and Chairman of Singyasin Holdings, Singyasin Green Tech and Singyasin SMC Technologies. Mr Tea is also the Chairman of EG Industries Berhad which was first listed on the KLSE in 1993. SMT Technologies Sdn Bhd ("SMTT") being under the umbrella is one of an outstanding achievements whom received the TOP 50 Global EMS provider in 2012. Being led by Mr Tea with his profound strategies, SMTT grows rapidly to become one of the market leaders in South East Asia for Electronic Manufacturing Services. Being a Public-Confident figure, Mr Tea stands as a major pillar to the Group's success. SMTT is proud to announce on her confident-driven Global clients like JVC, SONY, SHARP, HITACHI, Western Digital and Dyson. SMTT is also responsible for their engineering services, product development, supply chain solutions to OEMs in the industrial, consumer electronics sector, medical devices, lighting, HVAC, computing, medical devices, lighting and mobile communications among other core facilities. Mr Tea has built numerous subsidiaries across the Asia regions such as China, Taiwan, Thailand, Malaysia and India while having Singapore as his regional HQ to propagate his businesses to clients' locations around Asia. The rapid growth under the leadership of Mr Tea had gained public trust and his organization was recently awarded with the SME 500 of Singapore.

As an active member of the community, Mr Tea helms several other appointments in the public sectors as well. He currently sits on the board as a Chairman of the Eng Yong Tong Tay Si Association, Honorary Patron of the Singapore Productivity Association, Patron of Nee Soon East Constituency, Patron of Sembawang GRC and an Advisory committee member of the River Valley High School.

Mr Tea is also the TOP Entrepreneur 2015 of the Small Medium Business Association in Singapore. For his business achievements and Public Services, Mr Tea was conferred a Ph.D. in Business Administration (Honorary) from the Honolulu University and is a member of the Singapore Institute of Directors.

Mr Tan Wee Peng Kelvin

Non-Executive and Lead Independent Director

Mr Tan has more than 20 years of professional and management experience in the private and public sectors in Singapore. He currently sits on the boards of SGX listed companies such as IREIT Global, Viking Offshore and Marine Ltd and WE Holdings Ltd as Independent Director and chairs the Audit Committee of some of them. He also advises companies and private equity funds in the areas of corporate governance, finance and investment, business development and leadership development.

M. Tan has held senior management positions, including being the President of AETOS Security and Management Pte. Ltd. from 2004 to 2008 and Global Head of Business Development of PSA International from 2003 to 2004. From 1996 to 2003, Mr Tan was with Temasek Holdings Pte. Ltd., where his last held position was as Managing Director of its Private Equity Funds Investment Unit. Mr Tan is a member of the Institute of Singapore Chartered Accountants and the Singapore Institute of Directors.

Board of Directors

Mr Ng Li Yong
Non-Executive Independent Director

Mr Ng is a lawyer with more than 10 years of experience and is currently a partner of WNLEX LLC, a full-service law firm. His area of practice includes corporate, commercial and intellectual property. Mr Ng sits on the board of various private companies and C&G Environmental Protection Holdings Limited, a public listed company in Singapore.

Mr Ng graduated with a Bachelor of Law from the University of Kent in 1995 and further obtained a Postgraduate Diploma in Singapore Law from National University of Singapore in 1996. Mr Ng is also a member of Law Society of Singapore and Singapore Academy of Law.

Mr Wan Tai Foong
Non-Executive Independent Director

Mr Wan is currently the CEO of Qi Capital Pte Ltd, a boutique advisory firm that advises private corporates on M&A and fund raising transactions. Tai Foong has over 20 years career in investment banking, with varied, in-depth exposure and experience to all aspects of mergers and acquisitions, restructuring and fund-raising transactions in different sectors. Mr Wan held senior positions with various financial institutions including Rabobank International Singapore, Kim Eng Corporate Finance Pte Ltd, KBC Bank (Singapore) Limited and N M Rothschild & Sons (Singapore) Limited.

Mr Wan graduated with a Bachelor of Commerce from Murdoch University, Western Australia in 1992 and is a member of CPA Australia.

Corporate Management

Ms Sng Ee Lian Eliane
Group Financial Controller

Ms Sng is the Group Financial Controller and heads the finance department for the daily finance functions of the Group. Ms Sng is a senior executive with 16 years of work experience in finance and public accounting, administration and costing in electronics contracts manufacturing and wholesale electronics distribution industries. She has been the Group Finance manager of the Plexus Group since 2005. Prior to joining the Plexus Group. Ms Sng was a Senior Corporate Finance Controller with ACT Manufacturing Inc, a company then listed on the National Association of Securities and Dealers Automated Quotation (NASDAQ). Ms Sng holds a Bachelor of Accountancy from Bentley College, USA and LLB from University of London.

Mr Woo Wai Kheong Alvin
Product Director

Mr Alvin Woo is the Product Director heading the Marketing team of WE Components. He provides leadership and marketing planning to the team and is responsible for the product development & growth in each regionals. Prior to joining WE, Alvin has been in the Sales and Marketing for more than 20 years.

He holds a Bachelor Degree in Business from La Trobe University and Diploma in Electronics and Electrical from Ngee Ann Polytechnic.

Mr Kwek Swee Leng Jonathan
General Manager

Mr Kwek joined the Company in June 2013 as the General Manager. He reports to the Executive Chairman and is responsible for implementing strategic goals and subsequently, providing the directions and leaderships necessary to achieve them.

Prior to this, Mr Kwek has held senior positions in both listed and private companies in the electronics component industry. He has 24 years of experience in this industry. He holds a Bachelor Degree in Business Administration with the National University of Singapore as well as a Graduate Diploma in Marketing with the Marketing Institute of Singapore.

Mr Wong Hot Yong
President of the Systems Business

Mr Wong is the President of the Systems Business Unit of the Group. He joined WesTech Group since 1988 and was appointed to the Board of the WesTech Group in May 2005. In his executive capacity, he heads the WesTech Group's systems integration business.

He has secured many new value-added product lines from Japanese and American manufacturers, aiding the WesTech Group's expansion and penetration into new overseas markets. He holds a Diploma in Electronics Engineering as well as a sales and marketing diploma from the Marketing Institute of Singapore.

Corporate Directory

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Corporate Governance Report

The Board of Directors (the "**Board**") and the management (the "**Management**") of WE Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") are committed to uphold good corporate governance within the Group. This commitment is seen in the Company's continued support of the Code of Corporate Governance 2012 (the "**Code**") in its effort to observe high standards of transparency, accountability and integrity in managing the Group's business so as to create and preserve long-term value and return for its shareholders.

This report gives a detailed account of the Company's corporate governance processes and activities for the financial year ended 31 March 2015 ("**FY2015**"), based on the Singapore Securities Exchange Trading Limited's (the "**SGX-ST**") requirement that an issuer must describe its corporate governance practices with specific reference to the principles of the Code in its annual report.

Principle 1: The Board's Conduct of Affairs

The primary function of the Board is to protect and enhance long-term value and returns for its shareholders. Besides carrying out its statutory responsibilities, the Board oversees the formulation of the Group's long-term strategic objectives and directions, reviews and approves the Group's annual business and strategic plans and monitors the achievement of the Group's corporate objectives. It also oversees the Management's business affairs and conducts periodic reviews of the Group's financial performance.

In addition to its statutory duties, the Board's principal functions are:-

1. Approving the Group's strategic plans, key operational initiatives, major investments, divestments and funding requirements;

2. Approving the annual budget, reviewing the performance of the business and approving the release of the financial results of the Group to shareholders;

3. Providing guidance in the overall management of the business and affairs of the Group; and

4. Overseeing the processes for risk management, financial reporting and compliance;

Matters which are specifically reserved to the Board for decision include, *inter alia*, material or major investment, material acquisition and disposal of assets, corporate or financial restructuring, share issuance and dividends.

To assist in the execution of its responsibilities, the Board has established an Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively "**Board Committees**"). Each Board Committee has its own defined terms of reference and operating procedures, which are reviewed on a regular basis by the Board. The effectiveness of each Board Committee is also constantly reviewed by the Board.

The Board meets on a regular basis and when necessary to address any specific matter. The Company's Articles of Association (the "**Articles**") provides for the meetings to be convened via teleconferencing or videoconferencing.

The number of Board and Board Committee meetings held during FY2015 and the attendance of each Director, where relevant, are as follows:-

	Board		AC		RC		NC	
	Number of Meetings							
Name	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr Terence Tea Yeok Kian	4	4	4	NA	4	NA	4	4
Mr Tan Wee Peng Kelvin	4	4	4	4	4	4	4	4
Mr Ng Li Yong	4	4	4	4	4	4	4	4
Mr Tan Soon Tien[1]	4	1	4	1	4	1	4	NA
Mr Wan Tai Foong[2]	4	NA	4	NA	4	NA	4	NA

NA : Not Applicable

Notes:-
1. Retired as an Independent Director and member of AC and RC on 29 July 2014.
2. Appointed as an Independent Director and member of AC and RC on 26 February 2015.

Corporate Governance Report

A formal letter setting out the director's duties and obligations will be issued to new directors upon their appointment.

All newly appointed Directors are given briefings by the Management on the history, business operations and corporate governance practices of the Group. Newly appointed Directors also attend courses, seminars and trainings which may have a bearing on their duties and contributions to the Board, organised by the professional bodies, regulatory institutions, to keep themselves updated on the latest developments concerning the Group. To keep pace with regulatory changes, the Director's own initiatives are supplemented from time to time with information, updates and sponsored seminars conducted by external professionals, including any changes in legislation and financial reporting standards, government policies, and regulations and guidelines from SGX-ST that affect the Company and/or the directors in discharging their duties. The Directors are informed of developments relevant to the Group, including changes in laws, regulations and risks that may impact the Group.

Principle 2: Board Composition and Guidance

The Board comprises one (1) Executive Director and three (3) Independent Non-Executive Directors who as a group provide core competencies and diversity of experience which enable them to effectively contribute to the Company. The current number of Independent Directors complies with the Code's requirement that at least half of the Board should be made up of independent directors, which brings a strong and independent element to the Board.

The Board of Directors as at 31 March 2015 comprised:

(i) Mr Terence Tea Yeok Kian (Executive Chairman and Managing Director)

(ii) Mr Tan Wee Peng Kelvin (Non-Executive and Lead Independent Director)

(iii) Mr Ng Li Yong (Non-Executive Independent Director)

(iv) Mr Wan Tai Foong (Non-Executive Independent Director)

The Board is supported by the Board Committees, namely, the NC, the AC and the RC, whose functions are described below. The Board is able to exercise objective judgment independently from the Management and no individual or small group of individuals dominate the decisions of the Board.

On an annual basis and upon notification by an Independent Director of a change in circumstances, the NC will review the independence of each Independent Director based on the criteria for independence defined in the Code and recommend to the Board as to whether the Director is to be considered independent.

The Independent Directors have confirmed that they do not have any relationship with the Company or its related companies, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interest of the Company.

Currently, there is no Director who has served on the Board beyond nine (9) years from the date of appointment.

The Non-Executive Directors contribute to the Board by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide different perspectives to the Group's business. While challenging Management's proposals or decisions, they bring independent judgement to bear on business activities and transactions, involving conflicts of interest and other complexities. The Non-Executive Directors will meet to discuss on specific matter without the presence of Management.

The Board constantly examines its size and, with a view to determining the impact of the number upon effectiveness, decide what is considers an appropriate size for the Board, which facilitates effective decision-making. The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board, is appropriate for effective decision making.

The NC is of the view that the Board comprises persons who, as a group, provide the necessary core competencies and includes experienced professionals with legal, accounting, business and management experience.

Information on the Board members is provided under the section "Board of Directors" in the Annual Report.

Corporate Governance Report

Principle 3: Chairman and Chief Executive Officer

Mr Terence Tea Yeok Kian is the Executive Chairman and Managing Director of the Company. Although the roles of the Chairman and Managing Director are not separated, the AC, RC and NC are chaired by independent directors. His performance and remuneration are reviewed periodically by the NC and RC. In addition, Mr Tan Wee Peng Kelvin has been appointed as the Lead Independent Director of the Company and is available to shareholders should they have concerns which cannot be solved through the normal channel of the Chairman or where such contact is inappropriate. As such, the Board believes that they are adequate safeguards and checks in place to ensure that the process of decision-making by the Board is independent and based on the collective decision-making without Mr Terence Tea Yeok Kian being able to exercise considerable concentration of power or influence.

As the Executive Chairman, Mr Terence Tea Yeok Kian is responsible for the effective workings of the Board, ensuring the integrity and effectiveness of its governance process. As a Managing Director, Mr Terence Tea Yeok Kian has full responsibilities over the business directions and operational decisions of the Group.

Principle 4: Board Membership
Principle 5: Board Performance

Nominating Committee

The Company had established a NC to make recommendations to the Board on all board appointments. The NC comprises three (3) members, majority of whom, including the Chairman, are Independent Non-Executive Directors.

As at the date of this Report, the NC comprises:-

Mr Ng Li Yong	(Chairman)
Mr Terence Tea Yeok Kian	(Member)
Mr Tan Wee Peng Kelvin	(Member)

The Chairman of the NC is neither a substantial shareholder of the Company nor is he directly associated with the substantial shareholder of the Company.

The NC has written terms of reference and its role includes:-

1. Making recommendations to the Board on all board appointments, including the development of a set of criteria for Director's appointments;

2. Reviewing the size of the Board with a view to determining the impact of the number upon Board's effectiveness;

3. Ensuring that the Directors have the required expertise and adequate competencies to discharge their respective functions and to ensure that there is a balance of competencies;

4. Re-nominating Directors having regard to the Director's contribution to the Group and his performance at Board meetings, for example, attendance, participation and critical assessment of issues deliberated upon by the Board;

5. Considering and determining on an annual basis, whether or not a Director is independent;

6. Deciding on how the Board's performance may be evaluated and propose objective performance criteria to the Board;

7. Assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board; and

8. Reviewing board succession plans for Directors.

The independence of each Director is reviewed annually by the NC based on the Code's definition of what constitutes an Independent Director. Following its annual review, the NC has endorsed the independence status of Mr Tan Wee Peng Kelvin, Mr Ng Li Yong and Mr Wan Tai Foong.

Corporate Governance Report

New Directors are presently appointed by way of Board resolutions after the NC has reviewed and nominated them for appointment. The NC considers each candidate for directorship carefully, taking into consideration the qualification and experience of such candidate, his/her ability to increase the effectiveness of the Board and to add value to the Group's business in line with its strategic objectives.

In identifying suitable candidates, the NC mainly taps on the Directors' personal contacts and recommendations. After shortlisting the candidates, the NC shall:

(a) Consider and interview all candidates on merit against objective criteria, taking into consideration the qualification and experience of such candidate, his/her ability to increase the effectiveness of the Board and add value to the Groups' business in line with its strategic objectives; and

(b) Evaluate and agree to a preferred candidate for recommendation to and appointment by the Board.

The NC has assessed the current Board's performance to-date and is of the view that the performance of the Board as a whole has been satisfactory. Although some of the Directors have other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. The Board has experienced minimal competing time commitments among its members as Board meetings are planned and scheduled well in advance of the meeting dates. In fact, the NC has noted that its members have contributed significantly in terms of time, effort and commitment during FY2015.

At present, the Board does not intend to set a maximum number of listed company board representations a Director may hold as it is of the view that the effectiveness of a Director should be evaluated by a qualitative assessment of his contributions to the Company's affairs taking into account his other commitments including his directorships in other listed companies. The NC considers that the multiple board representations held presently by some Directors do not impede their respective performance in carrying out their duties to the Company.

There is no alternate Director on the Board.

The NC sets objective performance criteria for evaluating the Board's performance annually for evaluation of the Board as a whole. The Boards' performance is a function of the experience and expertise that each of the Directors brings with them. The NC has implemented a Board Evaluation Form which consists of board assessment checklist which takes into consideration factors such as the Board's understanding of its role and responsibilities, the Board's composition, clear goals and actions, and proceedings to assess and enhance the overall effectiveness of the Board. Board Committees assessment are incorporated into board assessment as a whole. All Directors will assess the effectiveness of the Board as a whole by completing a Board Evaluation Form. 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 factors taken into consideration for the re-nomination of the Directors for the current year include the contribution of such Directors to the effectiveness of the Board, the Directors' participation and involvement in Board meetings and Board Committee meetings and the qualification and experience of such Directors. The results of the evaluation for the Board's performance are considered by the NC, which is responsible for setting the performance criteria to assess the effectiveness of the Board, and used constructively to identify areas for improvements and recommend the necessary action to be taken by the Board.

The NC, in recommending the re-election or reappointment of Directors, who are subject to retirement at the Annual General Meeting ("**AGM**") in accordance with the Company's Articles or the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), had taken into consideration the contribution of such Directors to the effectiveness of the Board, their participation and involvement in the Board meetings and Board Committee meetings, qualification and experience as well as their directorships and major appointments in other companies.

Each member of the NC shall abstain from making any recommendations and/or participating in any deliberation of the NC and from voting on any resolutions in respect of the assessment of his/her own performance or re-nomination as a Director.

Pursuant to the Articles of the Company:-

(a) One-third (1/3) of the Directors except the CEO and Managing Director retire from office at every AGM; and

(b) Directors appointed during the course of the year must submit themselves for re-election at the next AGM of the Company.

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Mr Ng Li Yong will retire by rotation at the forthcoming AGM according to Article 91 of the Articles of the Company. Mr Wan Tai Foong who was appointed on 26 February 2015 will retire at the forthcoming AGM according to Article 97 of the Articles of the Company.

The NC recommended to the Board that Mr Ng Li Yong and Mr Wan Tai Foong be nominated for re-election at the forthcoming AGM. In making the recommendation, the NC had considered the Directors' overall contribution and performance.

Mr Ng Li Yong will upon re-election as a Director, remain as a Non-Executive Independent Director of the Company, the Chairman of the NC and a member of the AC and the RC while Mr Wan Tai Foong will upon re-election as a Director, remain as a Non-Executive Independent Director of the Company and a member of the AC and the RC.

Details of the Directors' academic and professional qualifications and directorships both present and those held over the preceding three years in other listed companies and other principal commitments are set out on pages 5 and 6 and below:-

Name of Director	Appointment	Date of initial appointment / last re-election	Directorships in other listed companies	
			Current	Past 3 Years
Terence Tea Yeok Kian	Executive Chairman and Managing Director	11 March 2013 & 1 December 2013 / 25 July 2013	Jubilee Industries Holdings Ltd. EG Industries Berhad	–
Tan Wee Peng Kelvin	Lead Independent Director	16 February 2011 / 29 July 2014	Viking Offshore and Marine Ltd IREIT Global	Soilbuild Group Holdings Ltd
Ng Li Yong	Independent Non-Executive Director	11 June 2013/ 25 July 2013	C&G Environment Protection Holdings Limited	–
Wan Tai Foong	Independent Non-Executive Director	26 February 2015	–	–

Principle 6: Access to Information

The Board is provided with complete and adequate information on a timely basis prior to Board meetings and on an on-going basis. The Management circulates copies of the minutes of the meetings of Board and Board Committees to all members of the Board to keep them informed of on-going developments within the Group. Board papers are generally sent to Directors before each meeting and would include financial management reports, reports on performance of the Group against the budget with notes on any significant variances, papers pertaining to matters requiring the Board's decision, updates on key outstanding issues, strategic plans and developments in the Group.

The Board have separate and independent access to the Company's senior management and the Company Secretary at all times. Should the Directors, whether as a group or individually, require independent professional advice, such professionals (who will be selected with the concurrence of the Chairman or the Chairman of the Board Committee requiring such advice) will be appointed at the Company's expense.

The Company Secretary attends all Board meetings and is responsible for ensuring that Board procedures are followed. The Company Secretary assists senior management in ensuring that the Company complies with rules and regulations which are applicable to the Company. The appointment and removal of the Company Secretary is decided by the Board as a whole.

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Principle 7: Procedures for Developing Remuneration Policies

As at the date of this Report, the RC comprises the following three (3) members, all of whom, including the Chairman, are Independent Non-Executive Directors:-

Mr Tan Wee Peng Kelvin	(Chairman)
Mr Ng Li Yong	(Member)
Mr Wan Tai Foong	(Member)

The RC is governed by the RC's terms of reference which describes the duties and powers of the RC.

The RC is responsible for:-

(a) reviewing and recommending to the Board in consultation with the Management and the Managing Director, a framework of remuneration and determine the specific remuneration packages and terms of employment for each of the Executive Director and senior executive/divisional directors of the Group including those employees related to the executive directors and/or controlling shareholders of the Group and to ensure that it is appropriate to attract, retain and motivate them to run the Group successfully. The RC will engage experts in the field of executive compensation whenever required;

(b) reviewing the fairness and reasonableness of the termination clauses of the service agreements of each Executive Director and senior executive/divisional directors of the Group to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance;

(c) reviewing on a yearly basis, the remuneration packages for each Executive Director, which covers all aspects of remuneration, including but not limited to Directors' salaries, allowances, bonuses, options and benefits in kind;

(d) recommending the payment of fees to Non-Executive Director and to ensure, as far as is possible, that the quantum commensurate with the Non-Executive Directors' contribution to the Board and the Company; and

(e) overseeing and administering the WE Share Award Scheme.

No remuneration consultants were engaged by the Company in FY2015. However, the RC has access to expert professional advice on remuneration package for the Executive Director of the Company by engaging an independent compensation consultant, Messrs Freshwater Advisers Pte Ltd in the financial year ending 31 March 2016.

Principle 8: Level and Mix of Remuneration

In setting remuneration packages, the RC takes into account the performance of the Group as well as the Directors and key executives aligning their interests with those of shareholders and linking rewards to corporate and individual performance as well as industry benchmarks. The review of remuneration packages takes into consideration the longer term interests of the Group. The review covers all aspects of remuneration including salaries, fees, allowances, bonuses, options and benefits-in-kind. The RC's recommendations are made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board. The payment of Directors' fees is subject to the approval of shareholders at the AGM.

The Executive Director of the Company, Mr Terence Tea Yeok Kian has entered into a service agreement with the Company for an initial period of three (3) years (unless otherwise terminated by either party giving not less than six (6) months' notice to the other). The service agreement covers the terms of employments and specifically, the salaries and bonuses. Non-Executive Directors and Independent Directors have no service contracts.

The RC administered the WE Share Awards Scheme which has been used as long-term incentives to the employees and directors. The share awards granted to the employees and directors vest over a period of one to two years. The WE Share Awards Scheme is also extended to the Group Non-Executive Independent Directors so as to better align the interests of such Non-Executive Independent Directors with the interest of shareholders. The RC will reclaim the share awards granted to the directors and employees who left the Company prior to the end of the vesting period of share awards.

The Directors are not involved in the discussion and in deciding their own remuneration.

Principle 9: Disclosure on Remuneration

The remuneration of the Directors and the key executives, who are not Directors, for FY2015, are disclosed below. The disclosure is to enable shareholders to understand the link between remuneration paid to the Directors and key executives and their performance.

In view of the competitive pressures in the talent market, the remuneration paid to Directors of the Company and top management executives are not fully disclosed. The total remuneration, in aggregate, paid to the top key management executives for FY2015 is approximately S$1,997,108.

The breakdown (in percentage terms) of each Director's and key executive's remuneration for FY2015 are as follows:-

Remuneration for the Directors

Name	Salary	Bonus	Fringe Benefits	Directors' Fees	Total
	%	%	%	%	%
Between S$500,000 – S$750,000					
Mr Terence Tea Yeok Kian	41	3	56	0	100
Below S$250,000					
Mr Tan Wee Peng Kelvin	0	0	43	57	100
Mr Ng Li Yong	0	0	0	100	100
Mr Tan Soon Tien[1]	0	0	0	100	100
Mr Wan Tai Foong[2]	0	0	0	100	100

Notes:-
1. Retired as a Director on 29 July 2014.
2. Appointed as a Director on 26 February 2015.

Remuneration of the top key executives

Name	Salary %	Bonus %	Fringe Benefits %	Total %
Below S$250,000				
Loh Eng Lock, Kelvin[1]	77	10	13	100
Kwek Swee Leng	63	7	30	100
Woo Wai Keong	77	2	21	100
Wong Hot Yong	76	24	0	100
Sng Ee Lian[2]	91	6	3	100

Notes:

1. Resigned as the Chief Financial Officer and Joint Company Secretary on 28 October 2014.
2. Working on a part-time basis starting 1 October 2013.

The Company had on 28 October 2014 signed a consultancy agreement (the "**Agreement**") appointing Mr Loh Eng Lock, Kelvin ("**Mr Kelvin Loh**") as Consultant to work with the CEO and undertake such responsibilities and perform such duties as may from time to time assigned to him by or under the authority of the Board. During the term of the Agreement, a fee amounting to S$2,000 per month shall be paid to Mr Kelvin Loh via the Employee Shares Scheme, subject to annual review by the Board and the RC. The Agreement may be terminated with the first to occur of three (3) months prior written notice by the Consultant to the Company and/or three (3) months prior written notice by the Company to the Consultant.

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The Company does not have any employee who is immediate family members of a Director or the CEO, and whose remuneration for FY2015 exceeds S$50,000.

The Company has share award scheme known as WE Share Award Scheme ("**WSAS**"). The purpose of the WSAS is to provide an opportunity for the Group's employees and directors, who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company. The WSAS is also extended to the Group Non-Executive Independent Directors. The WSAS was approved and adopted pursuant to approval from shareholders at the extraordinary general meeting held on 25 May 2010.

The share award given to a selected person will be determined at the discretion of the RC. The RC will take into account factors such as the selected person's capability, scope of responsibility, skill and his vulnerability to leaving the employment of the Group. In deciding on a share award to be granted to a selected person, the RC will also consider all aspect of the compensation and/or benefits given to the selected person and such other share-based incentive schemes of the Company, if any. The RC may also set specific criteria and performance targets for each of its business units, taking into account factors such as the business goals and directions of the Company and the Group for each financial year, the actual job scope and responsibilities of the selected person and the prevailing economic conditions.

The Company had on 1 October 2014 granted 6,939,603 share awards to the key executives of the Group who have met sales performance targets. The market price of the Company's shares on the date of grant was S$0.01. The Company issued and allotted the share awards on 2 October 2014.

Due to the variation in the share capital of the Company arising from the Rights cum Warrants Issue, the Company had on 30 April 2014 made announcement on the adjustment to the number of share awards granted on 22 March 2013 to the Directors and key executives of the Group, of which 11,750,000 share awards have been cancelled due to the cessation of employment and the share awards adjusted to 33,697,423 due to the variation in the issued ordinary share capital of the Company arising from the Rights cum Warrant Issue. The market price of the Company's shares on the date of adjustment was S$0.0152.

Subsequent to the above adjustment, the Company had on 7 May 2014 and 8 May 2015 issued and allotted 25,721,308 share awards and 19,726,115 share awards that vest in 30 April 2014 and 30 April 2015, respectively, to a Director and key executives of the Group of which 5,801,799 shares were allotted to Mr Tan Wee Peng, Kelvin, the Lead Independent Director of the Company.

Further details of the WSAS are set out in the Directors' Report on page 26 of this Annual Report.

Principle 10: Accountability

In presenting the annual financial statements and announcements of financial results to shareholders, it is the aim of the Board to provide shareholders with a balanced and understandable assessment of the Company's and the Group's performance, position and prospects. The Management currently provides the Board with appropriately detailed management accounts of the Company's performance, position and prospects on a monthly basis.

The Board ensures that all relevant compliances and updates will be highlighted from time to time to ensure adequate compliance with the regulatory requirements.

Principle 11: Risk Management and Internal Controls

The Directors recognise that they have overall responsibility to ensure proper financial reporting for the Group and effectiveness of the Group's system of internal controls, including financial, operational, compliance and IT controls, and risk management policies and systems. The Audit Committee assists the Board in providing oversight of risk management in the Company. It is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls, including financial, operational, compliance and IT controls and reporting to the Board annually its observations on any matters under its purview including risk management, internal controls or financial and management matters as it considers necessary and makes recommendations to the Board as it thinks fit.

The AC ensures that a review of effectiveness of the Company's internal controls is conducted at least annually. The AC has met with the internal auditors without management during the year.

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The Board noted there were lapses in internal controls and with the recommendation of the auditors to Audit Committee, the management will be taking corrective measures to improve, strengthen and refine the system of internal control and risk management.

The Board has received assurance from the Managing Director and Group Financial Controller:

(1) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(2) regarding the effectiveness of the Company's risk management and internal control systems.

Based on the statutory audit by the external auditors, and the assurance from Management, the Board, with the concurrence of the Audit Committee, is of the opinion that the system of internal controls and risk management in place as at 31 March 2015 is adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations based on the recommendations and corrective measures to be implemented. The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

Principle 12: Audit Committee

As at the date of this Report, the AC comprises the following three (3) members, all of whom, including the Chairman, are Independent Non-Executive Directors:-

Mr Tan Wee Peng Kelvin	(Chairman)
Mr Ng Li Yong	(Member)
Mr Wan Tai Foong	(Member)

The AC members, collectively have had many years of experience in accounting, audit and business and financial management. The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC.

The AC has written terms of reference. Specifically, the AC meets on a periodic basis to perform the following functions:-

(a) review with the internal and external auditors, the scope, audit plans, and the results of their examinations and evaluation of the Group's system of internal accounting controls or internal audit procedures;

(b) review the adequacy of the Group's financial and management reporting system including the effectiveness of material internal financial controls, operational and compliance controls, and risk management policies;

(c) review the financial statements of the Group to ensure integrity before submission to the Board for approval and the external auditors' report on those financial statements, if any;

(d) review any related significant findings and recommendations of the internal and external auditors together with Management's responses thereto;

(e) review interested person transactions, if any, in accordance with the requirements of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST ("**Catalist Rules**");

(f) review legal and regulatory matters that may have a material impact on the financial statements;

(g) review the half-yearly and annual announcements as well as the related press releases on the results of the Group;

(h) review the independence of external auditors on an annual basis;

Corporate Governance Report

(i) review the arrangements by which staff of the Group may, in confidence raise concerns about the possible improprieties in matters of financial reporting and other matters;

(j) review the assistance given by the Management to internal and external auditors;

(k) generally undertake such other functions and duties as may be required by statute or the Catalist Rules (as thereafter defined), or by such amendments as may be made thereto from time to time;

(l) review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where findings are material, announced immediately via the SGXNET;

(m) ensure that the internal audit function is adequately resourced and has appropriate standing within the Company. For the avoidance of doubt, the internal audit function can be either in-house, outsourced to a reputable accounting/auditing firm or performed by a major shareholder, holding company, parent company or controlling enterprise with an internal audit staff. (The internal auditor's primary line of reporting should be to the Chairman of the AC although he would also report administratively to the Managing Director. The internal auditor should meet or exceed the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice set by The Institute of Internal Auditors);

(n) review the effectiveness and ensure the adequacy of the internal audit function annually; and

(o) ensure that a review of the effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management is conducted annually.

The AC is also authorised to investigate any matter within its terms of reference and authorize to obtain independent professional advice if it deems necessary to discharge of its responsibilities. Such expenses are to be borne by the Company. It has full access to and the co-operation of the Management and the full discretion to invite any Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. During FY2015, the AC has met with the external auditors and internal auditors separately without the presence of the Management to review any area of audit concern for FY2015. Ad-hoc AC meetings may be carried out from time to time, as circumstances require. The AC has reasonable resources to enable it to discharge its functions properly.

The AC is kept abreast by the Management and the external auditors of changes to accounting standards, Listing Rules of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

The AC had undertaken a review of all non-audit services to the Group in relation to the proposed acquisitions of new investments provided by the external auditors, Messrs Nexia TS Public Accounting Corporation and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The Company has complied with Rules 712 and 715 of the Catalist Rules in relation to its external auditors.

The AC is also satisfied with the level of co-operation rendered by the Management to the external auditors and the adequacy of the scope and quality of their audits and had recommended to the Board the nomination of Messrs Nexia TS Public Accounting Corporation for re-appointment at the forthcoming AGM.

The aggregate amount of fees paid to the external auditors, Messrs Nexia TS Public Accounting, for FY2015 amounted to approximately US$62,132 (S$76,974[1]) for audit services and US$30,344 (S$39,053[1]) for non-audit services.

Whistle-blowing Policy

The AC has in place a whistle-blowing policy (the "**Policy**") for the Group. The Policy is to enable persons employed by the Group a channel to report any suspicions of non-compliance with regulations, policies and fraud etc, to the appropriate authority for resolution, without any prejudicial implications for these employees. In this regard, a designated email address has been set up which is accessible only by the designated members of the AC.

1 Based on the exchange rate US$1:S$1.287

Corporate Governance Report

The AC exercises the overseeing function over the administration of the Policy. On a case by case basis and upon the receipt of complaints, a report will be submitted to the AC stating the number and nature of complaints received, the results of the investigation, follow up actions and the unresolved complaints.

Principle 13: Internal Audit

The Board believes in the importance of maintaining a sound system of internal controls to safeguard the interests of the shareholders and the Company's assets. Regular reviews of these controls are conducted by the Company's internal and external auditors and any recommendations for improvement are reported to the AC. Internal Auditors report to the AC Chairman.

The Company outsources its internal audit functions to a Certified Public Accounting ("**CPA**") firm which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The internal auditors would carry out regular cyclical review in phases based on regional presence of the Group with specific focus on sales transactions, inventories and overall effectiveness of the internal controls and reports to the Chairman and Audit Committee.

The AC will review the adequacy of the internal audit function annually and ensures that the internal audit function is adequately resourced and has appropriate standing within the Company. There was no internal audit conducted for this financial year due to the plan and concluded sale of WEC Group, which forms the bulk of the Group's business.

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

The Company ensures that timely and adequate disclosure of information on matters of material impact on the Company are made to shareholders of the Company, in compliance with the requirements set out in the Catalist Rules with particular reference to the Corporate Disclosure Policy set out therein. In this respect, the Company announces its results to shareholders on a half yearly basis.

The Company does not practice selective disclosure. Price sensitive information is first publicly released before the Company meets with investors or analysts.

Information is disseminated to shareholders on a timely basis through:-

- SGXNET announcements and news release; and
- Annual Report prepared and issued to all shareholders

The financial statements are released onto the SGX-ST website. All shareholders will receive the annual report of the Company and notice of the AGM by post and through notice published in the newspapers within the mandatory period.

Shareholder may from time to time share with senior management their views and concerns and where necessary, such input would be communicated to the Board. At the AGM, shareholders of the Company are given the opportunity to air their views and ask the Directors or the Management questions regarding the Company.

The Company's Articles allow a member of the Company to appoint not more than two (2) proxies to attend and vote on behalf of the member. For the time being, the Board is of the view that this is adequate to enable shareholders to participate in the general meetings of the Company and is not proposing to amend their Articles to allow votes in absentia.

The Company is not implementing absentia voting methods such as voting via mail, facsimile or email until security integrity and other pertinent issues are satisfactory resolved.

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The Chairman of each of the Audit, Nominations and Remuneration Committees, or members of the respective Committees standing in for them, are present at each Annual General Meeting, and other general meetings held by the Company, if any, to address shareholders' queries. Senior management is also present at general meetings to respond, if necessary, to operational questions from shareholders that may be raised.

Separate resolutions on each distinct issue are tabled at general meetings. Minutes of general meetings which include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management, were prepared and made available to shareholders upon request.

The Company does not have a policy on payment of dividend. The board would consider a dividend policy at an appropriate time.

While acknowledging that voting by poll is integral in the enhancement of corporate governance, the Company is concerned over the cost effectiveness and efficiency of the polling procedures which may be logistically and administratively burdensome. Electronic polling may be efficient in terms of speed but may not be cost effective. The Board will adhere to the requirements of the Catalist Rules where all resolutions are to be voted by poll for general meetings held on and after 1 August 2015.

Non-Sponsor Fees

In accordance with Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid to the sponsor, RHT Capital Pte. Ltd., by the Company for FY2015.

Dealings in Securities

In line with the Rule 1204(19) of Catalist Rules, the Company has in place a code of conduct on share dealings by the Directors and its employees. The Directors, the Management and employees of the Group are not permitted to deal in the Company's shares during the period commencing one (1) month before the announcement of the Company's half year and full year financial results and ending on the date of announcement of such financial results, or when they are in possession of unpublished price-sensitive information on the Group. In addition, the Directors, the Management and employees of the Group are discouraged from dealing in the Company's shares on short-term considerations.

Directors, the Management and employees of the Group are expected to observe the insider trading laws at all times even when dealing with securities within permitted trading period.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and transactions are conducted on arm's length basis and are not prejudicial to the interests of Shareholders. The Board and the AC will review all interested person transactions to be entered to ensure that the relevant rules under Chapter 9 of Catalist Rules are complied with.

On 30 January 2014, the Company announced that it had on 29 January 2014 entered into the following agreements:

(i) a sale and purchase agreement with Mr Terence Tea Yeok Kian, Mr Bobby Lim Chye Huat and Mr Ng Cheng Chuan ("**SYS/SCT Vendors**") for the acquisition of the entire issued and paid-up share capital of SingYaSin Technologies Pte Ltd (comprising 9,220,000 ordinary shares) ("**SYS Sale Shares**") from Mr Terence Tea Yeok Kian, Mr Bobby Lim Chye Huat and Mr Ng Cheng Chuan and 10% of the issued and paid-up share capital of SCT Technologies Pte. Ltd. (comprising 1,968,488 ordinary shares) ("**SCT Sale Shares**") from Mr Terence Tea Yeok Kian (collectively "**SYS/SCT SPA**"); (the "**Proposed IPT Acquisition**").

(ii) a sale and purchase agreement with Mr Tan Soon Tien, Mr Lee Eng Keat and Mr Tham Choy Leng ("**LSP Vendors**") for the acquisition of the entire issued and paid-up share capital of LSP Technology Pte. Ltd. (comprising 400,000 ordinary shares) ("**LSP SPA**"); and

(iii) a sale and purchase agreement with Mr Chan Yoke Meng, Mr She Han Wen, Mr Koay Kok Ho and Mr Neoh Soon Hock ("**LSP Malaysia Vendors**") for the acquisition of 50% of the issued and paid-up share capital of LSP Advance Sdn. Bhd. (comprising 5,000 ordinary shares) ("**LSP Malaysia SPA**").

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On 14 February 2014, the Company announced that it had on 14 February 2014 entered into the following two (2) supplemental agreements:

(a) the first of which is with LSP Malaysia Vendors to amend the terms of the LSP Malaysia SPA ("**LSP Malaysia Supplemental Agreement**"); and

(b) the second of which is with SYS/SCT Vendors to amend the terms of the SYS/SCT SPA ("**SYS/SCT Supplemental Agreement**").

The LSP SPA and the LSP Malaysia SPA had lapsed on 30 May 2014 due to non-fulfilment of the conditions precedent before the cut-off date. The Company had entered to a supplemental agreement dated 2 June 2014 with SYS/SCT Vendors, pursuant to which the parties mutually agreed (a) to extend the cut-off date for fulfilment of conditions precedent to 31 August 2014, on condition that the total consideration for the SYS Sale Shares and SCT Sale Shares shall be satisfied entirely in cash, and (b) the SCT Sale Shares shall be transferred by Terence Tea Yeok Kian to SingYaSin Technologies Pte Ltd.

On 18 September 2014, the Company announced that the three-month period for fulfilment of conditions precedent under the SYS/SCT SPA has lapsed. Pending the completion of the disposal of the entire issued and paid-up capital of WE Components Pte. Ltd. to Jubilee Industries Holdings Ltd. (the "**Proposed Disposal**"), the Company and the SYS/SCT Vendors had mutually agreed to extend the long stop date for fulfilment of conditions precedent by six (6) months to 28 February 2015.

Mr Terence Tea Yeok Kian is one of the SYS Vendors of the Proposed IPT Acquisition and also the Executive Chairman and Managing Director of the Company, and is thereon an interested person as defined under Rule 904(4) of the Catalist Rules. In view of the Proposed Disposal, the Company is of the view that the acquisition of SYS/SCT will no longer be complementary and synergistic to the future direction of the Group.

On 29 January 2015, the Company announced that the Company had entered into a termination agreement (the "**Termination Agreement**") on 29 January 2015 with the SYS/SCT Vendors pursuant to which the parties agreed to terminate the SYS/SCT SPA and the supplemental agreements dated 14 February 2014 and 2 June 2014. Upon signing of the Termination Agreement, each party shall release the other party from all that party's obligation under SPA and, neither party shall have any rights or claims against the other under SPA save as the SYS/SCT Vendors shall refund the deposit of S$1,000,000 to the Company.

Material Contracts

Save for the Interested Person Transactions disclosed above, there were no material contracts of the Company or its subsidiaries involving the interest of the Managing Director, CEO, any Director or controlling shareholder either still subsisting as at 31 March 2015 or if not then subsisting, entered into since the end of the previous financial year.

Utilisation of Proceeds

(i) Placement of 167,072,178 New Ordinary Shares

The details of the use of proceeds from the placement of 167,072,178 new ordinary shares of the Company at S$0.03699 per share as at the date of this report are as follows:

	Amount allocated S$ million	Reallotted Amount S$ million	Amount utilised S$ million	Balance S$ million
Partial voluntary prepayment of amounts owing and due under the facility agreement	2.30	2.30	2.30	–
Expansion into the resources business within Myanmar and other regions	1.17	–	–	–
Other business opportunities in Myanmar	1.17	–	–	–
Working capital [1]	1.17	3.51	3.51	–

Note:

1. Used for repayment to suppliers.

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The Company had reallocated proceeds allocated for other business opportunities in Myanmar to working capital. The amount reallocated had been fully utilized as at the date hereof as there is no immediate use for the purpose and the Company is still in the midst of exploring other business opportunities in Myanmar.

(ii) Placement of 80,000,000 New Ordinary Shares

The details of the use of proceeds from the placement of 80,000,000 new ordinary shares of the Company at S$0.10224 per share as at the date of this report are as follows:

	Amount allocated S$ million	Amount utilised S$ million	Balance S$ million
Repayment due to be made by 17 June 2013 to the Bank under a loan facility dated 2 June 2010 granted pursuant to a scheme of arrangement involving the Company and the Bank	7.49	7.49	–

(iii) Issue of Renounceable Underwritten Rights cum Warrants ("**FY2013 Rights cum Warrants**") of 758,382,403 New Shares

The details of the use of proceeds from the FY2013 Rights cum Warrant Issue of 758,382,403 new shares at S$0.015 per share as at the date of this report are as follows:

	Amount allocated S$ million	Reallotted Amount S$ million	Amount utilised S$ million	Balance S$ million
Funding of proposed new business	6.94	4.94	4.94[1]	–
Working capital	3.74	5.74	5.74[2]	–

Notes:

1. S$0.20 million was used for professional fees on due diligence conducted for Myanmar exploration and as announced on 27 May 2014 as there is no immediate use for the purpose.
2. Used for repayment to suppliers.

The Company had reallocated proceeds of S$2 million allocated for funding of proposed new business to working capital. The amount reallocated had been fully utilised as at the date of this report as there is no immediate use for the purpose and the Company is still in the midst of exploring other business opportunities.

(iv) Placement of 204,050,000 New Ordinary Shares

The details of the use of proceeds from the placement of 204,050,000 new ordinary shares of the Company at S$0.04302 per share as at the date of this report are as follows:

	Amount allocated S$ million	Reallotted Amount S$ million	Amount utilised S$ million	Balance S$ million
Fund acquisition of 20% shareholding interest in Dragon Cement Co., Ltd.	8.00	–	–	–
Proposed acquisition of Jubilee	–	8.00	8.00	–

The Company had reallocated proceeds allocated for funding of acquisition in Dragon Cement Co., Ltd. The amount reallocated had been fully utilised as at the date of this report and as announced on 27 May 2014 as there is no immediate use for the purpose.

Corporate Governance Report

(v) Issue of Renounceable Non-underwritten Rights cum Warrants ("**FY2014 Rights cum Warrants**") of 874,630,703 New Shares

The details of the use of proceeds from the FY2014 Rights cum Warrant of 874,630,703 new shares at S$0.015 per share as at the date of this report are as follows:

	Amount allocated S$ million	**Reallotted Amount S$ million**	**Amount utilised S$ million**	**Balance S$ million**
Fund acquisition of 20% shareholding interest in Dragon Cement Co., Ltd.	3.08	–	–	–
Expansion of coal and iron ore business	6.17	6.17	3.26	2.91
Working capital[1]	3.08	6.16	5.55	0.61

Note:

1. Used for repayment to suppliers.

The Company had reallocated proceeds allocated for funding of acquisition in Dragon Cement Co., Ltd. The amount reallocated had been almost fully utilized as at the date of this report as there is no immediate use for the purpose and the Company is still in the midst of exploring other business opportunities.

(vi) Issue of 2,560,965,745 Renounceable Non-underwritten Rights Warrants ("**FY2015 Rights Warrants**")

The net proceeds from issue of 2,560,965,745 FY2015 Rights Warrants is S$2,405,923.00. As at the date of this report, 393,750,394 FY2015 Rights Warrants have been converted to 393,750,394 new shares at the issue price of S$0.003 per share.

The details of the use of proceeds from the issue of FY2015 Rights Warrants and issue of 393,750,394 new shares as at the date of this report are as follows:

	Amount allocated S$ million	**Amount utilised S$ million**	**Balance S$ million**
Working capital	3.59	0.70[1]	2.89

Note:

1. Used for trade and non-trade repayment.

Financial Statements

Directors' Report

The directors present their report to the members together with the audited financial statements of the Group for the financial year ended 31 March 2015 and the balance sheet and statement of changes in equity of the Company as at 31 March 2015.

Directors

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

Mr Terence Tea Yeok Kian
Mr Tan Wee Peng Kelvin
Mr Ng Li Yong
Mr Wan Tai Foong Appointed on 26 February 2015

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 "Performance shares" in this report.

Directors' interests in shares or debentures

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 or nominee		Holdings in which director is deemed to have an interest	
Company	**At 31 March 2015**	**At 1 April 2014**	**At 31 March 2015**	**At 1 April 2014**
(No. of ordinary shares)				
Mr Terence Tea Yeok Kian	33,060,763	33,060,763	148,561,779	148,561,779
Mr Tan Wee Peng Kelvin	3,867,866	–	–	–

Mr Terence Tea Yeok Kian's deemed interest is derived through shares held by SingYaSin SMC Holdings Technologies Pte Ltd. This company is wholly-owned by Mr Terence Tea Yeok Kian.

By virtue of Section 7 of the Singapore Companies Act, Mr Terence Tea Yeok Kian is deemed to have an interest in all the related corporations of the Group.

The directors' interests in the shares of the Company at 21 April 2015 were the same as 31 March 2015.

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report.

Directors' Report

Performance shares

The Company has share award scheme known as WE Share Award Scheme ("WSAS") approved and adopted by its members at an Extraordinary General Meeting held on 25 May 2010. WSAS is administered by a committee which consists of directors of the Company. The purpose of the WSAS is to provide an opportunity for the Group's employees and directors, who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company. The WSAS is also extended to the Group non-executive directors.

The directors believe that the retention of outstanding employees within the Group is paramount to the Group's long-term objective of pursuing continuous growth and expansion in its business and operations. The Group also acknowledges that it is important to preserve financial resources for future business developments and to withstand difficult times. As such, one of the Group's strategies is to contain the remuneration of its employees and executives that is a major component of the Group's operating costs.

The WSAS is formulated with those objectives in mind. It is hoped that through the WSAS, the Group would be able to remain an attractive and competitive employer and better able to manage its fixed overhead costs without compromising on performance standards and efficiency.

On 22 March 2013, the Company awarded the following shares under WSAS which vest at various periods.

Name of Awardee	No. of shares awarded	Vesting periods
Directors of the Company		
Mr Tan Wee Peng Kelvin	1,000,000	22 March 2013 to 30 April 2014
	500,000	22 March 2013 to 30 April 2015
Executive Officers and Employees		
Others	5,700,000	22 March 2013 to 30 April 2014
	6,325,000	22 March 2013 to 30 April 2015
	13,525,000	

The market price at the time of awarding the above shares is S$0.094.

Out of the above, 50,000 shares that vested on 30 April 2014 and 1,725,000 shares that vested on 30 April 2015, totaling 1,775,000 shares under "Others" are cancelled due to cessation of employment. Due to capital variation from the placement of shares and issue of rights and warrant shares, the remaining awardees for 11,750,000 shares are issued a further 33,697,423 shares that vest at various periods:

Name of Awardee	No. of shares awarded	Vesting periods
Directors of the Company		
Mr Tan Wee Peng Kelvin	2,867,866	22 March 2013 to 30 April 2014
	1,433,933	22 March 2013 to 30 April 2015
Executive Officers and Employees		
Others	16,203,442	22 March 2013 to 30 April 2014
	13,192,182	22 March 2013 to 30 April 2015
	33,697,423	

The market price at the time of awarding the above shares is S$0.0152.

On 1 October 2013, the Company awarded 18,665,765 shares for S$0.0506. Out of this, 18,276,651 shares were issued on 8 November 2013 and 389,114 shares were cancelled due to cessation of employment.

Directors' Report

Performance shares (continued)

On 7 May 2014, the Company issued and allotted 25,721,308 shares for those that vested on 30 April 2014.

On 1 October 2014, the Company awarded 6,939,603 shares for S$0.01 and these shares were issued on 2 October 2014.

On 8 May 2015, the Company issued and allotted 19,726,115 shares for those that vested on 30 April 2015.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of an option to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Audit committee

The members of the audit committee ("AC") at the end of the financial year were as follows:

Mr Tan Wee Peng Kelvin	(Independent Director, Chairman of Audit Committee)
Mr Ng Li Yong	(Independent Director)
Mr Wan Tai Foong	(Independent Director)

The audit committee performs the functions specified by section 201B(5) of the Singapore Companies Act. Among others, it performed the following functions:

- Reviewed with the independent auditor their audit plan;
- Reviewed with the independent auditor their report on the financial statements and the assistance given by the officers of the Company to them;
- Reviewed with the internal auditors the scope and results of the internal audit procedures;
- Reviewed the financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST")).

Other functions performed by the audit committee are described in the Report on Corporate Governance included in the Annual Report of the Company. It also includes an explanation of how the independent auditor's objectivity and independence is safeguarded where the independent auditor provides non-audit services.

Internal controls

The external auditor, during the conduct of their normal audit procedures, may also report on matters relating to internal controls. Any material non-compliance and recommendation for improvement will be reported to the AC.

On an annual basis, the internal auditors of the Company conduct a risk-based audit, to review the adequacy and effectiveness of the internal controls of the Group, including financial, operational and relevant risk assessments pursuant to the approved Internal Audit plans.

Directors' Report

Internal controls (continued)

All audit findings and recommendations made by the internal and external auditors are reported to the AC. Significant issues are discussed at AC meetings and duly reported to the board thereafter, including decisions made and actions taken by the management of the Company where necessary. The management of the Company follows up on all recommendations by internal and external auditors to ensure that they are all implemented in a timely and appropriate manner and reports the results to the AC on a half yearly basis.

Separately, management has put in place a process to guide and assist the Company to manage risks that could result in violation of applicable laws and regulations, including promulgating respective standard operating procedures and manuals, and conducting regular meetings with all staff. The management of the Company reports all breaches, significant issues and their resolutions to the AC on a half yearly basis.

The board has also received the management representation letters as to the integrity of the financial statements and notes thereto, as well as the system of internal controls of the Group put in place to address the key financial, operational and compliance risks of the Group and to prevent and detect fraud and error.

The Company has implemented a whistle blowing policy which provides the mechanism for staff of the Company to in confidence, raise concerns about fraud and other possible improprieties in matters of financial reporting or other matters.

Based on the discussion with and the reports submitted by the internal auditors, the various management controls put in place, the discussion and representation from the management, the board, with concurrence of the audit committee, is of the opinion that the internal controls of the Group, key areas of which are subject to ongoing independent reviews by the various parties such as internal auditors, are adequate to safeguard the assets of the Group and address the financial, operational and compliance risks of the Group as at 31 March 2015.

The board also notes that all internal control systems and risk management systems contain inherent limitations and a cost effective system of internal controls or risk management could 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.

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

....
Terence Tea Yeok Kian
Director

....
Tan Wee Peng Kelvin
Director

15 July 2015

Statement by Directors

In the opinion of the directors,

(a) the balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group as set out on pages 32 to 85 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; 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.

On behalf of the directors

....

Terence Tea Yeok Kian
Director

....

Tan Wee Peng Kelvin
Director

15 July 2015

Independent Auditor's Report

To the Members of WE HOLDINGS LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of WE Holdings Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 32 to 85, which comprise the consolidated balance sheet of the Group and balance sheet of the Company as at 31 March 2015, consolidated statement of comprehensive income, consolidated statement of changes in equity of the Group and statement of changes in equity of the Company, and consolidated statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Independent Auditor's Report

To the Members of WE HOLDINGS LTD.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015, and of the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

Report on other Legal and Regulatory Requirements

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

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director-in-charge: Loh Ji Kin
(Appointed since financial year ended 31 March 2014)

Singapore

15 July 2015

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2015

	Notes	2015 US$'000	2014 US$'000
Continuing Operations			
Revenue	5	**4,803**	21,712
Cost of sales		**(3,689)**	(12,769)
Gross profit		**1,114**	8,943
Other items of income			
Other credits	6	**4,407**	1,672
		5,521	10,615
Other items of expenses			
Marketing and distribution expenses		**(1,050)**	(1,438)
Administrative expenses		**(5,106)**	(6,082)
Finance costs	8	**(23)**	(82)
Other charges	6	**(2,191)**	(645)
Share of profit of associate	16	**758**	–
Bargain purchase from acquisition of associate	16	**1,960**	–
(Loss)/profit before tax		**(131)**	2,368
Income tax expense	10A	**–**	–
(Loss)/profit from continuing operations		**(131)**	2,368
Discontinued Operations			
Profit/(loss) from discontinued operations	11A	**1,401**	(8,947)
Total profit/(loss)		**1,270**	(6,579)
Other comprehensive (loss)/income after tax:			
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive loss of associate	16	**(106)**	–
Exchange differences on translating foreign operations		**(506)**	34
		(612)	34
Items that will not be reclassified subsequently to profit or loss:			
Gains on property revaluation	22B	**240**	255
Other comprehensive (loss)/income for the financial year, net of tax		**(372)**	289
Total comprehensive income/(loss) for the financial year		**898**	(6,290)
Profit/(loss) for the financial year attributable to:			
Equity holders of the Company		**1,265**	(6,583)
Non-controlling interests		**5**	4
		1,270	(6,579)
Total comprehensive profit/(loss) for the financial year attributable to:			
Equity holders of the Company		**893**	(6,295)
Non-controlling interests		**5**	5
		898	(6,290)
(Loss)/earnings per share for (loss)/profit from continuing and discontinued operations attributable to equity holders of the Company		**US Cents**	**US Cents**
Basic (loss)/earnings per share			
From continuing operations	12(a)	**(0.01)**	0.30
From discontinued operations		**0.11**	(1.14)
Diluted (loss)/earnings per share			
From continuing operations	12(b)	**(0.01)**	0.29
From discontinued operations		**0.11**	(1.14)

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

Balance Sheets

As at 31 March 2015

		Group		Company	
	Notes	**2015**	2014	**2015**	2014
		US$'000	US$'000	**US$'000**	US$'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	**445**	6,055	**140**	261
Intangible assets	14	**–**	–	**–**	–
Investments in subsidiaries	15	**–**	–	**187**	11,570
Investments in associates	16	**16,004**	–	**13,392**	–
Other assets	17	**93**	93	**93**	93
Total non-current assets		**16,542**	6,148	**13,812**	11,924
Current assets					
Inventories	18	**16**	6,237	**–**	1,860
Trade and other receivables	19	**22,331**	14,812	**10,017**	3,451
Other assets	17	**928**	984	**804**	803
Cash and cash equivalents	20	**5,465**	19,827	**466**	14,253
Total current assets		**28,740**	41,860	**11,287**	20,367
Total assets		**45,282**	48,008	**25,099**	32,291
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	21	**47,437**	45,077	**77,519**	75,159
Accumulated losses		**(15,554)**	(16,819)	**(53,459)**	(48,018)
Other reserves	22	**2,328**	2,700	**–**	–
		34,211	30,958	**24,060**	27,141
Non-controlling interests		**21**	16	**–**	–
Total equity		**34,232**	30,974	**24,060**	27,141
Non-current liabilities					
Deferred tax liabilities	10D	**607**	598	**39**	39
Other financial liabilities	24	**1,177**	1,368	**–**	–
Total non-current liabilities		**1,784**	1,966	**39**	39
Current liabilities					
Income tax payable		**9**	8	**–**	–
Trade and other payables	25	**9,164**	14,490	**1,000**	5,111
Other financial liabilities	24	**93**	570	**–**	–
Total current liabilities		**9,266**	15,068	**1,000**	5,111
Total liabilities		**11,050**	17,034	**1,039**	5,150
Total equity and liabilities		**45,282**	48,008	**25,099**	32,291

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

Statements of Changes in Equity

For the financial year ended 31 March 2015

Group	Share capital US$'000	Accumulated losses US$'000	Other reserves US$'000	Attributable to equity holders of the Company sub-total US$'000	Non-controlling interests US$'000	Total equity US$'000
2015						
Beginning of financial year	45,077	(16,819)	2,700	30,958	16	30,974
Total comprehensive income/(loss) for the year	–	1,265	(372)	893	5	898
Issue of new ordinary shares in the capital (Note 21)	2,360	–	–	2,360	–	2,360
End of financial year	47,437	(15,554)	2,328	34,211	21	34,232
2014						
Beginning of financial year	12,844	(10,236)	2,412	5,020	11	5,031
Total comprehensive (loss)/income for the year	–	(6,583)	288	(6,295)	5	(6,290)
Issue of new ordinary shares in the capital (Note 21)	33,897	–	–	33,897	–	33,897
Share issue expenses (Note 21)	(1,664)	–	–	(1,664)	–	(1,664)
End of financial year	45,077	(16,819)	2,700	30,958	16	30,974

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

Statements of Changes in Equity

For the financial year ended 31 March 2015

Company	Share capital US$'000	Accumulated losses US$'000	Total equity US$'000
2015			
Beginning of financial year	75,159	(48,018)	27,141
Total comprehensive loss for the year	–	(5,441)	(5,441)
Issuance of new ordinary shares in the capital (Note 21)	2,360	–	2,360
End of financial year	77,519	(53,459)	24,060
2014			
Beginning of financial year	42,926	(32,202)	10,724
Total comprehensive loss for the year	–	(15,816)	(15,816)
Issuance of new ordinary shares in the capital (Note 21)	33,897	–	33,897
Share issue expenses (Note 21)	(1,664)	–	(1,664)
End of financial year	75,159	(48,018)	27,141

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

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2015

	Notes	2015 US$'000	2014 US$'000
Cash Flows From Operating Activities			
Total profit/(loss)		1,270	(6,579)
Adjustments for:			
Employee share award expense	21	367	748
Amortisation of intangible assets	14	–	64
Depreciation of property, plant and equipment	13	282	181
Share of profit of associates	16	(758)	–
Interest expense	8	23	82
Gain on disposal of property, plant and equipment	6	–	(51)
Bargain purchase from acquisition of associate	16	(1,960)	–
Loss on disposal of other assets	6	–	86
Gain on disposal of subsidiary	6	(1,822)	–
Income tax expense	10	1	–
Net effect of exchange rate changes in consolidating foreign subsidiaries		(773)	57
Operating cash flows before working capital changes		(3,370)	(5,412)
Changes in working capital, net of effects from acquisition and disposal of subsidiary:			
Inventories		1,212	(1,437)
Trade and other receivables		(4,867)	220
Other assets		4	(776)
Trade and other payables		(5,325)	2,072
Net cash flows used in operations before income taxes paid		(12,346)	(5,333)
Income taxes paid		–	(50)
Net cash flows used in operating activities		(12,346)	(5,383)
Cash Flows from Investing Activities			
Investment in associate	16	(13,392)	–
Purchase of property, plant and equipment	13	(329)	(409)
Proceeds from disposal of property, plant and equipment		–	51
Purchase of club membership		–	(79)
Disposal of subsidiaries	11A	12,489	–
Net cash flows used in investing activities		(1,232)	(437)
Cash Flows From Financing Activities			
Repayment of finance lease		(668)	(2)
Repayment of other financial liabilities		–	(11,675)
Cash restricted in use over 3 months		(1,779)	366
Issuance of ordinary shares	21	1,993	33,149
Share issue expenses	21	–	(1,664)
Interest paid		(23)	(82)
Net cash flows (used in)/from financing activities		(477)	20,092
Net (decrease)/increase in cash and cash equivalents		(14,055)	14,272
Cash and cash equivalents at beginning of financial year		17,516	3,242
Effects of exchange rate changes on cash and cash equivalents	20A	225	2
Cash and cash equivalents at end of financial year		3,686	17,516

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

Notes to the Financial Statements

For the financial year ended 31 March 2015

1. General

The Company is incorporated in Singapore with limited liability. The financial statements are presented in US Dollars (USD or US$) and they cover the Company (referred to as "parent") and the subsidiaries.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors.

The principal activities of the Company during the year was still as distributor and manufacturers' representative of electronics components and test equipment for the disk drive industry, acting as commission agents, provision of services such as design-in engineering, system integration, computerised real time inventory management and product design and development. After the financial year and following the disposal of WEC Group (see Note 11), electronics components distribution will no longer be the Company's principal activities. The Company is focusing and expanding its commodities business and is exploring new opportunities in the sand, cement, metal and petroleum sectors. To date, the Company have successfully gained a foothold across different spheres of the commodities sector in the region

It is listed on the Catalist which is a shares market on the Singapore Exchange Securities Trading Limited (SGX-ST).

The principal activities of the subsidiaries are described in Note 15 to the financial statements. The Company is situated in Singapore.

The registered office is: 10 Ubi Crescent, Ubi Techpark, Lobby E, #03-95, Singapore 408564.

2. Summary of Significant Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. Other comprehensive income comprises items of income and expenses that are not recognised in the income statement, as required or permitted by FRS.

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with FRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Basis of Preparation of the Financial Statements (continued)

Interpretations and amendments to published standards effective in 2015

On 1 April 2014, 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 the transitional provisions in the respective FRS and INT FRS.

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

FRS 112 Disclosures of Interests in Other Entities

The Group has adopted the above new FRS on 1 April 2014. The amendment is applicable for annual periods beginning on or after 1 January 2014. It sets out the required disclosures for entities reporting under the new FRS 110 Consolidated Financial Statements and FRS 111 Joint Arrangements, and replaces the disclosure requirements currently found in FRS 27 (revised 2011) Separate Financial Statements and FRS 28 (revised 2011) Investments in Associates and Joint Ventures.

The Group has applied FRS 112 retrospectively in accordance with the transitional provisions (as amended subsequent to the issuance of FRS 112 in September 2011) in FRS 112 and amended for consolidation exceptions for ‘investment entity’ from 1 April 2014. The Group has incorporated the additional required disclosures into the financial statements.

Segment Reporting

The Group discloses financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the financial year arising from the course of the activities of the entity and it is shown net of related sales taxes, returns and rebates. Revenue from sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer, there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue from rendering of services is recognised when the services are rendered. Interest is recognised using the effective interest method. Dividend from equity instruments is recognised as income when the entity’s right to receive dividend is established.

Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2. Summary of Significant Accounting Policies (continued)

Employee Benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Share-Based Compensation

Benefits to employees are provided in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The fair value of the employee services rendered is determined by reference to the fair value of the shares awarded or granted, excluding the impact of any non-market vesting conditions. The fair value is determined by reference to the fair value of the shares awarded or granted on grant date. This fair value amount is charged to profit or loss over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in the profit or loss over the remainder of the vesting period to reflect expected and actual levels of shares vesting, with the corresponding adjustment made in equity. Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

Income Tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the financial year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the financial year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries, associates and branches except where the Company is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

Foreign Currency Transactions

The functional currency is the US Dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the financial year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the financial year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation of the financial statements is in the functional currency.

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Translation of Financial Statements of Other Entities

Each entity in the Group determines the appropriate functional currency as it reflects the primary economic environment in which the entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the financial year rates of exchange and the income and expense items for each statement presenting profit or loss or other comprehensive income are translated at average rates of exchange for the financial year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant entity.

Property, Plant and Equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold buildings	–	Over the lease term that is 2% to 20%
Leasehold improvements	–	10%
Plant and equipment	–	10% to 50%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses except for leasehold buildings. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the financial year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Leasehold buildings are measured at revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity by independent professional valuers on yearly basis to ensure that the carrying amount does not differ materially from the fair value of the buildings at the end of the financial year. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the carrying amount of the asset. The net amount is then restated to the revalued amount of the asset. When an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus except that the increase is recognised in profit or loss or to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the accumulated in equity under the heading of revaluation surplus. The revaluation surplus included in equity is transferred directly to retained earnings when the asset is derecognised.

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Leases

Whether an arrangement is, or contains, a lease, it is based on the substance of the arrangement at the inception date, that is, whether (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the balance sheet at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each measured at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each financial year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the financial years in which they are incurred. The assets are depreciated as owned depreciable assets. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense.

Intangible Assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful lives are as follows:

Computer Software – 3 years

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 that 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 but are considered 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.

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

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Group Accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into 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 value of the identifiable net assets acquired, is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on 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 associates" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associates

Associates are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

2. Summary of Significant Accounting Policies (continued)

Group Accounting (continued)

(c) Associates (continued)

(i) Acquisitions

Investments in associates are 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 associates represents the excess of the cost of acquisition of the associate over the Group's share of the fair value of the identifiable net assets of the associate and is included in the carrying amount of the investments.

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associates' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associates are adjusted against the carrying amount of the investments. When the Group's share of losses in an associate equals to or exceeds its interest in the associate, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associate. If the associate 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 associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associates are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associates are derecognised when the Group loses significant influence. If the retained equity interest in the former associate 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 significant influence is lost, and its fair value and any proceeds in partial disposal, is recognised in profit or loss.

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

Club Memberships

Club memberships were acquired separately and are measured on initial recognition of cost. The cost of club memberships is the fair value as at the date of acquisition. Subsequent to recognition, club memberships are measured at cost less any accumulated impairment losses.

Club memberships are classified as "Other Assets" with indefinite useful lives as club memberships entitle the member to enjoy the club facilities for lifetime. Since it is with indefinite useful lives, they are tested for impairment annually or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. The useful life of the club memberships with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable.

Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the financial year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the financial year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Inventories

Inventories are measured at the lower of cost (weighted average method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Financial Assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Financial Assets (continued)

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the financial year, there were no financial assets classified in this category.

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically trade and other receivables are classified in this category.

3. Held-to-maturity financial assets*:* As at end of the financial year, there were no financial assets classified in this category.

4. Available-for-sale financial assets: As at end of the financial year, there were no financial assets classified in this category.

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the consolidated statement of cash flows, the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

Financial Liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the financial year.

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Financial Liabilities (continued)

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the “fair value option” and it is used. Financial guarantee contracts if significant are initially recognised at fair value and are subsequently measured at the greater of (a) the amount measured in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred.

2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Fair Value Measurement

Fair value is taken to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The entity’s intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless state otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2. Summary of Significant Accounting Policies (continued)

Classification of Equity and Liabilities

A financial instrument is classified as a liability or as equity in accordance with the substance of the contractual arrangement on initial recognition.

Equity instruments are contracts that give a residual interest in the net assets of the Company. Where the financial instrument does not give risk to a contractual obligation on the part of the issuer to make payment in cash or kind under conditions that are potentially unfavourable, it is classified as an equity instrument. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. Dividends on equity are recognised as liabilities when they are declared. Interim dividends are recognised when declared by the directors.

Borrowing Costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

Financial Guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's balance sheet.

Intra-group transactions are eliminated on consolidation.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the financial year they occur.

Notes to the Financial Statements

For the financial year ended 31 March 2015

2. Summary of Significant Accounting Policies (continued)

Critical Judgements, Assumptions and Estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next financial year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Determination of functional currency:

Management measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the Company and the separate entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process for determining sales prices.

Net realisable value of inventories:

A review is made periodically on inventory for excess inventory and declines in net realisable value below cost and the inventory balance is written down for any such declines. The review requires management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the financial year and inherently involves estimates regarding future expected realisable value. The usual considerations for determining the amount of write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the financial year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the financial year was US$16,000 (2014: US$6,237,000).

Estimated impairment of subsidiary or associate:

Where a subsidiary or associate is in net equity deficit and has suffered losses, a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. The amount of the relevant investment are US$187,000 (2014: US$11,570,000) for investments in subsidiaries and US$13,392,000 (2014: US$nil) for investments in associates respectively (at the end of the financial year.

It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the asset affected.

Allowance for doubtful trade accounts:

An allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses trade receivables and historical bad debts, customer concentrations, and customer creditworthiness when evaluating the adequacy of the allowance for doubtful trade receivables. To the extent that it is feasible, impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the financial year, the trade receivables' carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the financial year. The carrying amount is disclosed in Note 19 to these financial statements.

If the net present values of estimated cash flows had been lower by 10% from management's estimates for all past due loans and receivables, the allowance for impairment of the Group would have been higher by US$387,500 (2014: US$465,400).

3. Related Party Relationships and Transactions

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity; (b) an entity is related to the reporting entity if any of the following conditions apply; (i) the entity and the reporting entity are members of the same group; (ii) one entity is an associate or joint venture of the other entity; (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) the entity is controlled or jointly controlled by a person identified in (a); (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3.1 Related companies:

Related companies in these financial statements include the members of the Company's group of companies. Associates also include those that are associates of the parent and/or related companies.

There are transactions and arrangements between the reporting entity and members of the Group and the effects of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For any non-current balances and financial guarantees no interest or charge is imposed unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

3.2. Related parties other than related companies:

There are transactions and arrangements between the Company and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances are unsecured without fixed repayment terms and interest unless stated otherwise. For any non-current balances and financial guarantees, no interest or charge is imposed unless stated otherwise.

3.3 Key management compensation:

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Key management compensation including:				
Salaries, bonuses and other short-term benefits	**1,619**	1,438	**1,509**	1,388
Contributions to defined contribution plan	**39**	84	**31**	72
Other benefits	**11**	125	**11**	125
Total key management compensation	**1,669**	1,647	**1,551**	1,585

The above amounts are included under employee benefits expense. Included in the above amounts are following items:

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Remuneration of directors of the Company	**1,181**	766	**1,181**	766
Fees to directors of the Company	**67**	118	**67**	118

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The above amounts for key management compensation are for all the directors and other key management personnel. Further information about the remuneration of individual directors is provided in the report on Corporate Governance.

Notes to the Financial Statements

For the financial year ended 31 March 2015

4. Financial Information by Segments

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by FRS 108 Operating Segments. This disclosure standard has no impact on the reported results or financial position of the Group.

For management purposes the Group is organised into three major operating segments for the financial year: electronics components distribution, systems and equipment distribution and commodities resource trading. Electronics components distribution will not be a major operating segment going forward owing to the disposal of WEC Group. Such structural organisation is determined by the nature of risks and returns associated to each business segment and define the management structure as well as the internal reporting system.

The segments are as follows:

The electronics components distribution segment distributes and acts as a representative for a diversified range of active and passive electronic components throughout the Asia Pacific region.

The system and equipment distribution segment provide engineering support services ranging from installation, calibration, integration and testing of systems, applications training to maintenance of systems.

The commodities and resources segment provides supply chain management for natural materials and will be the driver for the Group's forward growth through its integrated sourcing, marketing and transportation operations.

However, for the financial year, the Group operates predominantly in only one business segment, which is the electronics components distribution. No segmental information is presented 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	
	2015	2014
	US$'000	US$'000
Revenue:		
Singapore	**417**	1,920
Malaysia	**1**	9,501
People's Republic of China and Hong Kong	**1,581**	3,238
India	**1,056**	1
Other countries	**1,748**	7,052
	4,803	21,712

4. Financial Information by Segments (continued)

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

	Group	
	2015	2014
	US$'000	US$'000
Non-Current Assets:		
Singapore	**16,535**	6,095
Malaysia	**7**	12
People's Republic of China and Hong Kong	**–**	23
Other countries	**–**	18
	16,542	6,148
Capital Expenditure:		
Singapore	**310**	405
Malaysia	*****	–
Other countries	**19**	4
	329	409

The non-current assets are analysed by the geographical area in which the assets are located.

There are no major customers with revenue transaction which is over 10% of the Group's revenue.

* Amount less than US$1,000.

5. Revenue

	Group	
	2015	2014
	US$'000	US$'000
Sale of goods	**4,348**	21,475
Service and maintenance income	**455**	237
	4,803	21,712

Notes to the Financial Statements

For the financial year ended 31 March 2015

6. Other Credits and (Other Charges), net

	Group	
	2015 US$'000	2014 US$'000
Reversal/(allowance) for doubtful debts – trade receivables	**594**	(234)
Allowance for doubtful debts – other receivables	**(1,694)**	(56)
Bad debts written off – trade and other receivables	**–**	(35)
Loss on disposal of other assets	**–**	(86)
Bad debts recovered – trade receivables	**–**	805
Foreign exchange adjustments losses – net	**(497)**	(234)
Gain on disposal of property, plant and equipment	**–**	51
Gain on disposal of subsidiary (Note 11A)	**1,822**	–
Miscellaneous income	**93**	572
Trade and other payables written back [(a)]	**1,898**	244
Total	**2,216**	1,027
Presented in statement of comprehensive income as:		
Other credits	**4,407**	1,672
Other charges	**(2,191)**	(645)
Net	**2,216**	1,027

(a) Trade and other payables were written back due to a reversal in over-provisions, largely due to the replacement of the commission scheme, a cash bonus incentive to employees, with the WE Share Awards Scheme.

7. Employee Benefits Expense

	Group	
	2015 US$'000	2014 US$'000
Employee benefits expense including directors:		
Salaries, bonuses and other short-term benefits	**2,961**	3,659
Contributions to defined contribution plan	**278**	330
Other benefits	**161**	316
Total employee benefits expense included in administrative expenses	**3,400**	4,305

8. Finance Costs

	Group	
	2015 US$'000	2014 US$'000
Interest expense – bank	**23**	82

9. Items In the Consolidated Statement of Comprehensive Income

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the statement of comprehensive income includes the following charges/(credits):

	Group	
	2015	2014
	US$'000	US$'000
Inventories recognised as cost of sales (Note 18)	**3,584**	12,280
Amortisation of intangible assets (Note 14)	**–**	64
Depreciation of property, plant and equipment	**138**	42
Employee compensation (Note 7)	**3,400**	4,305
Rental expense (Note 28)	**18**	30
Inventories written down (Note 18)	**–**	125
Inventories written off (Note 18)	**124**	367
Inventories written back (Note 18)	**(140)**	–
Audit fees to independent auditors included under administrative expenses		
- Company's auditors	**62**	78
- Other auditors	**10**	5
Other fees to independent auditors included under administrative expenses:		
- Company's auditors	**30**	28

10. Income Tax Expense

10A. Components of tax expense recognised in profit or loss include:

	Group	
	2015	2014
	US$'000	US$'000
Tax expense attributable to profit is made up of		
- Current tax expense	**1**	7
- Deferred tax income	**–**	(7)
Total	**1**	–
Tax expense is attributable to:		
- continuing operations	**–**	–
- discontinued operations	**1**	–
	1	–

Notes to the Financial Statements

For the financial year ended 31 March 2015

10. Income Tax Expense (continued)

10A. Components of tax expense recognised in profit or loss include (continued):

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2014: 17%) to profit or loss before income tax as a result of the following differences:

	Group	
	2015	2014
	US$'000	US$'000
(Loss)/profit before tax from		
- continuing operations	**(131)**	2,368
- discontinued operations	**1,402**	(8,947)
	1,271	(6,579)
Share of profit from associates, net of tax	**(2,718)**	–
Loss before tax and share of profit of associates	**(1,447)**	(6,579)
Income tax expense at the statutory rate	**(246)**	(1,118)
Not deductible items	**676**	369
Effect of different tax rates in different countries	**(50)**	(46)
Deferred tax assets unrecognised	**365**	827
Utilisation of previously unrecognised tax losses	**(713)**	–
Capital allowances	**(34)**	–
Other item	**3**	(32)
	1	–

10B. Deferred tax income recognised in profit or loss includes:

	Group	
	2015	2014
	US$'000	US$'000
Excess of tax values over net book value of plant and equipment	**–**	(7)
Total deferred tax income recognised in profit or loss	**–**	(7)

10C. Income tax expense recognised directly in equity includes:

	Group	
	2015	2014
	US$'000	US$'000
Relating to revaluation of property, plant and equipment (Note 22B)	**49**	52
Total income tax expense recognised directly in equity	**49**	52

10. Income Tax Expense (continued)

10D. Deferred tax balance in the balance sheet:

	Group		Company	
	2015	2014	**2015**	2014
	US$'000	US$'000	**US$'000**	US$'000
Deferred tax liabilities:				
Relating to revaluation of property, plant and equipment	**(624)**	(575)	**–**	–
Excess of net book value of plant and equipment over tax values	**–**	(23)	**(39)**	(39)
Other	**17**	–	**–**	–
Total deferred tax liabilities	**(607)**	(598)	**(39)**	(39)
Unrecorded deferred tax assets:				
Tax loss carryforwards and others	**7,839**	12,006	**6,815**	11,977
Excess of tax values over net book value of plant and equipment	**125**	128	**146**	95
Total unrecorded deferred tax assets	**7,964**	12,134	**6,961**	12,072
Net total deferred tax assets	**7,357**	11,536	**6,922**	12,033
Deferred tax assets unrecognised	**7,357**	11,536	**6,922**	12,033

It is impracticable to estimate the amount expected to be settled or used within one year.

For the Singapore companies, the realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law.

No deferred tax assets has been recognised in respect of the above balances, as the future profit streams are not probable.

11. Disposal of Subsidiaries

11A. Disposal of WE Components Pte Ltd ("WEC")

The Company has on 11 July 2014, entered into a non-binding memorandum of understanding ("MOU") with Jubilee Industries Holdings Ltd ("Jubilee") to sell its entire interest of issued and paid-up share capital, consisting of 9,276,797 ordinary shares, in WEC together with its 6 subsidiaries and a sub-subsidiary (collectively, the "WEC Group"). WEC is principally engaged in the provision and distribution of electronic components and products, services and solutions to industrial and commercial users.

On 18 July 2014, the Company entered into a Sale and Purchase Agreement ("SPA") with Jubilee to dispose WEC Group for an aggregate consideration of US$8,393,000 ("Consideration"). The Consideration shall be satisfied in cash, based on the conditions as set out in the SPA in the following manner:

(a) an amount of US$4,196,500 shall be payable by Jubilee to the Company as deposit upon the execution of this SPA ("First Payment");

(b) subject to such adjustments as set out in the following paragraphs on Stock Count, an amount of US$2,478,500 shall be payable by Jubilee to the Company on completion ("Second Payment"); and

(c) subject to such adjustments as set out in the following paragraphs on Stock Count, an amount of US$1,718,000 shall be payable by Jubilee to the Company on or before 31 December 2014 ("Final Payment").

Notes to the Financial Statements

For the financial year ended 31 March 2015

11. Disposal of Subsidiaries (continued)

11A. Disposal of WE Components Pte Ltd (“WEC”) (continued)

If, following such Stock Count:

(1) the Net Tangible Asset (“NTA”) Value shall be less than US$6,675,000 (i.e. addition of (a) and (b) per above) (“Initial Value”), the Consideration shall accordingly be reduced by the difference between the Initial Value and the NTA Value. Such reduction shall be deducted from the Second Payment; or

(2) the NTA Value shall be less than Initial Value, the difference between the NTA Value and the Initial Value (“Reduction Amount”) shall be deducted from the Consideration in the following manner (i) the value of the Second Payment shall be reduced by deducting the Reduction Amount from the Second Payment; and (ii) in the event that the Reduction Amount shall be greater than the Second Payment, any difference thereof shall be deducted from the Final Payment.

The SPA excludes the following properties currently held by WEC and situated at:

(a) 52 Ubi Avenue 3, #01-28/29/30, The Frontier, Singapore 408867; and

(b) 10 Ubi Crescent, Ubi Techpark Lobby E, #03-94/95/96 Singapore 408564

(collectively, “Excluded Properties”).

The Company shall procure the sale and transfer of the Excluded Properties from WEC to itself or its nominees within 3 months from completion. Thereafter, the Company shall lease the Excluded Properties to Jubilee in accordance with such terms and conditions to be mutually agreed upon between the parties based on prevailing market rates.

Subsequently, the Company entered into the First Supplemental Agreement on 18 July 2014 with Jubilee to supplement and clarify the terms of the SPA. The disposal of WEC Group shall exclude:

(a) WEC’s subsidiaries comprising Plexus Electronics Inc., WE Technology (HK) Ltd and Plexus Technology Taiwan Co., Ltd (collectively the “Excluded Subsidiaries”);

(b) the Excluded Properties;

(c) the aggregate cash balance of the WEC Group as at completion date (other than the Deposits), based on the completion accounts;

(d) all trade and other payables or other amounts owing by the WEC Group to their creditors in connection with their respective businesses as at completion including all bank loans, trust receipts and bills payable as shown in the completion accounts (“Accounts Payables”);

(e) all amounts owing to the WEC Group by their debtors in connection with their respective businesses as shown in the completion accounts (“Accounts Receivables”);

(f) all income tax recoverable and deferred expenses, accruing and payable to the WEC Group for the period up to the completion date, as assessed and determined by the relevant tax authorities (“Income Tax Recoverable”);

(g) all deferred tax liabilities and income tax payables, accruing and payable by the WEC Group for the period up to the completion date, as assessed and determined by the relevant tax authorities (“Deferred Tax Liabilities/Income Tax Payables”); and

(h) all other assets and liabilities of each of the WEC Group companies, other than the Sale Assets, which are the shares of WEC, WEC’s subsidiaries, inventories of WEC Group, plant and equipment of WEC Group, and all contracts and engagement with the respective suppliers and customers.

(collectively, “**Excluded Items**”).

Notes to the Financial Statements

For the financial year ended 31 March 2015

11. Disposal of Subsidiaries (continued)

11A. Disposal of WE Components Pte Ltd ("WEC") (continued)

Further to the above, the Excluded Properties shall be procured by the Company from WEC for an aggregate consideration of US$5,617,000 ("Excluded Properties Consideration"). The Excluded Properties Consideration is equivalent to the audited net book value of the Excluded Properties as at 31 March 2014 being the previous financial year end of WEC. The Consideration was increased by US$5,617,000 (being an amount equivalent to the Excluded Properties Consideration) from US$8,393,000 to US$14,010,000.

A Second Supplemental Agreement was entered on 15 January 2015 prior to the completion on 31 January 2015 for provisions on Post Completion Obligation which are for the relevant parties to agree to the terms and conditions on sale and transfer of the Excluded Properties.

On 31 January 2015, the Company completed the sale of its entire 100% equity interest comprising 9,276,797 shares in WEC for a total consideration of US$14,010,000. The consideration was adjusted to US$12,489,000 after stock count which provides that in the event stock count value is less than US$6,675,000 ("Initial Value"), the consideration shall accordingly be reduced by the difference between the Initial Value and the NTA value. The sales was arrived at arm's length, on a willing buyer willing seller basis after taking into account of the business prospects of WEC Group, the net tangible asset value as at 31 March 2014 and the value of the Sale Assets and Excluded Properties.

The results for the financial year from the disposal of the subsidiary and the results for the previous financial year and for the period from the beginning of the financial year to 31 January 2015 which have been included in the consolidated financial statements are as follows:

	Group	
	Period ended 31 Jan 2015 US$'000	Year ended 31 Mar 2014 US$'000
Revenue	**44,963**	36,128
Expenses	**(43,561)**	(45,075)
Profit/(loss) before tax from discontinued operations	**1,402**	(8,947)
Income tax	**(1)**	–
Profit/(loss) after tax from discontinued operations	**1,401**	(8,947)

The following table summarises the carrying amount of assets and liabilities of the subsidiary, WE Components Pte Ltd that was sold on 31 January 2015.

	Group	
	2015 US$'000	2014 US$'000
Inventory	**5,009**	–
Plant and equipment	**144**	–
Properties classified as held-for-transfer	**5,514**	–
Net assets disposed of	**10,667**	–

The aggregate cash inflow arising from the disposal of subsidiary were:

	Group	
	2015 US$'000	2014 US$'000
Net assets disposed of (as above)	**10,667**	–
Gain on disposal (Note 6)	**1,822**	–
Cash proceeds from disposal	**12,489**	–
Less: Cash and cash equivalents in subsidiary disposed of	**–**	–
Net cash inflows on disposal	**12,489**	–

Notes to the Financial Statements

For the financial year ended 31 March 2015

11. Disposal of Subsidiaries (continued)

11B. Liquidation of Plexus Electronics Sdn. Bhd.

The subsidiary, Plexus Electronics Sdn. Bhd. was liquidated on 26 November 2013. The company was dormant at the date of liquidation.

The following table summarises the carrying amount of assets and liabilities of the subsidiary, Plexus Electronics Sdn. Bhd. that was disposed on 26 November 2013.

	Group	
	2015 US$'000	2014 US$'000
Other asset	**–**	96
Net assets disposed of	**–**	96
Loss on disposal	**–**	(96)
Total consideration	**–**	–

12. Earnings Per Share

(a) Basic earnings per share

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

	Continuing operations		Discontinued operations		Total	
	2015	2014	**2015**	2014	**2015**	2014
Net (loss)/profit for the year attributable to the equity holders of the Company (US$'000)	**(136)**	2,364	**1,401**	(8,947)	**1,265**	(6,583)
Weighted average number of equity shares issued ('000)	**1,231,135**	779,679	**1,231,135**	779,679	**1,231,135**	779,679
Basic (loss)/earnings per share (in cents)	**(0.01)**	0.30	**0.11**	(1.14)	**0.10**	(0.84)

12. Earnings Per Share (continued)

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

	Continuing operations		**Discontinued operations**		**Total**	
	2015	2014	**2015**	2014	**2015**	2014
Net (loss)/profit for the year attributable to the equity holders of the Company (US$'000)	**(136)**	2,364	**1,401**	(8,947)	**1,265**	(6,583)
Weighted average number of equity shares issued fully diluted ('000)	**1,322,770**	821,770	**1,322,770**	821,770	**1,322,770**	821,770
Diluted (loss)/earnings per share (in cents)	**(0.01)***	0.29	**0.11**	(1.14)*	**0.10**	(0.85)*

* As loss was recorded in 2014, the dilutive potential shares from shares to be issued and performance shares are anti-dilutive and no change is made to the diluted loss per share.

The weighted average number of equity shares refers to shares in circulation during the financial year.

Notes to the Financial Statements

For the financial year ended 31 March 2015

13. Property, Plant and Equipment

Group:	Leasehold building and improvements US$'000	Plant and equipment US$'000	Total US$'000
Cost or revaluation:			
At 1 April 2013	5,485	2,530	8,015
Revaluation increase	213	–	213
Foreign exchange adjustments	(74)	(31)	(105)
Additions	11	398	409
Disposals	–	(51)	(51)
Written off	–	(52)	(52)
At 31 March 2014	5,635	2,794	8,429
Revaluation increase	214	–	214
Foreign exchange adjustments	(187)	(27)	(214)
Additions	–	329	329
Disposal of subsidiary (Note 11A)	(5,568)	(898)	(6,466)
Disposals	–	(104)	(104)
Written off	(94)	(1,584)	(1,678)
At 31 March 2015	–	510	510
Represented by:			
Cost	–	510	510
Valuation	–	–	–
Total	–	510	510
Accumulated depreciation:			
At 1 April 2013	–	2,418	2,418
Foreign exchange adjustments	–	(28)	(28)
Depreciation for the year	112	69	181
Elimination of depreciation upon revaluation	(94)	–	(94)
Disposals	–	(51)	(51)
Written off	–	(52)	(52)
At 31 March 2014	18	2,356	2,374
Foreign exchange adjustments	57	17	74
Depreciation for the year	148	134	282
Disposals of subsidiary (Note 11A)	(54)	(754)	(808)
Disposals	–	(104)	(104)
Elimination of depreciation upon revaluation	(75)	–	(75)
Written off	(94)	(1,584)	(1,678)
At 31 March 2015	–	65	65
Net book value:			
At 31 March 2014	5,617	438	6,055
At 31 March 2015	–	445	445

Notes to the Financial Statements

For the financial year ended 31 March 2015

13. Property, Plant and Equipment (continued)

The carrying amount that would have been recognised had the leasehold buildings been carried under the cost model is as follows:

	2015 US$'000	2014 US$'000
Cost	–	2,604
Accumulated depreciation	–	(299)
Net carrying amount	–	2,305

The leasehold properties were revalued by Knight Frank, a firm of independent professional valuers, in March 2014 based on the existing use basis to reflect the actual market state and circumstances as of the end of the financial year and not as of either a past or future date. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using the fair value at the end of the financial year and the entire class of property, plant and equipment to which the asset belongs is revalued. The surplus net of applicable deferred income tax on revaluation of US$nil (2014: US$52,000) has been credited to revaluation reserve in other comprehensive income. The value is regarded as the lowest level for fair value measurement as the valuation includes inputs for the asset that are not based on observable market data (unobservable inputs).

Management believes that the valuation of the leasehold properties by Knight Frank represent the properties' highest-and-best-use at the balance sheet date.

The accumulated depreciation was eliminated against the gross carrying amount of the asset to the revalued amount of the asset.

Company	**Leasehold Improvements US$'000**	**Plant and Equipment US$'000**	**Total US$'000**
Cost:			
At 1 April 2013	83	1,499	1,582
Additions	11	209	220
At 31 March 2014	94	1,708	1,802
Additions	–	26	26
Disposals	–	(26)	(26)
Written off	(94)	(1,521)	(1,615)
At 31 March 2015	–	187	187
Accumulated depreciation:			
At 1 April 2013	26	1,479	1,505
Depreciation for the year	10	26	36
At 31 March 2014	36	1,505	1,541
Depreciation for the year	58	68	126
Disposals	–	(5)	(5)
Written off	(94)	(1,521)	(1,615)
At 31 March 2015	–	47	47
Net book value:			
At 31 March 2014	58	203	261
At 31 March 2015	–	140	140

Notes to the Financial Statements

For the financial year ended 31 March 2015

13. Property, Plant and Equipment (continued)

As at 31 March 2015, there are no items that are under finance lease agreements.

The leasehold property of a previously wholly-owned subsidiary is mortgaged for bank facilities (Note 24A).

The depreciation expense is charged to statement of comprehensive income as administrative expenses.

14. Intangible Assets

Group and Company	Computer Software US$'000
Cost:	
At 1 April 2013 and 1 April 2014	1,286
Written off	(1,286)
At 31 March 2015	–
Accumulated amortisation:	
At 1 April 2013	1,222
Amortisation for the year	64
At 31 March 2014	1,286
Written off	(1,286)
At 31 March 2015	–
Net book value:	
At 31 March 2014 and 31 March 2015	–

The amortisation expense is charged to the statement of comprehensive income as administrative expenses.

15. Investments in Subsidiaries

	Company	
	2015 US$'000	2014 US$'000
Movements during the year:		
Balance at beginning of the financial year	**11,570**	11,570
Additions	*	–
Disposals	**(11,383)**	–
Balance at the end of the financial year	**187**	11,570
Total cost comprising:		
Unquoted equity shares at cost	**940**	37,323
Allowance for impairment	**(753)**	(25,753)
Total at cost	**187**	11,570
Movements in allowance for impairment loss:		
Balance at beginning of the financial year	**25,753**	25,753
Written off on disposal	**(25,000)**	–
Balance at end of the financial year	**753**	25,753

* Amount less than US$1,000.

Notes to the Financial Statements

For the financial year ended 31 March 2015

15. **Investments in Subsidiaries (continued)**

The subsidiaries held by the Company and its subsidiaries are listed below:

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities (and Independent Auditors)	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2015	2014	**2015**	2014	**2015**	2014
	%	%	**%**	%	**%**	%
WE Components Sdn Bhd [(a)] Malaysia Distributor and representative of electronic components and systems and equipment (Ernst & Young)	**85**	85	**85**	85	**15**	15
WE Systems Pte Ltd [(d)] Singapore Engineering support service, application training and system maintenance (Nexia TS Public Accounting Corporation)	**100**	100	**100**	100	**–**	–
WesCal Electronics Trading (Shanghai) Co Ltd [(b)] People's Republic of China Inactive	**100**	100	**100**	100	**–**	–
WE Components Pte Ltd [(d)] [(e)] (disposed on 31 January 2015) Singapore Trading in electronic components (Nexia TS Public Accounting Corporation)	**–**	100	**–**	100	**–**	–
WE Electronics Co., Ltd [(b)] Thailand Inactive	**100**	100	**100**	100	**–**	–
WE Electronics Industrial Pte Ltd [(d)] Singapore Other investment holding (Nexia TS Public Accounting Corporation)	**100**	100	**100**	100	**–**	–
WE Dragon Resources Pte Ltd [(d)] Singapore Petroleum, mining and prospecting services (Nexia TS Public Accounting Corporation)	**50**	50	**50**	50	**50**	50

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15. Investments in Subsidiaries (continued)

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities (and Independent Auditors)	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2015	2014	**2015**	2014	**2015**	2014
	%	%	**%**	%	**%**	%
WE Resources Pte Ltd [d] Singapore Iron ore and coal trading (Nexia TS Public Accounting Corporation)	**100**	100	**100**	100	**–**	–
WE Components (Penang) Sdn. Bhd. [a] Malaysia Distributor and representative of electronic components and systems and equipment (Ernst & Young)	**100**	–	**100**	–	**–**	–
WE Resources Sdn. Bhd. [a] Malaysia Iron ore and coal trading (Ernst & Young)	**100**	–	**100**	–	**–**	–
Plexus Electronics Inc. [b] [c] United States of America Inactive	**100**	100	**100**	100	**–**	–
WE Technology (HK) Ltd [c] Hong Kong Inactive	**100**	100	**100**	100	**–**	–
<u>Held through WE Components Pte Ltd</u>						
WE Components (Shanghai) Co Ltd [a] [e] People's Republic of China Trading in electronic components (BDO China Shu Lun Pan CPAs Ltd)	**–**	100	**–**	100	**–**	–
WE Components Co Ltd [a] [e] Thailand Trading in electronic components (BZY Audit (Thailand) Limited)	**–**	100	**–**	100	**–**	–
WE Components (Hong Kong) Limited [a] [e] Hong Kong Trading in electronic components (RSM Nelson Wheeler)	**–**	100	**–**	100	**–**	–

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16. Investments in Subsidiaries (continued)

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities (and Independent Auditors)	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2015	2014	**2015**	2014	**2015**	2014
	%	%	**%**	%	**%**	%
Kin Wai Technology Ltd [(a) (e)] British Virgin Island Trading in electronic components (RSM Nelson Wheeler)	**–**	100	**–**	100	**–**	–
WE Components (Shenzhen) Co Ltd [(c) (e)] People's Republic of China Trading in electronic components	**–**	100	**–**	100	**–**	–
WE Microelectronics Pte Ltd [(d) (e)] Singapore Trading in electronic components (Nexia TS Public Accounting Corporation)	**–**	100	**–**	100	**–**	–
<u>Held through WE Microelectronics Pte Ltd</u> WE Components India Pvt Ltd [(a) (e)] India Trading in electronic components (Vasanth & Co)	**–**	100	**–**	100	**–**	–

(a) Other independent auditors. Audited by firms of accountants other than member firms of Nexia TS Public Accounting Corporation. Their names are indicated above.

(b) Not required to be audited in the country of incorporation. The subsidiary is insignificant to the Group.

(c) The subsidiaries are dormant and are not significant to the Group.

(d) Audited by Nexia TS Public Accounting Corporation.

(e) The subsidiary was disposed during the financial year.

As required by Rule 716 of the Listing Manual of The Singapore Exchange Securities Trading Limited the audit committee and the board of directors of the Company have satisfied themselves that the appointment of different auditors for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

Significant Restrictions

Cash and short-term deposits of US$216,000 (2014: US$58,000) are held in the People's Republic of China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

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16. Investments in Associates

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Movements in carrying value:				
At beginning of the financial year	**–**	–	**–**	–
Additions	**13,392**	–	**13,392**	–
Share of profit for the financial year	**758**	–	**–**	–
Share of other comprehensive loss for the financial year	**(106)**	–	**–**	–
Bargain purchase	**1,960**	–	**–**	–
At end of the financial year	**16,004**	–	**13,392**	–
Carrying Value:				
Bargain purchase	**1,960**	–	**–**	–
Quoted equity shares at cost	**13,392**	–	**13,392**	43
Unquoted equity shares at cost	**114**	114	**43**	
Allowance for impairment	**(78)**	(78)	**(43)**	(43)
Share of post-acquisition profit/(loss)	**722**	(36)	**–**	–
Share of post-acquisition other comprehensive loss	**(106)**	–	**–**	–
	16,004	–	**13,392**	–
Movements in allowance for impairment loss:				
Balance at the beginning and at the end of the financial year	**78**	78	**43**	43

Name of Company, Country of Incorporation, Place of Operations and Principal Activities (and Independent Auditors)	**% of ownership interest**	
	2015 %	2014 %
Jubilee Industries Holdings Ltd [(a)] Singapore Mould design/fabrication and provision of precision plastic injection manufacturing solutions	**29.75**	–
Syntax-Olevia (Far East) Pte Ltd [(b)] Singapore Distributor and representative of LCD TV	**20**	20
Plexus Technology Taiwan Co., Ltd [(b)] Taiwan Trading in electronic components	**20**	20

(a) Audited by Nexia TS Public Accounting Corporation.

(b) Dormant.

16. Investments in Associates (continued)

As of 31 March 2015, the Company has a direct interest in 97,354,500 ordinary shares representing 29.75% of the issued and paid up capital of Jubilee Industries Holdings Ltd ("Jubilee").

In June 2014, 59,903,000 Jubilee shares were purchased from Dr. Toh Soon Huat and SCE Enterprise at S$0.242 for S$14,496,526. Out of this, S$11,996,526 were paid in cash while S$2,500,000 (US$1,993,000) were paid by share issuance (Note 21). A further 3,000,000 Jubilee shares were purchased from the open market in July 2014 for S$299,581 and 31,451,500 Jubilee warrants for a consideration of S$1,887,090. On 10 December 2014, the Company made another acquisition of 3,000,000 Jubilee shares through a married deal for a cash consideration of S$162,000.

Jubilee is principally engaged in mould design/fabrication and provision of precision plastic injection manufacturing solutions to customers whose end products are in the consumer electronics, computer peripherals, automotive and household appliances industries. In addition to plastic injection manufacturing solutions, Jubilee also provide a wide range of diversified PPIM related Value Added Services which includes laser etching, ultrasonic welding, heat staking, printing, polishing and sub-assembly through its subsidiaries E-Mold Manufacturing and Jubilee Manufacturing Sdn Bhd.

The summarised financial information in respect of Jubilee based on its financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised Balance Sheet

	Jubilee 2015 US$'000
Current assets	19,620
Includes:	
- Cash and cash equivalents	3,037
Current liabilities	(9,937)
Includes:	
- Financial liabilities (excluding trade payables)	(619)
Non-current assets	21,312
Non-current liabilities	(40)
Includes:	
- Financial liabilties	40
Net assets	**30,955**
Interest in associate (29.75%)	9,209
Fair value adjustments	7,176
Change in percentage of shareholdings during the financial year	(120)
Other adjustments	(261)
Carrying amount of investment	16,004
Add:	
Carrying amount of immaterial associates	–
Carrying amount of Group's interest in associates	16,004

Notes to the Financial Statements

For the financial year ended 31 March 2015

16. Investments in Associates (continued)

Summarised statement of comprehensive income

	Jubilee For the financial period from 1 July 2014 to 31 March 2015 (9 months) US$'000
Revenue	17,703
Interest income	31
Expenses	
Includes:	
Depreciation and amortisation	(979)
Interest expense	(69)
Profit before taxation	2,545
Income tax credit	2
Profit after taxation	2,547
Other comprehensive loss	(355)
Total comprehensive income	2,192

The information above reflects the amounts presented in the financial statements of Jubilee (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associates.

17. Other Assets

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Other assets (current):				
Deferred expenses	**1**	8	**–**	–
Deposits to secure services	**72**	68	**4**	4
Prepayments	**6**	7	**–**	–
Deposit for proposed acquisition of various entities [(a)]	**794**	794	**794**	794
Income tax recoverable	**55**	107	**6**	5
	928	984	**804**	803
Other assets (non-current):				
Club membership	**93**	93	**93**	93

(a) On 29 January 2014, the Company entered into 3 sale and purchase agreements. The first agreement was for the acquisition of the entire issued and paid-up share capital of SingYaSin Technologies Pte. Ltd. ("SYS") and 10% of the issued and paid-up share capital of SCT Technologies Pte. Ltd. ("SCT"). The second agreement was for the acquisition of the entire issued and paid-up share capital of LSP Technology Pte. Ltd. ("LSP"). The third agreement was for the acquisition of 50% of the issued and paid-up share capital of LSP Advance Sdn. Bhd. ("LSP Malaysia"). The Company has paid a refundable deposit of S$1,000,000 (approximately US$794,000) upon signing of the Agreements to SYS. On 29 January 2015, the Company announced it has entered into a termination agreement with Terence Tea Yeok Kian, Bobby Lim Chye Huat and Ng Cheng Chuan to which the parties agree to terminate the sale and purchase agreement dated 29 January 2014 and the two supplemental agreements dated 14 February 2014 and 2 June 2014 and to return the refundable deposit.

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18. Inventories

	Group		Company	
	2015	2014	**2015**	2014
	US$'000	US$'000	**US$'000**	US$'000
Goods for resale at cost	**16**	6,237	**–**	1,860
The cost of inventories included in the cost of sales (Note 9)	**3,584**	12,280	**3,789**	15,783
Inventories written down (Note 9)	**–**	125	**–**	125
Inventories written off (Note 9)	**124**	367	**124**	158
Inventories written back (Note 9)	**(140)**	–	**(140)**	–

The inventories of a subsidiary amounting to US$ nil (2014: US$ 3,319,000) are pledged as security for borrowings (Note 24A). This subsidiary was disposed on 31 January 2015.

19. Trade and Other Receivables

	Group		Company	
	2015	2014	**2015**	2014
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables:				
Outside parties	**15,216**	56,971	**194**	45,109
Less: Allowance for impairment	**(700)**	(43,137)	**(56)**	(41,864)
Subsidiaries	**–**	–	**4,007**	3,209
Less: Allowance for impairment	**–**	–	**(3,171)**	(3,209)
Subtotal	**14,516**	13,834	**974**	3,245
Other receivables:				
Subsidiaries	**–**	–	**15,756**	8,059
Less: Allowance for impairment	**–**	–	**(11,369)**	(8,059)
Related parties	**5,745**	–	**4,597**	–
Less: Allowance for impairment	**–**	–	**–**	–
Advance to suppliers	**289**	245	**40**	124
Other receivables	**3,531**	789	**19**	138
Less: Allowance for impairment	**(1,750)**	(56)	**–**	(56)
Subtotal	**7,815**	978	**9,043**	206
Total trade and other receivables	**22,331**	14,812	**10,017**	3,451

The other receivables due from subsidiaries and related parties are unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 March 2015

19. Trade and Other Receivables (continued)

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Movements in above allowance:				
Trade receivables:				
Balance at beginning of the year	**43,137**	43,403	**45,073**	42,668
Foreign exchange adjustments	**(41)**	(8)	**–**	–
(Reversed)/charged to profit or loss	**(1,164)**	716	**(614)**	2,405
Utilisation of allowance	**(41,232)**	(974)	**(41,232)**	–
Balance at end of the year	**700**	43,137	**3,227**	45,073
Other receivables:				
Balance at beginning of the year	**56**	–	**8,115**	30
Charged to profit or loss	**1,694**	56	**3,254**	8,115
Utilisation of allowance	**–**	–	**–**	(30)
Balance at end of the year	**1,750**	56	**11,369**	8,115

Trade receivables of a previously wholly-owned subsidiary are pledged as security for borrowings (Note 24A).

20. Cash and Cash Equivalents

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Not restricted in use	**3,686**	17,516	**466**	14,253
Restricted in use [(a)]	**1,779**	2,311	**–**	–
	5,465	19,827	**466**	14,253

(a) This is for bank balance held by bankers to cover bank facilities granted (Note 24A).

The rate of interest for the cash on interest earning accounts of US$1,779,000 (2014: US$2,311,000) is between 0.05% to 0.20% (2014: 0.05% to 0.50%).

20A. Cash and Cash Equivalents in the Consolidated Statement of Cash Flows:

	Group	
	2015 US$'000	2014 US$'000
Amount as shown above	**5,465**	19,827
Cash restricted in use over 3 months	**(1,779)**	(2,311)
Cash and cash equivalents per consolidated statement of cash flows	**3,686**	17,516

20. Cash and Cash Equivalents (continued)

20B. Non-Cash Transaction

On 1 October 2014, the Company awarded 6,939,603 shares for S$0.01 and these shares were issued on 2 October 2014.

In September 2013, the Company awarded 18,665,765 shares for S$0.0506. Out of this, 18,354,217 shares were issued and 311,548 shares were cancelled due to cessation of employment.

21. Share Capital

Group	Number of shares issued '000	Share capital US$'000
Ordinary shares of no par value:		
Balance at 1 April 2013	678,382	12,844
Issuance of placement shares in May 2013 at S$0.10224 per share	80,000	6,464
Issuance of right shares in September 2013 at S$0.015 per share	758,382	9,067
Warrants exercised for September 2013 right shares at S$0.03 per share	10,170	243
Issuance of placement shares in October 2013 at S$0.04302 per share	204,050	6,996
Issuance of shares pursuant to the WE Share Award Scheme in November 2013 at S$0.0506 per share	18,277	748
Issuance of right shares in March 2014 at S$0.015 per share	874,631	10,379
	1,945,510	33,897
Less: Share issue expense	–	(1,664)
Balance at 31 March 2014	2,623,892	45,077
Issuance of shares pursuant to WE Share Award Scheme in May 2014 at S$0.0152 per share	25,721	312
Issuance of shares for investment in Jubilee in June 2014 at S$0.01323 per share	188,964	1,993
Issuance of shares pursuant to WE Share Award Scheme in October 2014 at S$0.010 per share	6,940	55
	221,625	2,360
Balance at end of the year 31 March 2015	2,845,517	47,437

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For the financial year ended 31 March 2015

21. Share Capital (continued)

Company	Number of shares issued '000	Share capital US$'000
Ordinary shares of no par value:		
Balance at 1 April 2013	678,382	42,926
Issuance of placement shares in May 2013 at S$0.10224 per share	80,000	6,464
Issuance of right shares in September 2013 at S$0.015 per share	758,382	9,067
Warrants exercised for September 2013 right shares at S$0.03 per share	10,170	243
Issuance of placement shares in October 2013 at S$0.04302 per share	204,050	6,996
Issuance of shares pursuant to the WE Share Award Scheme in November 2013 at S$0.0506 per share	18,277	748
Issuance of right shares in March 2014 at S$0.015 per share	874,631	10,379
	1,945,510	33,897
Less: Share issue expense	–	(1,664)
Balance at 31 March 2014	2,623,892	75,159
Issuance of shares pursuant to WE Share Award Scheme in May 2014 at S$0.0152 per share	25,721	312
Issuance of shares for investment in Jubilee in June 2014 at S$0.01323 per share	188,964	1,993
Issuance of shares pursuant to WE Share Award Scheme in October 2014 at S$0.010 per share	6,940	55
	221,625	2,360
Balance at end of the year 31 March 2015	2,845,517	77,519

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements. The difference in amounts in the Group and the Company is due to the reverse takeover exercise in the past.

In FY2014, the issuance of placement and right shares for a total consideration of US$33,149,000 for cash provide funds for the expansion of the Group's operations. The newly issued shares rank pari passu in all respects with the previously issued shares.

In FY2015, the Company has issued 188,964,475 shares for the Company's equity interest in Jubilee Industries Holdings Limited for S$2,500,000 (US$1,993,000) (Note 16).

In order to maintain its listing on the Singapore Stock Exchange the Company has to have share capital with at least a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the year. Management receives a report from the registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the financial year.

Capital management:

The objectives when managing capital are: to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the financial year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

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21. Share Capital (continued)

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Net debts:				
All current and non-current borrowings	**1,270**	1,938	**–**	–
Less cash and cash equivalents	**(5,465)**	(19,827)	**(466)**	(14,253)
Net debt	**(4,195)**	(17,889)	**(466)**	(14,253)
Net capital:				
Equity	**34,232**	30,974	**24,060**	27,141
Net capital	**34,232**	30,974	**24,060**	27,141
Debt-to-adjusted capital ratio	**(12.3%)**	(57.8%)	**(1.9%)**	(52.5%)

The Group and Company have a net cash rather than net debt position as shown by the positive to negative debt-to-adjusted capital ratio for the financial year. This resulted primarily from the increase in cash and cash equivalents from funds obtained through the issue of shares.

22. Other Reserves

Group	**2015 US$'000**	2014 US$'000
Foreign currency translation reserve (Note 22A)	**(408)**	(105)
Revaluation reserve (Note 22B)	**2,842**	2,805
Other reserve (Note 22C)	**(106)**	–
Balance at end of the financial year	**2,328**	2,700

The other reserves are not available for cash dividends unless realised.

The currency translation adjustment reserve accumulates all foreign exchange differences.

The revaluation reserve arises from the annual revaluation model of buildings held under property, plant and equipment. It is not distributable until it is recovered from use or released on the disposal of the buildings.

The revaluation reserve pertains to buildings listed as Excluded Properties in the disposal of WEC Group. The Company has entered into a Second Supplemental Agreement with Jubilee Industries Holdings Ltd on 15 January 2015 prior to completion of the disposal of WEC Group. The Second Supplemental Agreement provides that following completion, the Excluded Properties shall be procured, sold and transferred from WEC Group to the Company or its nominees at a consideration amounting to US$5,617,000 at the Company's own cost and expense within 12 months after completion and, if required by the Banks, the Company or its nominees shall continue to provide third party security by way of mortgage over the Excluded Properties, in relation to loans provided by each of the banks to WEC, pursuant to the term loan letter dated 2 May 2008 from DBS Bank Ltd to WEC and the revised banking facilities letter dated 1 October 2013 from United Overseas Bank Limited to WEC.

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For the financial year ended 31 March 2015

22. Other Reserves (continued)

22A. Foreign Currency Translation Reserve

Group	2015 US$'000	2014 US$'000
Balance at beginning of financial year	(105)	(172)
Exchange differences on translating foreign operations	(303)	67
Balance at end of the financial year	(408)	(105)

22B. Revaluation Reserve

Group	2015 US$'000	2014 US$'000
Balance at beginning of financial year	2,805	2,584
Foreign exchange adjustments	(203)	(34)
Gain on revaluation of property, plant and equipment (Note 13)	289	307
Deferred tax on revaluation of property, plant and equipment (Note 10C)	(49)	(52)
	240	255
Balance at end of the financial year	2,842	2,805

22C. Other Reserve

Group	2015 US$'000	2014 US$'000
Balance at beginning of financial year	–	–
Share of associate's other reserve	(106)	–
Balance at end of the financial year	(106)	–

23. Contingencies

The Company has issued corporate guarantees to banks for borrowings of a previously wholly-owned subsidiary with net assets position. These bank borrowings amount to $1,270,000 (2014: US$1,938,000) at the balance sheet date. The management has evaluated the fair value of the corporate guarantees and is of the view that the consequential benefit derived from its guarantees to the bank with regards to the subsidiary is minimal.

The Company is not required to fulfil any guarantee on the basis of default by the borrowers as at the balance sheet date. The details of the corporate guarantee are disclosed in Note 24A.

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24. Other Financial Liabilities

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Non-current:				
Bank loans (secured) (Note 24A)	**1,177**	1,368	**–**	–
Current:				
Bank loans (secured)	**93**	95	**–**	–
Trust receipts (secured) and bills payable (Note 24B)	**–**	475	**–**	–
Current, total	**93**	570	**–**	–
Total	**1,270**	1,938	**–**	–
Non-current portion is repayable as follows:				
Due within 1 to 2 years	**97**	100	**–**	–
Due within 2 to 5 years	**207**	264	**–**	–
After 5 years	**873**	1,004	**–**	–
Total non-current portion	**1,177**	1,368	**–**	–

The range of floating interest rates paid was as follows:

	Group		Company	
	2015	2014	**2015**	2014
Bank loans	**3.5% to 5.25%**	3.5% to 5.25%	**–**	COF* + 1.25% to 1.35%
Trust receipts and bills payables	**–**	2.97% to 5.50%	**–**	–

* COF = Cost of funds

24A. Bank Loans

The bank loans are secured by:

(i) Legal mortgages of leasehold industrial properties of a previously wholly-owned subsidiary;

(ii) Registered charge over cash deposits of US$0.3 million in the name of a previously wholly-owned subsidiary held with a bank;

(iii) Fixed deposits of at least US$0.2 million which are pledged to a bank;

(iv) Existing letter of charge and set-off executed by a previously wholly-owned subsidiary in respect of foreign currency fixed deposits of not less than US$1.25 million;

(v) Debenture agreement including floating charge over all present and future trade receivables and inventories of a previously wholly-owned subsidiary; and

(vi) Corporate guarantee is provided to a previously wholly-owned subsidiary for some banking facilities provided.

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24. Other Financial Liabilities (continued)

24B. Short-Term Borrowings (Secured)

Other bank facilities are secured by fixed bank deposits which are pledged to banks (Note 20).

24C. Fair value of non-current borrowings

	Group	
	2015 US$'000	2014 US$'000
Bank loans	**780**	892

The fair values above are determined from the cash flow analyses, discounted at market borrowings rates of an equivalent instrument at the balance sheet date which the directors expect to be available to the Group as follows:

	2015	2014
Bank loans	**5.35%**	5.35%

25. Trade and Other Payables

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Trade payables:				
Outside parties	**7,060**	10,194	**–**	1,380
Subsidiaries and related parties	**–**	–	**110**	55
Sub-total	**7,060**	10,194	**110**	1,435
Other payables:				
Outside parties	**1,364**	1,264	**73**	739
Accrued liabilities	**740**	2,932	**563**	2,877
Subsidiaries	**–**	–	**254**	60
Shareholders	**–**	100	**–**	–
Sub-total	**2,104**	4,296	**890**	3,676
Total trade and other payables	**9,164**	14,490	**1,000**	5,111

The non-trade amounts due to subsidiaries, related parties and shareholders are unsecured, interest-free and repayable upon demand.

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For the financial year ended 31 March 2015

26. Share Based Payments

The Company has share award scheme known as WE Share Award Scheme ("WSAS") approved and adopted by its members at an Extraordinary General Meeting held on 25 May 2010. WSAS is administered by a committee which consists of directors of the Company. The purpose of the WSAS is to provide an opportunity for the Group's employees and directors, who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company. The WSAS is also extended to the Group non-executive directors.

The directors believe that the retention of outstanding employees within the Group is paramount to the Group's long-term objective of pursuing continuous growth and expansion in its business and operations. The Group also acknowledges that it is important to preserve financial resources for future business developments and to withstand difficult times. As such, one of the Group's strategies is to contain the remuneration of its employees and executives that is a major component of the Group's operating costs.

The WSAS is formulated with those objectives in mind. It is hoped that through the WSAS, the Group would be able to remain an attractive and competitive employer and better able to manage its fixed overhead costs without compromising on performance standards and efficiency.

In March 2013, the Company awarded the following shares under WSAS which are vested at various periods.

Name of Awardee	No. of shares awarded	Vesting periods
Directors of the Company		
Mr Tan Wee Peng Kelvin	1,000,000	22 March 2013 to 30 April 2014
	500,000	22 March 2013 to 30 April 2015
Executive Officers and Employees		
Others	5,700,000	22 March 2013 to 30 April 2014
	6,325,000	22 March 2013 to 30 April 2015
	13,525,000	

The market price at the time of awarding the above shares is S$0.094.

Out of the above, 50,000 shares that vested in 30 April 2014 and 1,725,000 shares that will vest in 30 April 2015, totaling 1,775,000 shares under "Others" are cancelled due to cessation of employment. Due to capital variation from the placement of shares and issue of rights and warrant shares, the remaining awardees for 11,750,000 shares are issued a further 33,697,423 shares that vested at various periods:

Name of Awardee	No. of shares awarded	Vesting periods
Directors of the Company		
Mr Tan Wee Peng Kelvin	2,867,866	22 March 2013 to 30 April 2014
	1,433,933	22 March 2013 to 30 April 2015
Executive Officers and Employees		
Others	16,203,442	22 March 2013 to 30 April 2014
	13,192,182	22 March 2013 to 30 April 2015
	33,697,423	

The market price at the time of awarding the above shares is S$0.0152.

In September 2013, the Company awarded 18,665,765 shares for S$0.0506. Out of this, 18,276,651 shares were issued and 389,114 shares were cancelled due to cessation of employment.

Notes to the Financial Statements

For the financial year ended 31 March 2015

26. Share Based Payments (continued)

In May 2014, the Company issued 25,721,308 shares for those that vested on 30 April 2014 and on 8 May 2015, the Company issued 19,726,115 shares for those that vested on 30 April 2015 (Note 29).

On 1 October 2014, the Company awarded 6,939,603 shares for S$0.01 and these shares were issued on 2 October 2014.

27. Financial Instruments: Information on Financial Risks

27A. Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the financial year by FRS 39 categories:

	Group		Company	
	2015	2014	**2015**	2014
	US$'000	US$'000	**US$'000**	US$'000
Financial assets				
Cash and cash equivalents	**5,465**	19,827	**466**	14,253
Trade and other receivables	**22,042**	14,567	**9,977**	3,327
Other assets	**922**	977	**804**	803
	28,429	35,371	**11,247**	18,383
Financial liabilities				
Trade and other payables at amortised cost	**9,164**	14,490	**1,000**	5,111
Other financial liabilities at amortised cost	**1,270**	1,938	**–**	–
	10,434	16,428	**1,000**	5,111

Further quantitative disclosures are included throughout these financial statements.

27B. Financial Risk Management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. However these are not formally documented in written form. The guidelines include the following:

(i) Minimise interest rate, currency, credit and market risks for all kinds of transactions.

(ii) Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.

(iii) All financial risk management activities are carried out and monitored by senior management staff.

(iv) All financial risk management activities are carried out following good market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

The Group is exposed to currency and interest rate risk. There are no arrangements to reduce such risks exposures through derivatives and other hedging instruments.

Notes to the Financial Statements

For the financial year ended 31 March 2015

27. Financial Instruments: Information on Financial Risks (continued)

27C. Fair Value of Financial Instruments

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

a. Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

b. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

c. Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 US$	Level 2 US$	Level 3 US$
Group			
2015			
Assets			
Property, plant and equipment	–	–	–
Total assets	–	–	–
2014			
Assets			
Property, plant and equipment	–	5,617	
Total assets	–	5,617	–

27D. Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the financial year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management. There is no significant concentration of credit risk on customers, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements below.

Note 20 discloses the maturity of the cash and cash equivalents balances.

Notes to the Financial Statements

For the financial year ended 31 March 2015

27. Financial Instruments: Information on Financial Risks (continued)

27D. Credit Risk on Financial Assets (continued)

(a) Ageing analysis of the trade receivable amounts that are past due as at the end of financial year but not impaired:

	Group		Company	
	2015 **US$'000**	2014 US$'000	**2015** **US$'000**	2014 US$'000
Trade receivables:				
61 to 90 days	**820**	2,335	*	31
Over 90 days	**3,055**	2,319	**50**	207
Total	**3,875**	4,654	**50**	238

* Amount less than US$1,000.

(b) Ageing analysis as at the end of financial year of trade receivable amounts that are impaired:

	Group	
	2015 **US$'000**	2014 US$'000
Trade receivables:		
Over 90 days	**700**	43,137

The allowance which is disclosed in the note on trade receivables is based on individual accounts totalling US$700,000 (2014: US$43,137,000) that are determined to be impaired at the end of the financial year. These are not secured. Other receivables are normally with no fixed terms and therefore there is no maturity.

Concentration of trade receivable customers as at the end of financial year:

	2015 **US$'000**	2014 US$'000
Top 1 customer	**1,182**	5,345
Top 2 customers	**2,196**	10,059
Top 3 customers	**3,189**	13,631

27. Financial Instruments: Information on Financial Risks (continued)

27E. Liquidity Risk

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

Group	**Less than 1 year US$'000**	**1 – 2 years US$'000**	**2 – 5 years US$'000**	**Over 5 years US$'000**	**Total US$'000**
31 March 2015:					
Trade and other payables	9,164	–	–	–	9,164
Other financial liabilities	93	148	435	1,014	1,690
	9,257	148	435	1,014	10,854
31 March 2014:					
Trade and other payables	14,490	–	–	–	14,490
Other financial liabilities	570	160	416	1,303	2,449
	15,060	160	416	1,303	16,939

Company	**Less than 1 year US$'000**	**1 – 2 years US$'000**	**2 – 5 years US$'000**	**Over 5 Years US$'000**	**Total US$'000**
31 March 2015:					
Trade and other payables	1,000	–	–	–	1,000
31 March 2014:					
Trade and other payables	5,111	–	–	–	5,111

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 60 days (2014: 60 days). The other payables are with short-term durations. The classification of the financial assets is shown in the balance sheet as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

The Company does not have any undrawn borrowing facilities as at year ended 31 March 2015.

Notes to the Financial Statements
For the financial year ended 31 March 2015

27. Financial Instruments: Information on Financial Risks (continued)

27F. Interest Rate Risk

The interest rate risk exposure is mainly from changes in floating interest rates. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Financial liabilities:				
Floating rate	**1,270**	1,938	**–**	–
Non-interest bearing	**9,164**	14,490	**1,000**	5,111
Total at end of the year	**10,434**	16,428	**1,000**	5,111
Financial assets:				
Non-interest bearing	**26,650**	33,060	**11,247**	18,383
Fixed rate	**1,779**	2,311	**–**	–
Total at end of the year	**28,429**	35,371	**11,247**	18,383

The interest rates are disclosed in the respective notes.

Sensitivity analysis: The effect on pre-tax profit is not significant.

27G. Foreign Currency Risks

The Group's currency exposure based on the information provided to key management is as follows:

	USD US$'000	SGD US$'000	Others US$'000	Total US$'000
As at 31 March 2015				
Financial assets				
Cash and cash equivalents	4,018	592	855	5,465
Trade and other receivables	20,936	634	472	22,042
Other assets	–	819	103	922
Receivables from subsidiaries	36,756	–	1,122	37,878
	61,710	2,045	2,552	66,307
Financial liabilities				
Other financial liabilities	–	(1,270)	–	(1,270)
Trade and other payables	(7,815)	(910)	(439)	(9,164)
Payables to subsidiaries	(36,756)	–	(1,122)	(37,878)
	(44,571)	(2,180)	(1,561)	(48,312)
Net financial assets/(liabilities)	17,139	(135)	991	17,995
Less: Net financial assets/(liabilities) denominated in the respective entities' functional currencies	6,695	(1,263)	1,703	7,135
Currency exposure	10,444	1,128	(712)	10,860

27. Financial Instruments: Information on Financial Risks (continued)

27G. Foreign Currency Risks (continued)

	USD US$'000	SGD US$'000	Others US$'000	Total US$'000
As at 31 March 2014				
Financial assets				
Cash and cash equivalents	4,011	15,246	570	19,827
Trade and other receivables	13,682	724	161	14,567
Other assets	–	921	56	977
Receivables from subsidiaries	24,032	–	–	24,032
	41,725	16,891	787	59,403
Financial liabilities				
Other financial liabilities	–	(1,938)	–	(1,938)
Trade and other payables	(10,524)	(3,772)	(194)	(14,490)
Payables to subsidiaries	(24,110)	–	–	(24,110)
	(34,634)	(5,710)	(194)	(40,538)
Net financial assets	7,091	11,181	593	18,865
Less: Net financial assets/(liabilities) denominated in the respective entities' functional currencies	13,061	(821)	(1,699)	10,541
Currency exposure	(5,970)	12,002	2,292	8,324

The Company's financial assets and financial liabilities denominated in non-functional currency are not material.

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis:	Group 2015 US$'000	Group 2014 US$'000
A hypothetical 9% (2014:1.3%) strengthening in the exchange rate of the functional currency against the Singapore dollar would have a favourable effect on pre-tax profit of	**(102)**	(156)
A hypothetical 1% (2014: 5.3%) strengthening in the exchange rate of the functional currency against all other currencies would have a favourable effect on pre-tax profit of	**7**	(121)

The above table shows sensitivity to a hypothetical 9% and 1% (2014: 1.3% and 5.3%) variation in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction on the profit or loss and reserves.

The analysis above has been carried out on the basis that there is no hedged transaction.

In management's opinion, the above sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the historical exposures do not reflect the exposures in future.

Notes to the Financial Statements

For the financial year ended 31 March 2015

28. Operating Lease Payment Commitments

At the end of the financial year the total of future minimum lease payment commitments under non-cancellable operating leases are as follows:

	Group		Company	
	2015 US$'000	2014 US$'000	**2015 US$'000**	2014 US$'000
Not later than one year	**27**	80	**9**	14
Later than one year and not later than five years	**7**	44	**5**	17
Rental expense for the year (Note 9)	**18**	30	**156**	354

Operating lease payments are for rentals payable for certain office premises. The lease from the owner ranges for 6 months to 5 years from 1 June 2010 to 30 November 2017. The lease rental terms are negotiated for an average term of 2 years and rentals are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage.

29. Subsequent Events

(1) On 21 April 2015, the Company has disposed of the entire issued and paid up share capital of 100 ordinary shares of its wholly-owned subsidiary, WE Components (Penang) Sdn Bhd to WE Components Pte. Ltd. for a consideration of RM100. Following the disposal, WE Components (Penang) Sdn. Bhd. ceased to be a wholly-owned subsidiary of the Company. The disposal is not expected to have any material impact to the net tangible asset per share and earnings per share of the Group for the current financial year ended 31 March 2015.

(2) On 8 May 2015, the Company issued 19,726,115 shares that vested on 30 April 2015 under the Company's share award scheme known as WE Share Award Scheme ("WSAS") (Note 26).

30. Changes and Adoption of Financial Reporting Standards

For the current financial year the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any modification of the measurement methods or the presentation in the financial statements.

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 April 2015 or later periods and which the Group has not early adopted:

Effective for annual periods beginning on or after 1 July 2014

– FRS 19 Defined Benefit Plan: Employee Contributions

30. Changes and Adoption of Financial Reporting Standards (continued)

Effective for annual periods beginning on or after 1 January 2015

- Improvements to FRSs (January 2014)
  - Amendments to FRS 102 Share-based payment
  - FRS 103 Business Combinations
  - FRS 108 Business Segments
  - FRS 16 Property, Plant and Equipment
  - FRS 24 Related Party Disclosures
  - FRS 38 Intangible Assets

- Improvements to FRSs (February 2014)
  - FRS 103 Business Combinations
  - FRS 113 Fair Value Measurement

- Amendment to FRS 40 Investment Property

Effective for annual periods beginning on or after 1 January 2015

- Amendments to FRS 1: Disclosure Initiative

- Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

- FRS 114 Regulatory Deferral Accounts

- Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception

- Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations

- Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants

- Improvements to FRSs (November 2014)
  - FRS 107 Financial Instruments: Disclosures
  - FRS 19 Employee Benefits

Effective for annual periods beginning on or after 1 January 2017

- FRS 115 Revenue from Contracts with Customers

Effective for annual periods beginning on or after 1 January 2018

- FRS 109 Financial Instruments

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

Statistics of Shareholdings

As at 10 July 2015

Class of shares	:	Ordinary Shares
Voting rights	:	One vote per ordinary share
Number of issued shares	:	3,259,083,184
Treasury Shares	:	Nil

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 10 JULY 2015

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	12	0.29	240	0.00
100 – 1,000	248	5.90	149,565	0.00
1,001 – 10,000	294	7.00	1,780,400	0.06
10,001 – 1,000,000	3,213	76.50	876,920,050	26.91
1,000,001 and above	433	10.31	2,380,232,929	73.03
TOTAL	**4,200**	**100.00**	**3,259,083,184**	**100.00**

TWENTY LARGEST SHAREHOLDERS AS AT 10 JULY 2015

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	OCBC SECURITIES PRIVATE LIMITED	401,528,369	12.32
2	SINGYASIN SMC TECHNOLOGIES PTE LTD	162,608,611	4.99
3	PHILLIP SECURITIES PTE LTD	102,568,672	3.15
4	HO BENG SIANG	83,900,000	2.57
5	TERENCE TEA YEOK KIAN	77,012,763	2.36
6	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	69,778,350	2.14
7	KOH WEE MENG	61,600,000	1.89
8	TAN SIAK LIAN	55,255,080	1.70
9	MAYBANK KIM ENG SECURITIES PTE LTD	36,371,086	1.12
10	CHONG THIM PHENG	30,226,400	0.93
11	UOB KAY HIAN PTE LTD	30,069,000	0.92
12	RAFFLES NOMINEES (PTE) LTD	28,060,100	0.86
13	NG SAN SAN	27,300,000	0.84
14	ANG CHAI CHENG	26,852,448	0.82
15	DBS NOMINEES PTE LIMITED	23,130,605	0.71
16	TIEW YEW SENG	22,000,000	0.68
17	TEO CHEE KIAN(ZHANG ZHI QIANG)	20,000,000	0.61
18	CHUA SIEW LIAN	18,000,000	0.55
19	KHOR CHOR AIK	18,000,000	0.55
20	BANK OF SINGAPORE NOMINEES PTE LTD	17,321,500	0.53
	TOTAL	**1,311,582,984**	**40.24**

Statistics of Shareholdings

As at 10 July 2015

Substantial Shareholders as at 10 July 2015

	No. of Ordinary Shares			
Name Of Shareholder	Direct Interest	%	Deemed Interest	%
EG Industries Berhad	290,790,400[(a)]	8.92	–	–
SingYasin SMC Technologies Pte. Ltd.	162,608,611	4.99		
Terence Tea Yeok Kian	77,979,763[(b)]	2.39	189,370,611[(c)]	5.81

Note:

(a) EG Industries Berhad's direct interest of 290,790,400 shares are held in the name of OCBC Securities Private Ltd.
(b) Inclusive of 967,000 shares which are held through CPF investment account.
(c) Mr Terence Tea Yeok Kian is deemed interested in the 162,608,611 shares in the Company held by SingYasin SMC Technologies Pte. Ltd. as he is the sole shareholder of SingYasin SMC Technologies Pte. Ltd. He is also deemed interested in the 26,762,000 Shares in the Company held by his wife, Ms Sim Aileen.

Free Float

Based on the information available to the Company as at 10 July 2015, approximately 82.70% of the issued ordinary shares of the Company was held in the hands of the public. This is compliance with the Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST which requires at least 10% of the listed issuer's equity securities to be held by the public.

Statistics of Warrant Holdings

As at 10 July 2015

DISTRIBUTION OF WARRANT HOLDERS BY SIZE OF WARRANT HOLDINGS (W150827) AS AT 10 JULY 2015

SIZE OF WARRANT HOLDINGS	NO. OF WARRANT HOLDERS	%	NO. OF WARRANTS	%
1 – 99	4	0.23	148	0.00
100 – 1,000	77	4.32	45,431	0.00
1,001 – 10,000	196	11.01	676,461	0.07
10,001 – 1,000,000	1,331	74.73	258,749,210	27.15
1,000,001 and above	173	9.71	693,662,138	72.78
TOTAL	**1,781**	**100.00**	**953,133,388**	**100.00**

TWENTY LARGEST WARRANT HOLDERS AS AT 10 JULY 2015 (W150827)

	NAME OF WARRANT HOLDERS	NO. OF WARRANTS	% OF WARRANTS
1	SINGYASIN SMC TECHNOLOGIES PTE LTD	63,089,235	6.62
2	PHILLIP SECURITIES PTE LTD	47,014,094	4.93
3	NG KIM CHOON	30,527,588	3.20
4	NG SAN SAN	25,480,000	2.67
5	KWEK SWEE LENG	25,000,000	2.62
6	CHEAK LY YHIH ANGIE	20,957,200	2.20
7	NG TIE JIN (HUANG ZHIREN)	12,576,000	1.32
8	TENGKU SINANNAGA @ CHENG MIN SIONG @ ZENG MING XIONG	11,000,000	1.15
9	NEO LAM TIEN	10,341,740	1.09
10	NG CHER HONG	10,192,000	1.07
11	TAN CHIN WAH	10,192,000	1.07
12	WONG HAN MENG	10,192,000	1.07
13	LIM KIM SIANG	10,096,000	1.06
14	MUI YIN TECK	10,026,380	1.05
15	LAM WING HONG	9,983,370	1.05
16	OCBC SECURITIES PRIVATE LIMITED	8,985,389	0.94
17	CHUA CHEE PENG	7,880,964	0.83
18	MAYBANK KIM ENG SECURITIES PTE LTD	7,727,810	0.81
19	SIN PUI LAN	6,624,800	0.70
20	GOH SEWI HUNG	6,586,580	0.69
	TOTAL	**344,473,150**	**36.14**

Statistics of Warrant Holdings

As at 10 July 2015

DISTRIBUTION OF WARRANT HOLDERS BY SIZE OF WARRANT HOLDINGS (W160318) AS AT 10 JULY 2015

SIZE OF WARRANT HOLDINGS	NO. OF WARRANT HOLDERS	%	NO. OF WARRANTS	%
1 – 99	–	–	–	–
100 – 1,000	38	1.68	33,349	0.00
1,001 – 10,000	151	6.70	1,021,613	0.12
10,001 – 1,000,000	1,949	86.43	358,556,661	41.00
1,000,001 and above	117	5.19	515,019,080	58.88
TOTAL	**2,255**	**100.00**	**874,630,703**	**100.00**

TWENTY LARGEST WARRANT HOLDERS AS AT 10 JULY 2015 (W160318)

	NAME OF WARRANT HOLDERS	NO. OF WARRANTS	% OF WARRANTS
1	PHILLIP SECURITIES PTE LTD	60,846,842	6.96
2	SINGYASIN SMC TECHNOLOGIES PTE LTD	49,520,593	5.66
3	LAM WING HONG	20,052,000	2.29
4	TAN SIAK LIAN	18,418,360	2.11
5	ANG YOOK KEE	14,012,000	1.60
6	TOH SOON HUAT	13,890,500	1.59
7	TAN CHIN WAH	12,852,000	1.47
8	YEO KHENG YONG	12,485,000	1.43
9	EIO HOCK CHUAR	10,732,000	1.23
10	TERENCE TEA YEOK KIAN	10,697,921	1.22
11	MAYBANK KIM ENG SECURITIES PTE LTD	10,354,000	1.18
12	NEO LAM TIEN	9,125,000	1.04
13	CHEONG YOKE KENG ANNIE	8,210,000	0.94
14	KIM LAY GEK	8,050,000	0.92
15	LEE CHOON PEOW	8,000,000	0.91
16	ARISTOTLE KAMAL	7,950,000	0.91
17	TAN LIM HUI	7,900,000	0.90
18	NG TIE JIN (HUANG ZHIREN)	7,500,000	0.86
19	TAN HWEE KOON	6,700,000	0.77
20	OCBC SECURITIES PRIVATE LTD	6,579,945	0.75
	TOTAL	**303,876,161**	**34.74**

Statistics of Warrant Holdings

As at 10 July 2015

DISTRIBUTION OF WARRANT HOLDERS BY SIZE OF WARRANT HOLDINGS (W150805) AS AT 10 JULY 2015

SIZE OF WARRANT HOLDINGS	NO. OF WARRANT HOLDERS	%	NO. OF WARRANTS	%
1 – 99	2	0.30	144	0.00
100 – 1,000	7	1.04	7,000	0.00
1,001 – 10,000	9	1.34	60,684	0.00
10,001 – 1,000,000	513	76.34	201,255,750	9.29
1,000,001 and above	141	20.98	1,965,891,773	90.71
TOTAL	**672**	**100.00**	**2,167,215,351**	**100.00**

TWENTY LARGEST WARRANT HOLDERS AS AT 10 JULY 2015 (W150805)

	NAME OF WARRANT HOLDERS	NO. OF WARRANTS	% OF WARRANTS
1	TERENCE TEA YEOK KIAN	564,754,686	26.06
2	PHILLIP SECURITIES PTE LTD	374,809,377	17.29
3	RHB SECURITIES SINGAPORE PTE LTD	151,000,000	6.97
4	CIMB SECURITIES (SINGAPORE) PTE LTD	150,000,000	6.92
5	SINGYASIN SMC TECHNOLOGIES PTE LTD	119,658,769	5.52
6	MAYBANK NOMINEES (S) PTE LTD	80,400,000	3.71
7	OCBC SECURITIES PRIVATE LIMITED	71,219,100	3.29
8	MAYBANK KIM ENG SECURITIES PTE LTD	31,490,428	1.45
9	NG SAN SAN	24,570,000	1.13
10	CHENG KIAN NAM	20,000,000	0.92
11	RAFFLES NOMINEES (PTE) LTD	17,211,890	0.79
12	ANG CHAI CHENG	16,000,000	0.74
13	BANK OF SINGAPORE NOMINEES PTE LTD	15,229,350	0.70
14	TOH HONG CHOON	10,800,000	0.50
15	TAN WIC KI	10,023,750	0.46
16	LIM POH LIAN	9,999,960	0.46
17	CHEE AH FONG	9,000,000	0.42
18	NG TIE JIN (HUANG ZHIREN)	7,050,000	0.33
19	CHEONG YOKE KENG ANNIE	6,638,000	0.31
20	NG KIM CHOON	6,157,800	0.28
	TOTAL	**1,696,013,110**	**78.25**

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held at 10 Ubi Crescent, #02-07 Ubi Techpark, Lobby A, Singapore 408564 on 14 August 2015 at 10:00 a.m. for the purpose of transacting the following business:-

AS ORDINARY BUSINESS

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

2. To approve the payment of Directors' fees of S$200,000 for the financial year ending 31 March 2016, to be paid semi-annually in arrears (FY2015: S$200,000). **(Resolution 2)**

3. To re-elect Mr Ng Li Yong who is retiring in accordance with Article 91 of the Company's Articles of Association and who, being eligible, offers himself for re-election.

   (See Explanatory Note 1) **(Resolution 3)**

4. To re-elect Mr Wan Tai Foong who is retiring in accordance with Article 97 of the Company's Article of Association and who, being eligible, offers himself for re-election.

   (See Explanatory Note 2) **(Resolution 4)**

5. To re-appoint Messrs Nexia TS Public Accounting Corporation as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

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

6. **Special Resolution: General authority to allot and issue shares**

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

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

   (b) 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) warrants, debentures or other Instruments convertible into Shares; and/or

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and (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 while this Resolution was in force, provided that:-

   (i) the aggregate number of Shares and convertible securities issued, whether on a pro rata or non pro rata basis, does not exceed 100% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (ii) below);

Notice of Annual General Meeting

(ii) (subject to such manner of calculation as may be prescribed by the Catalist Rules), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) at the time this Special Resolution is passed, after adjusting for:-

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

(b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

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

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

(iv) unless revoked or varied by the Company in general meeting, such authority conferred by this Special Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or by the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

(See Explanatory Note 3) **(Resolution 6)**

7. **Ordinary Resolution: Authority to grant awards and issue shares under the WE Share Award Scheme**

"THAT in accordance with the provisions of the WE Share Award Scheme ("**Scheme**") and pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be authorised and empowered to grant awards ("**Awards**") and allot and issue from time to time such number of shares in the capital of the Company ("**Shares**") as may be required to be issued pursuant to the vesting of the Awards provided always that the aggregate number of Shares to be issued or issuable pursuant to the Scheme and any other shares based schemes of the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) from time to time".

(See Explanatory Note 4) **(Resolution 7)**

8. To transact any other business that may be transacted at an annual general meeting.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary

Singapore,
23 July 2015

Notice of Annual General Meeting

Notes:-

1) A member of the Company entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 10 Ubi Crescent, #03-95 Ubi Techpark, Singapore 408564 not less than 48 hours before the time fixed for the AGM.

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

Explanatory Notes:-

1. Ordinary Resolution 3 is for the re-election of Mr Ng Li Yong as a Director of the Company who retires by rotation at the AGM. Mr Ng will, upon re-election as a Director of the Company, remain as the Chairman of Nominating Committee and a member of Audit and Remuneration Committees. He will be considered independent for the purposes of Rule 704(7) of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited.

2. Ordinary Resolution 4 is for the re-election of Mr Wan Tai Foong as a Director of the Company who joined the Board of the Company on 26 February 2015. Mr Wan will, upon re-election as a Director of the Company, remain as a member of Audit and Remuneration Committees. He will be considered independent for the purposes of Rule 704(7) of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited.

   The Directors who have offered themselves for re-election have each confirmed that, they do not have any relationships (including immediate family relationships) with the other Directors, the Company or its 10% shareholders. The current directorships in other listed companies and details of other principal commitments held by each of these Directors are set out on page 13 of this Annual Report.

3. Special Resolution 6, if passed, will empower the Directors of the Company to issue Shares and convertible securities, whether on a pro rata basis or non pro rata basis, up to 100% of the total number issued shares (excluding treasury shares) of the Company at the time of passing of this Special Resolution. This authority will continue to be in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier, unless the authority is previously revoked or varied at a general meeting.

4. Ordinary Resolution 7, if passed, will empower the Directors of the Company, to grant Awards pursuant to the provisions of the Scheme and allot and issue Shares pursuant to the vesting of the Awards under the Scheme. The Scheme was approved by the shareholders of the Company in the extraordinary general meeting on 25 May 2010. Please refer to the Circular dated 10 May 2010 for further details.

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WE HOLDINGS LTD.

(Company Registration No. 198600445D)
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:

1. For investors who have used their CPF monies to buy WE Holdings Ltd.'s shares, this Annual Report is forwarded to them at their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

PERSONAL DATA PROTECTION ACT CONSENT:

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 23 July 2015.

I/We ____________________ (Name), NRIC/Passport number ____________________

of ____ (Address)

being a member/members of WE Holdings Ltd. (the "Company") hereby appoint:-

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (%)

or failing him/her, the Chairman of the Annual General Meeting ("AGM") of the Company as my/our proxy/proxies to vote for me/us on my/our behalf and, if necessary, to demand a poll at the AGM, to be held at 10 Ubi Crescent, #02-07 Ubi Techpark, Lobby A, Singapore 408564 on 14 August 2015 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 AGM as indicated hereunder. If no specific directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM. If no person is named in the above boxes, the Chairman of the AGM shall be my/our proxy/proxies to vote, for or against the Resolutions to be proposed at the AGM as indicated hereunder, for me/us and on my/our behalf at the AGM and at any adjournment thereof.

No.	Resolutions Relating to:	For*	Against*
1.	To receive and adopt the Audited Financial Statements and Report of Directors and Auditors for the financial year ended 31 March 2015.		
2.	To approve Directors' fees of S$200,000 for the financial year ending 31 March 2016, to be paid semi-annually in arrears (FY2015: S$200,000).		
3.	To re-elect Mr Ng Li Yong as a Director of the Company who is retiring in accordance with the Company's Articles of Association.		
4.	To re-elect Mr Wan Tai Foong as a Director of the Company who is retiring in accordance with the Company's Articles of Association.		
5.	To re-appoint Messrs Nexia TS Public Accounting Corporation as Auditors and to authorise the Directors to fix their remuneration.		
6.	To approve the general authority to allot and issue shares.		
7.	To approve the authority to grant awards and issue shares under the WE Share Award Scheme.		

* Please indicate your vote "For" or "Against" with an "√" within the box provided.

Dated this __________ day of __________________ 2015.

Total Number of Shares held in	No of shares
(a) CDP Register	
(b) Register of Member	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. A member other than nominee companies entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints two proxies, he should specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per centum (100%) of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
3. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his/her name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies will be deemed to relate to all shares held by the member.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 10 Ubi Crescent, #03-95 Ubi Techpark, Singapore 408564 not less than 48 hours before the time set for the AGM.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may, in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore, authorised by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM.
8. 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 on 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 if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by the Central Depository (Pte) Limited to the Company.

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Affix
Postage
Stamp

The Company Secretary
WE Holdings Ltd.
10 Ubi Crescent
Ubi Techpark Lobby E #03-95
Singapore 408564

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Corporate Information

BOARD OF DIRECTORS

Mr Terence Tea Yeok Kian
Executive Chairman and Managing Director
Member of Nominating Committee

Mr Tan Wee Peng Kelvin
Non-Executive and Lead Independent Director
Chairman of Audit and Remuneration Committees,
Member of Nominating Committee

Mr Ng Li Yong
Non-Executive Independent Director
Chairman of Nominating Committee,
Member of Audit and Remuneration Committees

Mr Wan Tai Foong
Non-Executive Independent Director
Member of Audit and Remuneration Committees

REGISTERED OFFICE

10 Ubi Crescent Ubi Techpark
Lobby E #03-95
Singapore 408564
Tel : (65) 6311 2900
Fax : (65) 6311 2905
Website: www.wes.sg

COMPANY SECRETARY

Mr Lee Wei Hsiung

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte Ltd)
80 Robinson Road, #02-00,
Singapore 068898

BANKERS

Citibank NA
8 Marina View
#21-00 Asia Aquare Tower 1
Singapore 018960

United Overseas Bank Limited
80 Raffles Plaza
UOB Plaza 1,
Singapore 048624

AUDITORS

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants
100 Beach Road, Shaw Tower #30-00,
Singapore 189702

Director-in-charge:
Loh Ji Kin
Appointed since financial year ended 31 March 2014

WE Holdings Ltd.

Company Registration No. : 198600445D
10 Ubi Crescent
Ubi Techpark Lobby E #03-95
Singapore 408564
Tel: (65) 6311 2900 | Fax: (65) 6311 2905
Website: www.wes.sg