A YEAR OF PROGRESS IN MYANMAR



SMI SINGAPORE MYANMAR INVESTCO

Annual Report 2016



MISSION

To play an active and pioneering role in the modernization and growth of Myanmar

VISION

To bring ground breaking international products and services to Myanmar to meet emerging consumer and development demand.

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CORPORATE PROFILE

Listed on the Main Board of the Singapore Stock Exchange, Singapore Myanmar Investco Limited ("SMI") adopts a diversified business model to enhance its long-term growth prospects in Myanmar.

SMI has a highly experienced management team; Mark Bedingham, the President and CEO, who has wide experience in business development and emerging markets, and Patrick Ho the non-executive Chairman who has extensive experience in financial markets. A leadership team has been built with two senior executives: Lucy Cher, the Finance Director and Alan Lo, the Senior Vice President for Corporate Development. In addition, a team of specialised Executives have been recruited to focus on core areas of the business.

Capitalising on the underlying growth trends within Myanmar, the Group has established various consumer products and services and business products and services with many major international partners.

FIVE CORE PILLARS OF SMI



TRAVEL & FASHION RETAIL	AUTO SERVICES	CONSTRUCTION SERVICES	FOOD & BEVERAGE	INFRASTRUCTURE
Duty-free travel retail stores and concepts at Yangon International Airport (including more than 30 international mono-brand stores)	Car rental and limousine services (sole franchisee of EUROPCAR in Myanmar)	Distribution of heavy equipment for the construction industry (sole distributor of SANY in Myanmar)	F&B retail concepts Import and distribution of F&B products	Construction and leasing of Telecom Towers Logistics and warehousing services (SMI-Senko JV)

OUR BUSINESS AND STRATEGIES

TRAVEL & FASHION RETAIL

Setting our sights on raising the airport retail experience in Myanmar to the highest standards of international duty-free retail





- SMI Retail Pte. Ltd. signed a long term agreement in December 2015 after securing 6,700 square meters of retail space at the new terminal of YIA
- This will cover a multi-brand and multi-category duty free space (almost 2,000 square meters on three levels) and more than 4,500 square meters of mono-brand fashion, lifestyle and travel retail stores and concepts, all duty free
- This will lead to the introduction of more than 30 international brands and will create an exceptional airport retailing experience
- The duty free merchandise for the multi-brand and multi-category store will be supplied by DFS Venture Singapore, based on the 10 year exclusive supply agreement signed by SMI in May 2015
- Together, these initiatives will augment SMI's market position in the burgeoning travel industry and increase its business presence in consumer-related services in Myanmar

AUTO SERVICES

Catering to strong demand for car rental services in Myanmar



- SMI Auto Services Pte. Ltd. has entered into a master franchise agreement with Europcar, a leading European car rental company, to provide car rental and limousine services
- Europcar is the only international car rental brand operating in Myanmar
- Following the liberalization of Myanmar's economy, there has been strong growth in the economy and a significant rise in tourism flows and FDI, resulting in strong demand for car rental services
- The business model will continue to evolve; at the moment it is lease to lease from official importers for three kinds of contract: long term leases, short term leases and daily rentals
- Self drive will become part of the market within 2-3 years, as it has done everywhere else in the world

OUR BUSINESS AND STRATEGIES

CONSTRUCTION SERVICES

SMI is working to expand SANY's penetration of the Myanmar market





- SMI Construction Services Pte. Ltd. has a partnership with one of China's leading heavy equipment manufacturer, SANY International, to market, distribute and service a full range of its products in Myanmar
- The product categories include: Excavators, Cranes, Concrete equipment, Port Handling Machinery, Drilling Rigs, and Road Machinery
- With growing economic development in Myanmar and extensive infrastructure projects being planned, the country's construction sector is expected to grow rapidly
- In FY2017, SMI will broaden its commercial sales model by offering products for sale ex-factory, from stock in Yangon and for rent
- The business will add specialized equipment from other manufacturers to complement the current product portfolio and two new distribution opportunities are under study

FOOD & BEVERAGE

Growth in tourism will increase demand for F&B related businesses





- SMI F&B Pte. Ltd. ("SMI F&B") has a joint venture with Quarto Products (60% SMI F&B and 40% Quarto), for the purpose of importing food and beverage items from overseas suppliers into Myanmar for onward sale to leading hotels and restaurants

- SMI F&B will manage three F&B outlets (approx. 1,000 sq.m) within the new terminal at YIA, scheduled to open by September 2016; Franchise agreements are being signed with well-known international F&B brands

- Tourism Ministry estimates the tourist volume will increase from 5.0 million in FY2016 to 7.5 million in FY2020, leading to an increased demand for international standard restaurants and premium F&B products

- SMI plans to expand its range of F&B franchised concepts into the domestic market

OUR BUSINESS AND STRATEGIES

INFRASTRUCTURE (TELECOM TOWERS)

Build out underway



- SMI's subsidiary Myanmar Infrastructure Group Pte. Ltd. ("MIG") and its subsidiary TPR Myanmar Limited ("TPR") have secured a USD 50 million contract to build 503 telecom towers for Ooredoo Myanmar Limited
- An experienced management team is in place
- Construction has started in July 2015 and build out has reached almost 100 towers to date
- A new rollout plan has been developed taking into account Ooredoo's revised priorities and discussions have continued with other Mobile Network Operators for co-lease up and Build-to-Suit opportunities
- The country's demand for towers is high; 5,000 to 6,000 completed towers; 15,000 to 20,000 towers still needed
- Fourth Mobile Network Operator has been confirmed

INFRASTRUCTURE (LOGISTICS)

Joint venture agreement signed



- In December 2015, SMI has signed a joint venture with Senko, a major logistics group listed on the Japanese Stock Exchange, to provide logistics and warehousing services
- The joint venture will construct its first warehouse (approximately 3,400 square meters) in Yangon by September 2016
- The warehouse will offer state-of-the-art (Japanese technology) cold and cool storage facilities
- Future development is expected to include at least 3 warehouses over the next 2 years
- A national logistics / supply chain capability is the final goal

OUR BUSINESS AND STRATEGIES

OTHER BUSINESSES





SERVICED OFFICES

- SMI has a joint venture with Arcc Offices Pte Ltd, a Singapore based serviced office provider
- Manages the largest serviced office space (1,500 square meters) in Yangon with the most modern facilities and business-friendly fit-out in a convenient mid-town location
- Occupancy expected to rise as more international businesses develop an entry strategy for Myanmar

TELECOM EQUIPMENT SERVICES

- SMI's wholly owned subsidiary, SMIMM Mobile Co Ltd, has been appointed as one of the two national distributors by Ooredoo Pte Ltd for distributing voice and data packages to the SMEs
- Approximately 3,000 contracts have been signed out of an universe of 60,000 to 80,000 SMEs, leading to 20,000 new connections since July 2015

GROUP STRUCTURE

SMI SINGAPORE MYANMAR INVESTCO



TRAVEL & FASHION RETAIL

AIRPORT RETAILING (DUTYFREE/ DFS, FASHION AND F&B RETAIL CONCEPTS)

100%

100%

AUTO SERVICES

PROVIDER OF CAR RENTAL & LIMOUSINE SERVICES – EUROPCAR SOLE FRANCHISE





CONSTRUCTION SERVICES

DISTRIBUTION OF SANY CONSTRUCTION EQUIPMENT & SPARES

100%

60%/100%

FOOD & BEVERAGE

IMPORT AND DISTRIBUTION OF FOOD & BEVERAGE PRODUCTS & FRANCHISES





INFRASTRACTURE (TELECOM TOWERS)

OWNING TELECOM INFRASTRUCTURE

97%

50%

INFRASTRACTURE (LOGISTICS)

LOGISTICS AND WAREHOUSING SERVICES IN MYANMAR





SERVICED OFFICES

PROVIDER OF SERVICED OFFICES

65%

100%

TELECOM EQUIPMENT SERVICES

DISTRIBUTION OF B2B TELECOMMUNICATION PRODUCTS AND SERVICES



CHAIRMAN'S STATEMENT



"Accumulating considerable local operating capabilities, business network and excellent knowledge of Myanmar, there is significant scope for the development of the Group's operational and business portfolio that will drive higher growth and better returns as we move ahead."

DEAR SHAREHOLDERS,

It has been nearly 3 years since we started our transformation as a Myanmar-focused conglomerate and we have undergone a corporate name change and branding to Singapore Myanmar Investco Limited ("SMI" or "the Group") last year to reflect our business ambitions in this frontier market.

Our vision for Myanmar is clear and we have made strong strides in our value creation within our business activities over the past 12 months which will be shared in more details by the Group's President and CEO, Mr Mark Bedingham, in the following pages.

Since joining us last year in January, Mark has played a central role in working with the Board to develop and execute the business strategies to create a growing portfolio of high-growth consumer-related and infrastructure-related business enterprises in Myanmar.

2015 has proved to be another watershed year for Myanmar as it has progressed quickly in both its economic and political developments. Notably, Myanmar held its first election after major economic, social and political reforms were undertaken in early 2011 and in November 2015, the National League for Democracy (NLD), led by NLD leader Aung San Suu Kyi, won a historic majority in the 664-seat Parliament, making it possible for them to form Myanmar's first civilian government in more than 50 years.

Across Myanmar, there are visible signs of economic progress and this is expected to continue in concert with political liberalisation. According to the International Monetary Fund, Myanmar's economic growth forecast in 2015 is estimated at 8.5% and it is expected to grow at a similar pace in 2016, fuelled by strong growth momentum and expansionary macroeconomic policies.

"Myanmar's economic growth forecast in 2015 is estimated at 8.5% and it is expected to grow at a similar pace in 2016, fuelled by strong growth momentum and expansionary macroeconomic policies."

Aligned with this growth trend, the Group continued to seize market opportunities to expand our business presence in Myanmar by pursuing new business ventures with various globally-recognised brands and companies.

Transition to a New Phase of Development in Myanmar

Having undertaken several transformational business ventures in Myanmar, our diverse business portfolio has transitioned to a new phase of development over the last year for the financial year ended 31 March 2016 ("FY2016").

Throughout FY2016, we have made disciplined investments in our business activities to strengthen the foundation in Myanmar and the Group's business segments has achieved several milestones and encouraging developments as seen in the next few pages.

Given that there was an incubation period to develop the various activities segments in this emerging market, the Group registered a net loss position in FY2016. More details of our financial performance can be found within the independent auditor's report in this annual report.

A Note of Thanks

Enhancing the performance of our diverse business model in Myanmar, we have added several experienced professionals to our executive bench so that we can further develop the value propositions of our business segments.

To our staff and Board of Directors, I wish to express my gratitude for yet another year of hard work, commitment and contributions.

And on behalf of the Board of Directors, I would like to convey my appreciation to our business partners, bankers and business associates for your continuing support. I would also like to give thanks to our shareholders for your steadfast support as we continue to pursue our growth trajectory in Myanmar.

Continuing the efforts made in Myanmar since our transformative journey, I am certain that we can look to the future with confidence.

Thank You!

HO KWOK WAI
Non-Executive Chairman

"Throughout FY2016, we have made disciplined investments in our business activities to strengthen the foundation in Myanmar and the Group's business segments has achieved several milestones and encouraging developments as seen in the next few pages."



CEO'S MESSAGE



"The business prospects based on the businesses that the Group has set up in Myanmar in the last quarter of FY2015 and the new business being established in the early part of FY2016 looks to hold much promise for the year ahead. "

DEAR SHAREHOLDERS,

The direction that I outlined in the last annual report has been successfully carried on throughout FY2016 and should lead to substantial revenue growth in FY2017.

We have had major success with award at the Yangon International Airport ("YIA") of over 6,700 sqm of commercial space all to be managed by **SMI Retail**. This exciting project will allow us to develop 3 locations at the new terminal at YIA and build on our relationship with DFS to supply a comprehensive portfolio of international wines & spirits and beauty brands for both departures and arrivals and then introduce more than 30 international fashion and lifestyle brands to create an outstanding retail experience to the beautifully designed new terminal. This new terminal will dramatically increase the capacity of YIA to meet the expected rapid rise in international travellers; for business, for tourism and for Myanmar nationals who will also start to travel overseas in greater numbers.

Several of the international brands coming to YIA have expressed an interest in working with SMI in the domestic market and this will be followed up in FY2017.

The group's food and beverage interests through its two main entities; **SMI F&B Pte Ltd** and the Joint Venture with Quarto **SMI F&B MM Pte Ltd** have also started to grow; although a challenging regulatory environment has held back some of that growth, this should ease in the coming months. These companies have a growing portfolio of brands and supply sources ranging from meat and dairy to packaged foods. The portfolio will be expanded in the coming months and much work has been done recently to design a more effective distribution system. The acquisition of a rare wine license should also be helpful in building the company's market position.

"Several of the international brands coming to YIA have expressed in an interest in working with SMI in the domestic market and this will be followed up in FY2017."

A very encouraging recent development has been the signing of a franchise agreement to operate two Coffee Bean and Tea Leaf outlets at the new terminal at YIA and also an agreement has been reached with Crystal Jade to open a CJ Kitchen there.

Discussions continue with a view to bringing well known F&B franchises to the domestic market.

"Discussions continue with a view to bringing well known F&B franchises to the domestic market."

SMI Auto started its franchise operations for Europcar in July 2015 and has grown rapidly with over 100 cars now in its fleet a number that is expected to triple over the next twelve months. The demand for driver inclusive services has been strong – across a broad range of customers: international companies, hotels and at the airport. SMI Auto provides the first international car rental brand marked up by high levels of service and well trained local drivers.

SMI Constructions Services, the exclusive dealer for SANY – China's leading construction equipment manufacturer had a quieter year as several construction projects were put on hold in the lead up to the elections. However this time was used productively to put in place a broader business model featuring export sales, stock sales and rentals. The benefits of the broader strategy should be visible in FY2017. Also some new specialist equipment is expected to join the portfolio of products and services very soon.

Myanmar Infrastructure Group SMI's telecom tower company started the construction of its tower contract for Ooredoo on schedule from 1st July 2015. The initial roll out was slightly delayed by unseasonally heavy monsoon rains and there has been some recent slowdown stemming from the operator's strategy review. Nevertheless, almost 100 towers have been completed and construction continues. Promising discussions have also been initiated with other network operators for co-lease up on some of the built towers.

SMI-Senko Logistics is a joint venture signed with one of Japan's leading logistics companies. A modern warehouse has been designed and will incorporate cold and chill storage facilities which are sorely lacking in Yangon. There will be an opportunity to develop this business further in the near future.

Occupancy rates continue to rise with the **YGN Kinnaya** serviced office JV with Arcc Offices; and **SMI Mobile** continues to grow its customer base.

Steps have been taken during FY2016 to put in place a comprehensive ERP, accounting and HR set of systems with full implementation expected in FY2017.

Updates

Nearly all of these businesses have been established during the course of FY2016 and will see substantial revenue flow increases in FY2017.

SMI will keep its focus on consumer products and services and business products and services, whilst looking to strengthen the range and depth of the products and services that it provides.

SMI is being helped by its growing relationship with international and local banks and the international investor climate in Myanmar has been strengthened by the relatively smooth change of government.

MARK BEDINGHAM
President and Chief Executive Officer

MILESTONES

SEPTEMBER 2013

Mr. Ho Kwok Wai acquires 90.4 million shares at S$0.18 per share from President Group Limited. This stake represents approximately 73.86% shareholding in Singapore Windsor Holdings Limited and on the same day, Mr. Ho announces a mandatory unconditional cash offer at S$0.18 per share.

NOVEMBER 2013

Share placement exercise of 24.48 million shares at S$0.22 per placement share is successfully completed with an estimated net proceeds of S$5.0 million.

DECEMBER 2013

Entered into a sale and purchase agreement with an unrelated third party to dispose the Group's lossmaking silicon manganese business for HK$45 million.

MARCH 2014

Completion of the disposal of the silicon manganese business. Announces proposed diversification of the Group's business presence in South East Asia, specifically in Myanmar.

MAY 2014

The Group announced that it has entered into a joint venture and shareholders agreement with Golden Infrastructure Group Limited, an unrelated third party, to pursue business opportunities in Myanmar's telecommunication infrastructure sector.

JULY 2014

Appointment of senior executive with extensive business and emerging market development experience, Mr. Mark Bedingham, as the Group's new President and Chief Executive Officer with effect from January 2015.

The Group announced that it has entered into a joint venture with ARCC Offices Pte. Ltd., an unrelated third party, to set up and operate serviced offices and to provide services which are related and ancillary to such serviced offices in Myanmar.

JANUARY 2015

The Group announced a joint venture with Quarto Products Pte. Ltd., an unrelated third party, for the purpose of importing food and beverage items from overseas suppliers into Myanmar for onward sale to certain businesses in Myanmar.

MARCH 2015

Proposed disposal of Windsor Holding Investments Ltd. and Windsor Metal Manufacture Co Ltd.

The Group's serviced office business venture started operating serviced offices at the Hledan Centre in Yangon, with a gross floor area of 1,350 square meters to support 260 work stations across 93 suites.

OUR PROGRESS IN MYANMAR IN FY2016

MAY 2015

SMI's wholly-owned subsidiary, Myanmar Infrastructure Group Pte. Ltd., entered into a construction and lease agreement with mobile network operator, Ooredoo Myanmar Limited, for the construction of 500 telecommunications towers across Myanmar.

SMI's wholly-owned subsidiary, SMI Retail Pte. Ltd. entered into a 10-year agreement with DFS Venture Singapore Ltd ("DFSV"), to develop and operate duty free retail outlets at Yangon International Airport and Naypyidaw International Airport.

SMI's wholly-owned subsidiary, SMI Auto Services Pte. Ltd entered into an International Franchise Agreement with Europcar International, for the exclusive right to use the Europcar brand in the provision of vehicle rental and limousine services throughout Myanmar.

JULY 2015

SMI entered into a sales partnership agreement with Ooredoo Myanmar Ltd to service the business-to-business telecommunications market in Yangon and Mandalay, involving the provision of telecommunications services, technologies and solutions, and the distribution of SIM cards, handsets and tablets to the small and medium enterprise business segment.

DECEMBER 2015

The Group announced a joint venture with Senko, a major logistics group listed on the Japanese stock exchange, to provide logistics and warehousing services in Myanmar. The construction of the first warehouse in Yangon will commence in Q2 CY2016.

The Group signed a long term agreement covering the new terminal at YIA. This will cover a multi-brand and multi-category duty free space (almost 2,000 square meters on three levels) and more than 4,500 square meters of mono-brand fashion, lifestyle and travel retail stores and concepts, all duty free. This will lead to the introduction of more than 30 international brands and will create an exceptional airport retailing experience. In addition, the Group will also introduce two international F&B concepts to YIA.

JANUARY 2016

The Group signed a franchise agreement with The Coffee Bean & Teal Leaf (CBTL) to operate two CBTL outlets in the new terminal at YIA. The initial term of the agreement is five years, with an option to renew for two additional periods of five years each.

The Group's local business partner obtained an FL-11 wine import and distribution license, a difficult license to obtain in Myanmar.

SMI's wholly-owned subsidiary SMI Rental Services Co Ltd., entered into a long term car rental agreement with SMART Group of Companies, that work on behalf of Shell and other Oil & Gas companies. The subsidiary is also providing services on an ad-hoc basis, to TBR, Chevron and CNQC. This is in addition to previous account successes with companies such as Telenor, KPMG Myanmar, GE, Philips Myanmar, Brunei Petroleum, ZTE, Nippon Koei Group and Savoy Hotel Yangon. The subsidiary opened a counter/desk at Hledan Center, a premium mixed-use property.

FEBRUARY 2016

SMI's wholly-owned subsidiary SMI Rental Services Co Ltd., entered into a long term car rental agreement with Novotel Max Yangon to provide airport transfers and all other transport related services for hotel guests.

MARCH 2016

The Group signed a number of exclusive supply agreements with fashion brands to operate retail outlets in the new terminal at YIA.

SMI's wholly-owned subsidiary SMI Rental Services Co Ltd., continued to expand its service network by securing a new office in Mandalay. The subsidiary has also secured rights to be the sole provider of car rental services within the newly opened terminal at Yangon International Airport. March saw a good upturn in leisure business passing through the airport.

BOARD OF DIRECTORS



HO KWOK WAI

Mr. Ho was re-designated from Chairman of the Board and Executive Director of the Company to Non-Executive Chairman of the Board and Non-Executive Director on 23 January 2015. He is primarily responsible for spearheading the Group's corporate directions and strategies. Mr. Ho has more than 20 years of experience in the investment banking industry with a focus on mergers and acquisitions and capital raisings. He graduated from the Hong Kong Polytechnic University with a major in Management Accountancy.



MARK FRANCIS BEDINGHAM

Mr. Bedingham is our Executive Director, President and CEO and he was appointed on 23 January 2015. He is responsible for the Group's corporate plans, policies and business development as well as the general management of the Group's operations. He began his career with Jardine Matheson and held positions with various key divisions in Hong Kong, Malaysia and Japan before being appointed as a Director of Jardine Pacific. He joined LVMH Moët Hennessy • Louis Vuitton S.A. ("Moet Hennessy"), based in Hong Kong, in the mid-1990s as the Regional Managing Director of Asia Pacific. Spearheading the development of Moet Hennessy's business in China, he succeeded in growing the Chinese market into Moet Hennessy's largest global market. During his tenure, he also led an expansion of new subsidiaries in emerging markets across South East Asia, as well as Australia and New Zealand. Under his management, the Asia Pacific region became the largest contributor to Moet Hennessy's global business activities. Mr. Bedingham has also served, for nearly seven years, on the board of DFS, the world's largest travel retailer, and he is also a member of the Strategic Advisory Board of L Capital. During his time in Japan, he was appointed as a member of the Japanese Prime Minister's Administrative Reform Council and he was also elected as Chairman of the European Business Council in Japan. He graduated with a Master's degree in Agricultural and Forest Sciences from the School of Biological Sciences of Oxford University.



FONG SING CHAK JACK

Mr. Fong was redesignated as an Independent Director of our Group on 27 June 2016. He is currently the sole proprietor of Messrs. Jack Fong & Co., a law firm in Hong Kong and has more than 20 years of experience in legal practice. He holds a Bachelor of Laws (Hons) Degree and a Post Graduate Certificate in Laws from the University of Hong Kong. Mr. Fong is a Notary Public.



WONG YEN SIANG

Mr. Wong is an Independent Director of our Group and was appointed on 15 July 2005. He is the Lead Independent Director and Chairman of our Audit Committee. He holds a Bachelor of Commerce degree from the Nanyang University in Singapore and he started his career with a local bank. In his 20 years with the bank, he worked in various areas of responsibilities covering credit and marketing functions before pursuing new commercial opportunities in the automobile and engineering industries.



WEE SUNG LENG

Mr. Wee is an Independent Director of our Group and was appointed on 6 November 2013. He chairs our Remuneration and Nominating Committees. With more than 18 years of experience in the finance and banking sector from credit & marketing, corporate banking and investment banking. Mr. Wee has been actively involved in the origination, due diligence and execution of corporate finance transactions such as initial public offerings, reverse take-overs, share placements and rights issues and has been involved as independent financial advisors to listed companies in interested persons, delisting and general offer transactions. He holds a Bachelor of Accountancy Degree from the National University of Singapore.

KEY MANAGEMENT



ALAN LO
SVP Corporate Development

Appointed in October 2014, Alan is our Senior Vice President, Corporate Development and he is responsibe for the Group's corporate affairs and expanding our strategic business alliances. Working at various well-known financial institutions in Singapore and Hong Kong (including Maybank Kim Eng Securities Pte Ltd, Deutsche Securities Asia Limited, Morgan Stanley Asia Limited among others), Alan has accumulated more than 20 years of capital markets experience and corporate finance-related knowledge.

Alan holds a Master of Business Administration from the Columbia Business School in New York, NY, USA. During his course of studies at Columbia Business School, he was in the Dean's List as well as the Beta Gamma Sigma for his outstanding academic achievments. Alan also obtained a Bachelor in Electrical Engineering (cum laude) from Yale University CT, USA.



LUCY CHER
Finance Director

Appointed in November 2015, Lucy is our Finance Director and is responsible for the Group's accounting, finance, tax, and compliance. She is a Chartered Accountant and a finance professional with more than 25 years experience across Asia Pacific covering audit, accounting, sales financing, credit management, treasury, forecasting and controls. She worked in Caterpillar, Aegion Corporation, PriceWaterHouse Singapore and was the Group CFO for New Toyo International Holdings Limited prior to joining SMI.

Lucy gained her Six Sigma and Lean certification and experience during Caterpillar and uses it effectively to imrpove processes and increase profits. She is a Chartered Accountant with the Institute of Chartered Accountants of England and Wales (ICAEW) and the Institute of Singapore Chartered Accountants (ISCA). She holds a Masters of Applied Finance from Macquarie University in Sydney, Australia and a Bachelor of Accountancy from the National University of Singapore.



JOHN PIKE
General Counsel

John has been our General Counsel since May 2015, and is responsible for the Group's legal affairs. He graduated with a Masters degree in philosophy, politics and economics from Oxford University. He is a barrister called to the Bar of England and Wales in November 2003. John has had a career in shipping, commercial banking, invesment banking, law and agriculture in London, Tokyo, Frankfurt and Phnom Penh, doing business in most parts of the world.

He moved into banking with the Citibank Group, and later moved to Tokyo where he was active in providing trade and project finance for major Japanese corporations and trading companies as well as developing flag of convenience ship financing in various jurisdictions. As director of investment research for a major German bank, he advised on USD 140 billion of assets. After 15 years working in Japanese and German investment banking, John qualified as a barrister. More recently, John has been residing in Cambodia, involed with both NGOs and legal work.

KEY OPERATIONAL MANAGERS



Andrew Guilfoyle
Director, SMI Retail

Satheeishwaran Subramaniam
Operations Director,
SMI Retail

Derrick Sim
Director, SMI CS

James Richmond
General Manager,
SMI Auto

Renato Buhlmann
Managing Director,
SMI F&B

Ian Davidson
Deputy Managing Director,
SMI F&B



Tony Pretorius
COO, MIG

Stephen Deng
Business Development
Director, MIG

Shuji Hotta
General Manager,
SMI Mobile & SMI-Senko

Crystal Win
Head of HR, SMI

Vee Chockalingam
Business Development
Director, SMI

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CORPORATE GOVERNANCE REPORT

The Board of Directors (the "Board") of Singapore Myanmar Investco Limited (the "Company", and together with its subsidiaries, the "Group") is committed to comply with the principles of the Code of Corporate Governance 2012 (the "Code"). The Company believes that good corporate governance is essential in building a sound corporation with an ethical environment, thereby protecting the interests of all shareholders. This Corporate Governance Report sets out the Company's corporate governance practices. The Board confirms that, for the financial year ended 31 March 2016 ("FY2016"), the Company has generally adhered to the principles and guidelines set out in the Code, except where otherwise stated. Where there have been deviations from the Code, the Company has sought to provide an appropriate explanation for each deviation in this Corporate Governance Report. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

BOARD MATTERS

Principle 1: Board's Conduct of Affairs

The primary function of the Board is to provide effective leadership and direction to enhance the long term value of the Group to its shareholders and other stakeholders. The Board oversees the business affairs of the Group, approves the Group's business strategies and financial objectives, major investment and funding decisions. It also monitors and evaluates the Group's operations and financial performance by establishing goals for Management and monitoring the achievement of these goals. It is responsible for the overall corporate governance of the Group.

The Board is entrusted with the responsibility for the overall management of the business and corporate affairs of the Group.

Board approval

Matters that require the Board's decision or approval are those involving:

- corporate strategy and business plans;
- investment and divestment proposals;
- funding decisions of the Group;
- nominations of Directors for appointment to the Board and appointment of the Group CEO;
- announcement of half-year and full-year results, the annual report and accounts;
- material acquisitions and disposal of assets;
- all matters of strategic importance;
- corporate governance; and
- interested person transactions.

Apart from the matters that specifically require the Board's approval, the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to Management so as to optimize operational efficiency.

Delegation of the Board

Three Committees have been established to assist the Board in discharging its duties and responsibilities and to enhance the Group's corporate governance framework. The Committees include the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"). The Board also delegates certain of its functions to these Committees, which would make recommendations to the Board. These Committees, which operate within clearly defined terms of reference, play an important role in ensuring good corporate governance in the Company and within the Group. These terms of reference are reviewed on a regular basis to ensure their continued relevance. The Board accepts that while these various board committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

CORPORATE GOVERNANCE REPORT

Key features of board processes

Two scheduled Board meetings are conducted in a year to review the financial performance and to update the Board on significant business activities and overall business environment. In addition to the scheduled meetings, the Board also holds ad-hoc meetings as and when required to address any significant issues that may arise.

The Constitution of the Company (the "Constitution") allow board meetings to be conducted by means of telephone conference, or other methods of simultaneous communication by electronic or other communication facilities. When a physical board meeting is not possible, the Board can communicate through electronic means or via circulation of written resolutions for approval.

The details of the number of Board meetings and board committees held in the year as well as the attendance of each board member at those meetings are disclosed below.

Directors' attendance at Board and board committee meetings in FY2016

Types of Meetings / Directors	Board	Audit Committee	Nominating Committee	Remuneration Committee
Number of Meetings held	**2**	**2**	**1**	**1**
Ho Kwok Wai	2	n.a.	n.a.	n.a.
Chan Tak Sing Martin*	1	n.a.	n.a.	n.a.
Fong Sing Chak Jack	2	2	1	1
Wong Yen Siang	2	2	1	1
Wee Sung Leng	2	2	1	1
Mark Francis Bedingham	2	n.a.	n.a.	n.a.

* Chan Tak Sing Martin resigned as Executive Director of the Company on 5 February 2016.
n.a. – not a member

Induction and training of Directors

Directors are updated regularly by the Company Secretary on the amendments and requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST") and other statutory and regulatory changes which have an important bearing on the Company and the Directors' obligations to the Company, from time to time. Such new releases issued which are relevant to the Directors are circulated to the Board.

Newly appointed Directors are briefed by the Management on the business activities of the Group and its strategic directions. There are also orientation programs tailored to familiarise newly appointed Directors with the role and responsibilities of a Director of a public company in Singapore. First-time Directors will be provided training in areas such as accounting, legal and industry-specific knowledge as may be appropriate.

Upon the appointment of a new Director, the Company would issue a formal letter of appointment setting out the statutory and other duties and obligations of the Director.

All Directors are encouraged to keep themselves updated on changes to the financial, legal and regulatory as well as corporate governance requirements, framework and the business environment through reading relevant literature and attending appropriate seminars and courses conducted by bodies such as SGX-ST and Singapore Institute of Directors ("SID").

Principle 2: Board Composition and Guidance

Board size and board composition

The Board comprises five Directors, three of whom are Independent Directors. The Directors at the date of this report are as follows:–

Name of Directors	Board of Directors	Date of Appointment	Date of last re-election	Audit Committee	Nominating Committee	Remuneration Committee	Present Directorships in other Listed Companies
Ho Kwok Wai	Non-Executive Director and Chairman	6 November 2013	29 July 2015	–	–	–	Nil
Mark Francis Bedingham	Executive Director, President and Chief Executive Officer	23 January 2015	29 July 2015	–	–	–	Nil
Wong Yen Siang (1)	Lead Independent Director	15 July 2005	29 July 2015	Chairman	Member	Member	Nil
Wee Sung Leng	Independent Director	6 November 2013	30 July 2014	Member	Chairman	Chairman	Nil
Fong Sing Chak Jack (2)	Independent Director	6 November 2013	30 July 2014	Member	Member	Member	Nil

(1) Appointed as Lead Independent Director on 27 June 2016
(2) Re-designated as Independent Director on 27 June 2016

Each year, the NC reviews the size and composition of the Board and board committees and the skills and core competencies of its members to ensure an appropriate balance of skills and experience. These competencies include banking, accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, customer-based knowledge, familiarity with regulatory requirements and knowledge of risk management. The NC believes that there is an appropriate mix of expertise and experience to enable Management to benefit from a diverse perspective of issues that are brought before the Board; and no individual or small group of individuals dominates the Board's decision-making process. The Board considers that its Directors possess the necessary competencies and knowledge to lead and govern the Group effectively.

Taking into account the nature and scope of the Group's businesses and the number of board committees, the Board considers a board size of between five to six members as appropriate. The Board believes that the current composition and size provides sufficient diversity without interfering with efficient decision-making. The Directors' academic and professional qualifications are presented in pages 16 to 17 of the Annual Report.

Directors' independence review

Director who has no relationship with the Group, its related corporations, officers or its shareholders with shareholdings of 10% or more in the voting shares of the Company which could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Group, is considered to be independent.

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a director is independent, bearing in mind the Guidelines set forth in the Code and any other salient factor which would render a director to be deemed not independent. For the purpose of determining directors' independence, every Director has provided declaration of their independence which is deliberated upon by the NC and the Board.

After taking into account the views of the NC, the Board considers that the following Directors are regarded as Non-Independent Directors of the Company:

Name of Directors	Reasons for non-independence
Ho Kwok Wai	Mr Ho Kwok Wai is deemed not independent as he holds more than 10% of the Company's voting shares.
Mark Francis Bedingham	As President and CEO of the Group, Mr Mark Francis Bedingham is employed by the Group.

Save for the abovementioned Directors, all the other Directors on the Board are considered by the NC and the Board to be Independent Directors.

The Board also recognizes that independent directors may over time develop significant insights in the Group's business and operations, and can continue to provide significant and valuable contribution objectively to the Board as a whole. When there are such directors, the Board will do a rigorous review of their continuing contribution and independence and may exercise its discretion to extend the tenures of these directors. Presently, Mr Wong Yen Siang has served on the Board for more than nine years from the date of his first appointment in 2005. The Board has subject his independence to a particularly rigorous review.

Taking into account the views of the NC, the Board concurs that Mr Wong Yen Siang continues to demonstrate strong independence in character and judgement in the discharge of his responsibilities as a Director of the Company. He has continued to express his individual viewpoints, debated issues and objectively scrutinized and challenged Management. He has sought clarification as he required, including through direct access to the Group's employees.

Further, there has been a significant change in the Board with the appointment of Mr Ho Kwok Wai as the Chairman in 2013 and Mr Mark Francis Bedingham as President and CEO in 2015. In addition, there has been significant change to the ownership of the Company and change in the businesses of the Group. After taking into account these factors, the Board has determined Mr Wong Yen Siang continues to be considered an Independent Director, notwithstanding he has served on the Board for more than nine years from the date of his first appointment. In addition, the Board has re-designated Mr Fong Sing Chak Jack to an Independent Director.

The Independent Directors make up more than half of the Board, which meets the requirements set out in the Code. This provides a strong and independent element on the Board. This is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgement on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined.

Role of the Non-Executive Director

The Board and Management fully appreciate that an effective and robust Board whose members engage in open and constructive debate, and challenge Management on its assumptions and proposals is fundamental to good corporate governance. The Board should also aid in the development of strategic proposals and oversee effective implementation by Management to achieve set objectives.

For this to happen, the Board in particular the non-executive directors ("NEDs"), must be kept well informed of the Group's businesses and be knowledgeable about the industry the Group operates in.

To ensure that NEDs are well supported by accurate, complete and timely information, NEDs have unrestricted access to Management.

Principle 3: Chairman and Chief Executive Officer

The Chairman and CEO functions in the Company are assumed by different individuals. The Chairman, Mr Ho Kwok Wai, is a Non-Executive Director, while the CEO, Mr Mark Francis Bedingham is an Executive Director.

There is a clear division of responsibilities between the Chairman and CEO, which ensures a balance of power and authority at the top of the Company.

The Non-Executive Chairman ensures that board meetings are held when necessary and sets the board meeting agenda with the assistance of the Company Secretary and in consultation with the CEO. The Chairman ensures that the board members are provided with complete, adequate and timely information in compliance with the Code and there is effective communication within the Board and within the shareholders.

The Board has delegated the daily operations of the Group to the CEO. The CEO leads the Management team and formulates the Group's strategic directions and expansion plans, executes the strategic plan, reviews the performance of its existing businesses and manage the Group's overall business development to achieve the goal set out by the Board. He ensures that the Directors are kept updated and informed of the Group's business.

As the Chairman is not an independent director, the Board has appointed Mr Wong Yen Siang to act as the Lead Independent Director. Shareholders with concerns may contact him directly, when contact through the normal channels via the Chairman or CEO has failed to provide satisfactory resolution, or when such contact is inappropriate. All the Independent Directors, including the Lead Independent Director, meet at least annually without the presence of other executive and non-independent directors to discuss matters of significance which are then reported to the Chairman accordingly.

Principle 4: Board Membership

The NC comprises the following three members, all of whom are Independent Non-Executive Directors:

1. Mr Wee Sung Leng (NC Chairman)
2. Mr Wong Yen Siang
3. Mr Fong Sing Chak Jack

The NC, which has written terms of reference, is responsible for making recommendations to the Board on all board appointments and re-appointments. The key terms of reference of the NC include the following:–

a. review and recommend the nominations for the appointment or re-appointment of Directors having regard to the composition and progressive renewal of the Board, each Director's qualifications, competencies, commitment, contribution and performance, the number of other listed company board representations;

b. review the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender and knowledge of the Company, the core competencies of the Directors as a group and make recommendations to the Board with regards to any adjustments that may be deemed necessary;

c. review board succession plan for Directors, in particular for the Chairman of the Board and CEO;

d. determine on an annual basis whether or not a Director is independent;

e. assess the performance of the Board and contribution of each Director to the effectiveness of the Board as a whole; and

f. recommend to the Board comprehensive induction training programmes for new directors and reviewing training and professional development programs for the Board to keep the Board apprised of relevant new laws, regulations and changing commercial risks.

Directors' independence review

The task of assessing the independence of Directors is delegated to the NC. The NC reviews the independence of each Director annually and as and when circumstances require. It has used its best efforts to ensure that Directors appointed to the Board possess the experience and knowledge, business, finance and Management skills necessary to our businesses and each Director, through his contributions, brings to the Board an independent and objective perspective to enable a balanced and well-considered decisions to be made.

Annually, each Independent Director is required to complete a Director's Independence Checklist ("Checklist") to confirm his independence. The Checklist is drawn up based on the guidelines provided in the Code.

Each Independent Director must also confirm in the Checklist whether he considers himself independent despite not having any relationships identified in the Code. Thereafter, the NC reviews the Checklist completed by each Independent Director, assess the independence of the Directors and recommends its assessment to the Board.

The Board, after taking into account the views of the NC, determined that with the exception of Mr Mark Francis Bedingham and Mr Ho Kwok Wai, all the other three Non-Executive Directors are independent.

Directors' time commitments and multiple directorships

The NC has adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards. The Board does not prescribe a maximum number of listed company board representations which any director with multiple board representations may hold and in lieu wishes to review the matter on a case by case basis taking into account the ability and performance of each director in his performance and discharge of duties and responsibilities.

The NC determines annually whether a Director with multiple board representations and/or other principal commitments is able to and has been adequately carrying out his duties as a Director of the Company.

The NC takes into account the results of the assessment of the effectiveness of the individual Director and the respective Directors' actual conduct on the Board, in making this determination. In respect of FY2016, the NC was of the view that each Director has discharged his duties adequately.

Process for selection and appointment of new Directors

The NC has put in place a formal process for the selection of new directors to increase transparency of the nomination process in identifying and evaluating nominees for directors of the Company. The NC leads the process as follows:

a. NC evaluates the balance, skills, knowledge and experience of the existing Board and the requirements of the Group. In light of such evaluation, the NC determines the role and the key attributes that an incoming director should have.

b. After endorsement by the Board of the key attributes, the NC taps on the resources of directors' personal contacts and recommendations of the potential candidates and goes through a short-listing process. If candidates identified from this process are not suitable, executive recruitment agencies are appointed in the search process.

c. NC meets with the shortlisted candidate to assess suitability and to ensure that the candidate is aware of the expectations and the level of commitment required.

d. NC recommends the most suitable candidate to the Board for appointment as director. They are appointed by way of Board resolutions of the Company.

Process for re-appointment of Directors

The NC is responsible for re-appointment of Directors. In its deliberations on the re-appointment of existing Directors, the NC takes into consideration the Director's contribution and performance (including his contribution and performance as an Independent Director, if applicable).

All Directors submit themselves for re-nomination and re-appointment at regular intervals of at least once every three years. Article 91 of the Company's Constitution provides that one third of the directors shall retire from office by rotation and be subject to re-appointment at the Company's annual general meeting ("AGM").

In addition, Article 97 of the Company's Constitution provides that a newly appointed director during the financial year must retire and submit himself for re-appointment at the next AGM following his appointment. Thereafter, he is subject to be re-appointed at least once every three years.

The NC has reviewed and recommended the re-election of the following Directors who will be retiring pursuant to the Company's Constitution at the forthcoming AGM to be held on 26 July 2016:

- Mr Fong Sing Chak Jack (retiring pursuant to Article 91)
- Mr Wee Sung Leng (retiring pursuant to Article 91)

The Board has accepted the recommendations and the retiring Directors will be offering themselves for re-election at the forthcoming AGM.

The NC also assessed and reviewed the independence of the Independent Directors, namely Mr Wong Yen Siang, Mr Wee Sung Leng and Mr Fong Sing Chak Jack based on the new guidelines set out in the Code. The Board, with the concurrence of the NC, concludes that Mr Wong Yen Siang and Mr Wee Sung Leng remain independent. Having reviewed and considered Mr Fong Sing Chak Jack's disclosures, past contributions and track record, he has been re-designated as Non-Executive and Independent Director.

The information relating to the date of last election of the Directors are set out under 'Principle 2' on page 23.

Key information regarding the Directors are set out under the section of 'Board of Directors' on pages 16 to 17 of this Annual Report.

Principle 5: Board Performance

The Board has implemented a process carried out by the NC for assessing the performance and effectiveness of the Board as a whole, its board committees and the contribution by each director to the effectiveness of the Board on an annual basis.

During FY2016, the Board engaged the Company Secretary to facilitate the evaluation of the Board and board committees, as well as the contributions by each Director.

The Board believes that such arrangement not only encourages Directors to be more candid in their evaluation of the Board performance but also enhances the objectivity and transparency of the evaluation process.

Evaluation process

The NC Chairman, in conjunction with the Chairman of the Board, conducts an annual assessment of the effectiveness of the Board as a whole, effectiveness of its board committees and the contribution by each individual Director. There are three components to this assessment:

a. Self assessment;
b. Board assessment; and
c. Peer evaluations.

The performance evaluation process begins with an annual meeting between the NC Chairman and the Company Secretary on the evaluation framework to ensure that areas of particular interest and key issues are focused on.

The Company Secretary sends out a customized Board Evaluation Questionnaire ("Questionnaire") to each Director for completion. Each Director is required to complete the Questionnaire and send the Questionnaire directly to the Company Secretary. Based on the returns from each of the Director, the Company Secretary prepares a consolidated report and briefs the NC Chairman and the Chairman of the Board on the report. Thereafter, the Company Secretary presents the report for discussion at a meeting with all the Directors, chaired by the NC Chairman. The NC Chairman then holds a discussion with all Directors to agree on future action plans.

The performance of individual Directors is taken into account in their re-appointment. Specific needs which arise from time to time are taken into account in any appointment of new directors and review of the Board's performance is carried out collectively by the Board on an annual basis. For Board assessment, it is based on factors such as the Board's structure, size, conduct of meetings, corporate strategy and planning, risk management and internal controls, measuring and monitoring performance and financial reporting. In the case of individual assessments, each Director is evaluated based on factors which include the Director's attendance, adequacy of preparation for meetings, participation in discussions as well as industry and business knowledge.

Principle 6: Access to Information

Complete, adequate and timely information

Management recognizes the importance of ensuring the flow of complete, adequate and timely information to the Directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities.

To allow Directors sufficient time to prepare for the meetings, all Board and board committee papers are required to be distributed to Directors one week in advance of the meeting. Directors have separate and independent access to the Company Secretary and Management at all times. Any additional material or information requested by the Directors is promptly furnished.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations.

Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and board committee meetings.

Management also provides the Board with management report on a quarterly basis. This report includes budgets, forecasts and monthly management accounts. In respect of budgets, any material variances between the projections and actual results are disclosed and explained to the Board.

Company Secretary

Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that Company's Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act, Companies Act and SGX-ST's Listing Manual, are complied with. The Company Secretary also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view of enhancing long term shareholder value.

The Company Secretary assists the Chairman in ensuring good information flows within the Board and its board committees and between Management and NEDs. The Company Secretary also facilitates the orientation and assists with professional development as required.

The Company Secretary attends and prepares minutes for all Board meetings. As secretary for all board committees, the Company Secretary assists in ensuring coordination and liaison between the Board, the board committees and Management. The Company Secretary assists the Chairman of the Board, the Chairman of board committees and Management in the development of the agendas for the various Board and board committee meetings.

The appointment and the removal of the Company Secretary are subject to the Board's approval.

Independent professional advice

The Board has a process for Directors, either individually or as a group, in the furtherance of their duties, to take independent professional advice, if necessary, at the Group's expense.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

The RC comprises the following three members, all of whom are Independent Non-Executive Directors:

a. Mr Wee Sung Leng (RC Chairman)
b. Mr Wong Yen Siang
c. Mr Fong Sing Chak Jack

The RC is responsible for ensuring a formal and transparent procedure for developing policies on executive remuneration and for fixing the remuneration packages of individual Directors.

The members of the RC carried out their duties in accordance with the terms of reference which include the following:–

a. Review and recommend to the Board for endorsement, a framework of remuneration for Directors and key management personnel. The framework covers all aspect of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, share-based incentives and awards and benefits in kind.

b. Review and recommend to the Board, the specific remuneration packages for the executive Director(s) of the Company; of which a significant portion of the Executive Director's remuneration is structured to link rewards to corporate and individual performance.

c. Review the level and mix of remuneration and benefits policies and practices of the Company, including the long term incentive schemes on an annual basis. The performance of the Company and that of the Executive Director(s) would be considered by the RC in undertaking such reviews.

d. Implement and administer the Company's share plan.

e. Review the Group's obligations arising in the event of termination of the Executive Director's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

None of the members of the RC or any Director is involved in deliberations in respect of any remuneration, compensation, share-based incentives or any form of benefits to be granted to him.

The RC has the authority to seek any external professional advice on matters relating to remuneration of Directors as and when the need arises.

Principle 8: Level and Mix of Remuneration

In recommending the level and mix of remuneration, the RC seeks to establish a framework for attracting, retaining and motivating employees. The Group's compensation framework comprises of fixed pay, short term and long term incentives. The Group subscribes to linking executive remuneration to corporate and individual performance, based on an annual appraisal of employees. The level and structure of remuneration of directors and key management personnel are aligned with the long term interest and risk policies of the Company.

Remuneration of Executive Directors and key management personnel

In designing the compensation structure, the RC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long term compensation and between cash versus equity incentive compensation.

Executive Directors do not receive Directors' fees.

The remuneration structure for Executive Directors and key management personnel consists of the following components:

a. Fixed remuneration
b. Variable bonus
c. Other benefits
d. Share-based incentives

The Executive Directors' remuneration packages are based on service agreement entered into between the Company and the respective Executive Directors for a period of three (3) to five (5) years and subject to automatic renewal for subsequent periods of three (3) years unless earlier terminated.

Remuneration of NEDs

The RC reviews the scheme put in place by the Company for rewarding the NEDs to ensure that the compensation is commensurate with effort, time spent and responsibilities of the NEDs.

Independent Directors and NEDs are paid yearly Directors' fees of an agreed amount, which are determined by the Board, appropriate to the level of their contribution, taking into account factors such as the effort and time spent and the responsibilities. The fees are subject to shareholders' approval at the AGM. Except as disclosed, the Independent Directors and NEDs do not receive any other remuneration from the Company.

Each member of the RC shall abstain from voting on any resolutions in respect of his remuneration package.

Principle 9: Disclosure on Remuneration

For the financial year under review, the RC had recommended to the Board total Directors' fees of S$240,000 for the Independent NEDs, which will be tabled by the Board at the forthcoming AGM for shareholders' approval.

The Board has not included a separate annual remuneration report in its annual report for the current year as it is of the view that the matters, which are required to be disclosed in the annual remuneration report have already been sufficiently disclosed in this Corporate Governance Report and in the financial statements of the Company.

A breakdown, showing the level and mix of each individual Director's remuneration for financial year under review is as follows:-

Name of Director	Base Salary	Fees[1]	Bonus	Benefits in kind	Total
S$500,000 to S$750,000					
Mark Francis Bedingham	91%	–	–	9%	100%
Below S$250,000					
Ho Kwok Wai	–	100%	–	–	100%
Chan Tak Sing Martin*	100%	–	–	–	100%
Fong Sing Chak Jack	–	100%	–	–	100%
Wong Yen Siang	–	100%	–	–	100%
Wee Sung Leng	–	100%	–	–	100%

* Chan Tak Sing Martin resigned as Executive Director of the Company on 5 February 2016.

[1] Subject to approval by shareholders as a lump sum at the AGM for the financial year ended 31 March 2016.

Remuneration of top five key management personnel

The remuneration paid to or accrued to the top five key management personnel (who are not Directors or the CEO) for FY2016 is as follows:-

Name of Key Executives	Base Salary	Bonus	Benefits in kind	Total
S$250,000 to S$500,000				
Lo Chi Chung Alan	100%	–	–	100%
Andrew Shepherd*	87%	–	13%	100%
Below S$250,000				
John Pike	75%	–	25%	100%
Tony Pretorius (appointed on 1 January 2016)	82%	–	18%	100%
Cher Soon Eng Lucy (appointed on 2 November 2015)	100%	–	–	100%

* Andrew Shepherd resigned on 1 April 2016.

The remuneration of each individual Director and key executive is not fully disclosed as the Company believes that disclosure may be prejudicial to its business interests given the highly competitive environment it is operating in. The RC has reviewed the practice of the industry in this regard, weighing the advantages and disadvantages of such disclosure.

The aggregate total remuneration paid to or accrued to key executives (who are not Directors or the CEO) for FY2016 is US$1,194,188 (approximately equivalent to S$1,607,974).

There is no employee in the Group who is related to a Director or the CEO whose remuneration exceeds S$50,000 for FY2016.

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

There are no termination, retirement or any post-employment benefits to Directors and key executives.

The SWH Performance Share Plan was adopted at an Extraordinary General Meeting on 30 July 2014. The SWH Performance Share Plan is administrated by the RC and contemplates the award of fully paid shares, free of charge, when or after prescribed performance targets are achieved by the selected employees of the Group. No shares have been issued under this plan during the financial year under review.

AUDIT COMMITTEE

Principle 10: Accountability and Audit

The Group recognises the importance of providing the Board with accurate and relevant information on a timely basis. Hence, Board members receive quarterly financial and business reports from Management. Such report keep the Board members informed of the Company's and the Group's performance, position and prospects and consist of the consolidated profit and loss accounts, analysis of sales, operating profit, pre-tax profit by operating segments compared against budgets, together with explanations for significant variances for the month and year to date.

The Board reviews and approves the results as well as any announcements before its release. The Board provides shareholders with half yearly and annual financial reports. Results for the first half year are released to shareholders within 45 days from the end of the half year. Annual results are released within 60 days from the financial year end. In presenting the annual and half yearly results to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Group's position and prospects. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

CORPORATE GOVERNANCE REPORT

The Board ensures that the Management maintains a sound system of internal control to safeguard the shareholders' investment and the Group's assets.

Principle 11: Risk Management and Internal Controls

The Board is responsible for ascertaining that Management maintains a sound system of internal controls to safeguard shareholders' investment and the assets of the Group.

The Board and the AC note that no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

The Company has engaged Baker Tilly Consultancy (Singapore) Pte Ltd to carry out a review of the adequacy and effectiveness of the Group's risk management and internal control systems to enable the Board and Management to understand the inherent industry, financial, operational, compliance and information technology risks of the Group. The AC reviewed the enterprise risk management report prepared by Baker Tilly TFW, the external risk assessment team engaged to review the Group's internal controls which address financial, operational and compliance risks. On review of the report on the summary of the risks faced by the Group, AC will recommend to the Board any follow-up measures thereafter.

The Company's external auditors, in the course of their annual audit, informed the AC and the Board that they are not aware of any reason to indicate that the internal controls and risk management systems were not adequately and effectively addressing financial, operational compliance and information technology risks which would warrant highlighting to the Board and AC.

The Board has received assurance from the CEO and Finance Director in relation to the financial information and controls for the year, including (i) the financial records have been properly maintained and the financial statements for the financial year ended 31 March 2016 give a true and fair view of the Company's operations and finances and (ii) the Company's risk management and internal control systems in place are effective.

Based on the internal controls established and maintained by the Company, works performed by the external auditors, reviews performed by Management, the AC and the Board, the Board with the concurrence of the AC is of the opinion that the Group's internal controls and risk management systems addressing financial, operational, compliance and information technology risks are adequate and effective in meeting the needs of the Group and provide reasonable assurance against material financial misstatements or material loss and to safeguard the Group's assets. This is also supported by the assurance statement from the CEO and Finance Director.

Principle 12: Audit Committee

The AC comprises the following three members, all of whom are Independent Non-Executive Directors:

a. Mr Wong Yen Siang (AC Chairman)
b. Mr Wee Sung Leng
c. Mr Fong Sing Chak Jack

All AC members have financial management knowledge and two members have accounting and related financial management expertise. The Board is of the view that the AC members have sufficient management expertise and experience to discharge their responsibilities.

The AC has written terms of reference clearly setting out its authority and duties.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

In the course of FY2016, the AC meets periodically to perform the following functions:

a. review with the external auditors the audit plan, their evaluation of the system of internal accounting controls, their letter to Management and Management's response;

b. review the financial statements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

c. review the internal control and procedures and ensure co-ordination between the external auditors and Management, reviewing the assistance given by the Management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of Management where necessary);

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

e. review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on our Group's operating results or financial position, and our Management's response;

f. consider and recommend the appointment or re-appointment of the external auditors and matters relating to the resignation or dismissal of the auditors;

g. review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual;

h. review potential conflicts of interest, if any;

i. undertake such other reviews and projects as may be requested by our Board, and report to our Board its findings from time to time on matters arising and requiring the attention of our AC; and

j. generally undertake such other functions and duties as may be required by statute or the Listing Manual, or by such amendments as may be made thereto from time to time.

The AC meets with the external auditors, at least once a year, without the presence of Management. The external auditors present to the AC the audit plan and updates relating to any change of accounting standards and issues which have a direct impact on financial statements during the AC meeting. The AC confirmed that it has undertaken a review of all non-audit services provided by the external auditors and is satisfied that such service would not, in the AC's opinion, affect the independence and objectivity of the external auditors.

The aggregate amount of fees paid or payable to the external auditors of the Company, broken down into audit and non-audit services for the financial year ended 31 March 2016 are as follows:

- Audit fees : S$78,500
- Non-audit fees : S$2,500

The AC, with concurrence of the Board has recommended RSM Chio Lim LLP for re-appointment as statutory auditors of the Company at the forthcoming AGM.

The Company engages suitable independent auditors to audit its foreign incorporated subsidiaries and associated companies, as disclosed in Note 18 to the financial statements in this annual report which have been cleared by the Company's external auditors. The Board and AC have reviewed and are satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Company.

The AC and the Board confirms that the Group had complied with SGX-ST Listing Rules 712 and 715 respectively.

The Company has in place whistle-blowing policy where employees of the Group have access to the AC to raise concerns about possible corporate improprieties in matters of financial reporting or other matters.

No former partner or Director of the Company's existing auditing firm or audit corporation is a member of the AC.

Principle 13: Internal Audit

The AC annually reviews the adequacy and effectiveness of the Company's internal audit function. In the build up of the Myanmar businesses in FY2016, it was not considered necessary to have an independent internal audit as little revenue was generated in first half FY2016 and in the second half, new businesses were being negotiated but many were not yet operational. An internal audit function focused on Myanmar will be introduced in FY2017.

Principle 14: Shareholder Rights

The Company's corporate governance practices promote the fair and equitable treatment to all shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNET, in particular especially information pertaining to the Group's business development and financial performance which could have a material impact on the share price of the Company, so as to enable shareholders to make informed decisions in respect of their investments in the Company.

Shareholders are informed of shareholders' meetings through notices contained in annual reports or circulars sent to all shareholders. These notices are also published in the local newspaper and posted onto the SGXNET.

All shareholders are entitled to attend the general meetings and are afforded the opportunity to participate effectively in the general meetings. They are entitled to vote in accordance with the established voting rules and procedures.

The Constitution of the Company allows each shareholder to appoint up to two (2) proxies to attend and vote at the general meetings. The Company does not provide for absentia voting methods such as by mail, email, or fax due to concerns as to the integrity of such information and authentication of the identity of shareholders voting by such means.

With the Companies (Amendment) Act 2014, with effect from 3 January 2016, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap 50. At the forthcoming AGM, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM.

Principle 15: Communication with Shareholders

The Company is committed to maintaining a regular, effective and fair communication with shareholders. The Board strives to ensure that all material information is disclosed to the shareholders in an equal, adequate and timely manner. The Board informs and communicates with shareholders through announcement releases through SGXNET, annual reports, and advertisement of notices of meetings and at AGMs.

The Company conducts its investor relations on the following principles:

a. information deemed to be price-sensitive is disseminated without delay via announcements and/or press releases on SGXNET;

b. endeavour to provide comprehensive information in financial results announcements to help shareholders and potential investors make informed decisions; and

c. operate an open policy with regard to investor/email enquiries.

The Company does not have a fixed dividend policy at present. Key considerations that affect dividend decisions and the level of payouts include the Group's profit growth, level of cash available, projected levels of capital expenditure and investment plans and any other factors as the Board may deed appropriate.

No dividend was paid for the financial year ended 31 March 2016 as the Group reported a net operating loss for the year.

Principle 16: Conduct of Shareholder Meetings

The AGM is the principal forum for dialogue with our shareholders. The Company encourages our shareholders to attend the AGM to ensure a high level of accountability and to be updated on the Group's strategies and goals.

The Company takes note that there should be separate resolutions at general meetings on each substantially separate issue and to avoid bundling resolutions.

The Board welcomes questions and views of shareholders on matters affecting the Company raised either formally or informally before or at the AGM.

The Chairman of the AC, NC and RC are present and available to address questions relating to the work of their respective committees at general meetings. The Company's external auditors are also invited to assist in addressing any queries by shareholders relating to the conduct of audit and the preparation and content of their auditors' report.

At any general meeting, a resolution of the Company will be put to vote by poll and the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be announced.

ADDITIONAL INFORMATION

SECURITIES TRANSACTIONS

The Company has devised and adopted policies in line with the requirements of the Listing Manual on dealings in the Company's securities.

The Company and its officers are prohibited from dealing in the Company's shares on short-term considerations or at any time when they are in possession of unpublished price-sensitive information. They are not allowed to deal in the Company's shares during the period commencing one month before the announcement of the Company's half year and full year results, and ending on the date of the announcement of the relevant results.

In addition, Directors and key executives are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

The Company issues half yearly circular to its Directors and officers informing them that they must not deal in the Company's securities before the release of results and at any time they are in possession of unpublished material price-sensitive information.

MATERIAL CONTRACTS AND LOANS

Pursuant to Rule 1207(8) of the Listing Manual of the SGX-ST, the Company confirms that except as disclosed below in the Interested Person Transactions section, and in the Directors' Statement and Financial Statements, there were no other material contracts and loans of the Company and its subsidiaries involving the interests of the CEO or any Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transaction with an interested person, which sets out the procedures for review and approval of such transaction.

The aggregate value of interested person transactions ("IPTs") during the reporting year was as follows:

Name of interested person	Aggregate value of all interested person transactions conducted during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)	
	FY2016	FY2015	FY2016	FY2015
Loan from Director – Ho Kwok Wai	US$8,281,142	US$2,958,523	–	–
Loan from Director – Mark Francis Bedingham	US$2,002,080	–	–	–

Mr Ho Kwok Wai is the Non-Executive Chairman and Controlling Shareholder of the Company who holds 64.53% of the total issued and paid-up Shares (inclusive of both direct and deemed interests). Pursuant to a loan agreement dated 16 February 2015, Mr Ho Kwok Wai granted a loan of a total principal amount of US$10,000,000.00 to the Company at an interest rate of 2.34% per annum, of which US$7,000,000.00 has been disbursed as at 11 February 2016. The maturity date of the loan is the date falling 24 months from the date of the first disbursement of the loan. The interest rate for the loan was agreed between the parties having regard to the applicable interest rate of 2.34% charged by United Overseas Bank Limited, being the Company's main banker, for a two-year working capital loan. The loan is unsecured.

Mr Mark Francis Bedingham is the Executive Director, President, CEO, and Shareholder of the Company who holds 3.08% of the total issued and paid-up Shares (inclusive of both direct and deemed interests). Pursuant to a loan agreement dated 14 January 2016, Mr Mark Francis Bedingham granted a loan of a total principal amount of US$2,000,000.00 to the Company at an interest rate of 2.34% per annum, of which US$2,000,000.00 has been fully disbursed as at 11 February 2016. The maturity date of the loan is the date falling 24 months from the date of the first disbursement of the loan. The interest rate for the loan was agreed between the parties having regard to the applicable interest rate of 2.34% charged by United Overseas Bank Limited, being the Company's main banker, for a two-year working capital loan. The loan is unsecured.

Subsequent to 31 March 2016, the SGX-ST has granted its in-principal approval for the listing and quotation of up to 35,264,050 Debt Conversion Shares. Pursuant to the Debt Conversion Deeds, Mr Ho Kwok Wai and Mr Mark Francis Bedingham have agreed to convert shareholders loans of US$9,073,732 for up to 35,264,050 new ordinary shares in the capital of the Company at the issue price of S$0.36 per Debt Conversion Share.

The Company will be convening an extraordinary general meeting to seek Shareholders' approval for the Proposed Debt Conversion.

Subsequent to the Company's announcement of the Proposed Debt Conversion on 11 February 2016, Mr Ho Kwok Wai had at the Company's request disbursed a further US$1,200,000.00 to the Company on 26 February 2016 at the same interest rate and terms as provided in the aforesaid loan agreement, as the Company needed further funds for its operations. The parties do not intend to convert the additional disbursement of US$1,200,000.00 into Shares.

The Company has not obtained a general mandate from shareholders for IPTs.

USE OF PROCEEDS

1. The Company raised the net proceeds of approximately S$3.9 million from the placement of 11,250,000 ordinary shares in the capital of the Company at an issue price of S$0.3555 for each share which was completed on 28 July 2015. Such proceeds have been utilized in accordance with the intended purposes as follows:-

    a. approximately S$3.8 million was used to fund the construction of telecommunication towers; and

    b. the balance of approximately S$0.1 million was used to fund the provision of car rental and limousine services in Myanmar.

2. The Company raised the net proceeds of approximately S$3.3 million from the placement of 10,000,000 ordinary shares in the capital of the Company at an issue price of S$0.36 for each share which was completed on 29 February 2016. Such proceeds have been utilized in accordance with the intended purposes as follows:-

    a. approximately S$2.1 million was used to fund the construction of telecommunication towers;

    b. approximately S$0.8 million was used to fund the construction of duty-free retail shops and the purchase of duty-free merchandise;

    c. approximately S$0.3 million was used to fund the construction of warehouse in Myanmar in relation to the Group's logistics business; and

    d. the balance of approximately S$0.1 million was used for loan repayment.

3. The Company raised the net proceeds of approximately S$2.6 million from the placement of 7,740,000 ordinary shares in the capital of the Company at an issue price of S$0.40 for each share which was completed on 29 March 2016. The Company intends to utilise 100% of the net proceeds to fund the construction and fitting out of duty-free retail shops and the purchase of duty-free mechandise.

DIRECTORS' STATEMENT

Year ended 31 March 2016

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 31 March 2016.

Before 29 July 2015, the company was known as Singapore Windsor Holdings Limited, which was changed to its present name.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and

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

The board of directors approved and authorised these financial statements for issue.

2. Directors in office at date of statement

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

Ho Kwok Wai
Mark Francis Bedingham
Fong Sing Chak Jack
Wong Yen Siang
Wee Sung Leng

3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year were not interested in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act, Chapter 50 ("the Act") except as follows:

Name of directors and companies in which interests are held	At beginning of the reporting year	At end of the reporting year
	Deemed interest	
In the company - Singapore Myanmar Investco Limited	Number of shares of no par value	
Ho Kwok Wai	113,489,000	113,489,000
Mark Francis Bedingham	5,000,000	5,424,000
Fong Sing Chak Jack	1,000,000	1,000,000
	Direct interest	
The ultimate parent company - Taipan Grand Investments Ltd.	Number of shares	
Ho Kwok Wai	1	1

By virtue of section 7 of the Act, Mr Ho Kwok Wai with shareholdings are deemed to have an interest in all related corporations of the company.

The directors' interests as at 21 April 2016 were the same as those at the end of reporting year.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable 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.

5. Options

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

6. Independent auditor

RSM Chio Lim LLP has expressed its willingness to accept re-appointment.

7. Report of audit committee

The members of the audit committee at the date of this report are as follows:

Wong Yen Siang	–	Lead Independent Director, Chairman of Audit Committee
Wee Sung Leng	–	Independent Director
Fong Sing Chak Jack	–	Independent Director

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

- Reviewed with the independent external auditors their audit plan;
- Reviewed with the independent external auditors their evaluation of the company's internal accounting control, and their report on the financial statements and the assistance given by the company's officers to them;
- 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 Singapore Exchange Securities Trading Limited's Listing Manual).

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 independent auditor objectivity and independence is safeguarded where the independent auditors provide non-audit services.

The audit committee has recommended to the board of directors that the independent auditors, RSM Chio Lim LLP, be nominated for re-appointment as independent auditors at the next annual general meeting of the company.

DIRECTORS' STATEMENT

Year ended 31 March 2016

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the company, work performed by the external auditors, and reviews performed by management, other committees of the board, the audit committee and the board are of the opinion that the company's internal controls, addressing financial, operational and compliance risks, are adequate as at the end of the reporting year 31 March 2016.

9. Subsequent developments

There are no significant developments subsequent to the release of the group and the company's preliminary financial statements, as announced on 27 May 2016, which would materially affect the group and the company's operating and financial performance as of the date of this report.

On behalf of the directors

Ho Kwok Wai
Director

Mark Francis Bedingham
Director

30 June 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Singapore Myanmar Investco Limited (Registration No: 200505764Z)

Report on the financial statements

We have audited the accompanying financial statements of Singapore Myanmar Investco Limited (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 March 2016, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and 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, Chapter 50 (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 financial statements and to maintain accountability of assets.

Auditor's responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements of the group and the statement of financial position 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 financial position of the group and of the company as at 31 March 2016 and of the performance, changes in equity and cash flows of the group and the changes in equity of the company for the reporting 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 subsidiary corporations incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

30 June 2016

Partner-in-charge of audit: Goh Swee Hong
Effective from reporting year ended 31 March 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2016

	Note	Group 2016 US$'000	Group 2015 US$'000
Revenue	6	**8,226**	5,858
Cost of sales		**(6,876)**	(5,212)
Gross profit		**1,350**	646
Interest income	7	**200**	101
Other gains	8	**87**	14
Distribution expenses		**(1,883)**	(2,162)
Administrative expenses	9	**(7,827)**	(2,475)
Finance costs	10	**(314)**	(43)
Other losses	8	**(232)**	–
Loss before tax from continuing operations		**(8,619)**	(3,919)
Income tax expense	12	**(1)**	–
Loss from continuing operations, net of tax		**(8,620)**	(3,919)
Loss from discontinued operations, net of tax	13	**(966)**	(2,071)
Gain on disposal of discontinued operations	13	**8,761**	–
Loss, net of tax		**(825)**	(5,990)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		**160**	(216)
Other comprehensive income/(loss) for the year, net of tax		**160**	(216)
Total comprehensive loss		**(665)**	(6,206)
Loss attributable to owners of the parent, net of tax		**(319)**	(6,278)
(Loss)/profit attributable to non-controlling interests, net of tax		**(506)**	288
Loss, net of tax		**(825)**	(5,990)
Total comprehensive loss attributable to owners of the parent		**(159)**	(6,544)
Total comprehensive (loss)/income attributable to non-controlling interests		**(506)**	338
Total comprehensive loss		**(665)**	(6,206)
Loss per share			
Loss per share currency unit		**Cents**	Cents
Basic	14		
Continuing operations		**(5.25)**	(2.61)
Discontinued operations		**5.04**	(1.67)
Total		**(0.21)**	(4.28)
Diluted	14		
Continuing operations		**(5.25)**	(2.61)
Discontinued operations		**5.04**	(1.67)
Total		**(0.21)**	(4.28)

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

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2016

	Note	Group		Company	
		2016	2015	**2016**	2015
		US$'000	US$'000	**US$'000**	US$'000
ASSETS					
Non-current assets					
Property, plant and equipment	15	**17,777**	646	**190**	132
Intangible assets	16	**48**	–	**–**	–
Investments in subsidiaries	18	**–**	–	**1,397**	1,300
Trade and other receivables, non-current	23	**453**	593	**–**	–
Total non-current assets		**18,278**	1,239	**1,587**	1,432
Current assets					
Inventories	22	**118**	–	**–**	–
Trade and other receivables, current	23	**9,414**	1,778	**27,401**	4,449
Other assets, current	24	**2,105**	1,510	**173**	53
Cash and cash equivalents	25	**3,605**	6,419	**1,357**	3,883
		15,242	9,707	**28,931**	8,385
Assets classified as held for sale	13	**–**	28,638	**–**	7,261
Total current assets		**15,242**	38,345	**28,931**	15,646
Total assets		**33,520**	39,584	**30,518**	17,078
EQUITY AND LIABILITIES					
Equity					
Share capital	26	**21,945**	14,252	**21,945**	14,252
Accumulated losses		**(11,990)**	(12,150)	**(3,141)**	(3,545)
Other reserves	27	**–**	3,000	**–**	–
Equity, attributable to owners of the parent		**9,955**	5,102	**18,804**	10,707
Non-controlling interests		**278**	2,239	**–**	–
Total equity		**10,233**	7,341	**18,804**	10,707
Non-current liabilities					
Provisions	28	**812**	–	**–**	–
Other payables, non-current	30	**7,475**	2,959	**7,200**	2,959
Other financial liabilities, non-current	29	**1,142**	706	**–**	–
Total non-current liabilities		**9,429**	3,665	**7,200**	2,959
Current liabilities					
Income tax payable, current		**2**	–	**–**	–
Trade and other payables, current	31	**11,725**	2,816	**4,514**	3,412
Other financial liabilities, current	29	**2,131**	790	**–**	–
Total current liabilities		**13,858**	3,606	**4,514**	3,412
Liabilities associated with asset classified as held for sale	13	**–**	24,972	**–**	–
Total liabilities		**23,287**	32,243	**11,714**	6,371
Total equity and liabilities		**33,520**	39,584	**30,518**	17,078

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

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 March 2016

Group	Total equity	Attributable to parent	Share capital	Accumulated losses	Other reserves	Non-controlling interests
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Current year:						
Opening balance at 1 April 2015	7,341	5,102	14,252	(12,150)	3,000	2,239
Movements in equity:						
Issue of share capital (Note 26)	7,693	7,693	7,693	–	–	–
Disposal of subsidiary with a change in control	(4,349)	(2,774)	–	386	(3,160)	(1,575)
Disposal of subsidiary without a change in control	–	93	–	93	–	(93)
Total comprehensive (loss)/income for the year	(665)	(159)	–	(319)	160	(506)
Dividend paid/payable to non-controlling interest of a subsidiary	(12)	–	–	–	–	(12)
Capital contribution from non-controlling interest of a subsidiary	225	–	–	–	–	225
Closing balance at 31 March 2016	10,233	9,955	21,945	(11,990)	–	278
Previous year:						
Opening balance at 1 April 2014	13,208	11,646	14,252	(5,872)	3,266	1,562
Movements in equity:						
Total comprehensive (loss)/income for the year	(6,206)	(6,544)	–	(6,278)	(266)	338
Dividend paid/payable to non-controlling interest of a subsidiary	(316)	–	–	–	–	(316)
Capital contribution from non-controlling interest of a subsidiary	655	–	–	–	–	655
Closing balance at 31 March 2015	7,341	5,102	14,252	(12,150)	3,000	2,239

Company	Total equity	Share capital	Accumulated losses
	US$'000	US$'000	US$'000
Current year:			
Opening balance at 1 April 2015	10,707	14,252	(3,545)
Movements in equity:			
Issue of share capital (Note 26)	7,693	7,693	–
Total comprehensive loss for the year	404	–	404
Closing balance at 31 March 2016	18,804	21,945	(3,141)
Previous year:			
Opening balance at 1 April 2014	13,070	14,252	(1,182)
Movements in equity:			
Total comprehensive loss for the year	(2,363)	–	(2,363)
Closing balance at 31 March 2015	10,707	14,252	(3,545)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2016

	Group	
	2016	2015
	US$'000	US$'000
Cash flows from operating activities		
Loss before tax from continuing operations	**(8,619)**	(3,919)
Loss before tax from discontinued operations	**(978)**	(1,703)
Gain on disposal of discontinued operations	**8,761**	–
Loss before tax, total	**(836)**	(5,622)
Adjustments for:		
Depreciation of property, plant and equipment	**1,089**	1,469
Amortisation of intangible assets	**3**	–
Amortisation of land use right	**–**	11
Amortisation of prepaid insurance premium	**147**	–
Interest income	**(4)**	(101)
Interest expense	**507**	43
Gain on disposal of property, plant and equipment	**(64)**	(59)
Gain on disposal of discontinued operations	**(8,761)**	–
Loss on disposal of available for sale investment	**22**	–
Net effect of exchange rate changes in consolidating subsidiaries	**(6)**	(247)
Operating cash flows before changes in working capital	**(7,903)**	(4,506)
Inventories	**(93)**	258
Trade and other receivables	**(7,177)**	(1,505)
Other assets, current	**(1,189)**	(1,480)
Trade and other payables, current	**7,729**	5,916
Net cash flows used in operations	**(8,633)**	(1,317)
Income tax recovered/(paid)	**29**	(333)
Net cash flows used in operating activities	**(8,604)**	(1,650)
Cash flows from investing activities		
Purchase of property, plant and equipment (Note 25B)	**(16,632)**	(1,575)
Proceeds from disposal of property, plant and equipment	**66**	–
Proceeds from disposal of available for sale investment	**64**	1,363
Deposit received from assets held for sale	**–**	1,774
Proceed from disposal of discontinued operations, net of cash disposed off (Note 13A)	**2,797**	–
Interest received	**4**	101
Net cash flows (used in)/from investing activities	**(13,701)**	1,663
Cash flows from financing activities		
Dividend paid to non-controlling shareholders of subsidiaries	**(12)**	(316)
Capital contribution from non-controlling interest	**222**	656
Capital contribution from share placement	**5,494**	–
Decrease in restricted fixed bank deposits	**527**	2,791
Increase in other payables, non-current	**–**	122
Drawdown/(repayment) of finance leases (Note 29A)	**1,784**	(92)
Repayment of other financial liabilities	**–**	(523)
Drawdown/(repayment) of short-term borrowings	**188**	(4,687)
Loans from shareholder	**7,200**	2,958
Loans from non-controlling shareholders of subsidiaries	**63**	–
Interest paid	**(403)**	(43)
Net cash flows from financing activities	**15,063**	866
Net (decrease)/increase in cash and cash equivalents	**(7,242)**	879
Cash and cash equivalents, statement of cash flows, beginning balance	**10,440**	9,561
Cash and cash equivalents, statement of cash flows, ending balance (Note 25A)	**3,198**	10,440

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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

1. General

The Company is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The registered office of the Company is located at 300 Beach Road, #29-01, The Concourse, Singapore 199555.

The financial statements of the Group as at and for the year ended 31 March 2016 comprise that of the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

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

The principal activity of the Company is an investment holding company. The principal activities of the subsidiaries are described in Note 18 to the financial statements.

Before 29 July 2015, the company was known as Singapore Windsor Holdings Limited, which was changed to its present name.

2. Basis of preparation

2A. Statement of compliance

The financial statements have been prepared in accordance with the 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, Chapter 50. 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. The accounting policies in FRS need not be applied when the effect of applying them is immaterial. The disclosures required by FRS need not be made if the information is immaterial. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement, as required or permitted by FRS. Reclassification adjustments are amounts reclassified to profit or loss in the income statement in the current period that were recognised in other comprehensive income in the current or previous periods.

2B. Functional and presentation currency

These financial statements are presented in United States Dollars ("US$"), which is the Company's functional currency. All financial information presented in United States Dollars has been rounded to the nearest thousand, unless otherwise stated.

Change in functional currency and presentation currency

With effect from 1 April 2015, as a result of a change in underlying transactions, events and conditions relevant to the Company, the functional currency of the Company was changed from Hong Kong Dollars ("HK$") to US$.

In line with the change in functional currency, the presentation currency was changed from HK$ to US$. The comparative information has been re-presented to conform with current year's presentation (Note 38).

2C. Basis of consolidation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions, including income, expenses and cash flows are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee. Control exists when the group has the power to govern the financial and operating policies so as to gain benefits from its activities.

2. Basis of preparation (cont'd)

2C. Basis of consolidation (cont'd)

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as available-for-sale financial assets in accordance with FRS 39.

The company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act, Chapter 50, the company's separate statement of profit or loss and other comprehensive income is not presented.

2D. Significant judgements, assumptions and estimation uncertainties

The preparation of financial statements in conformity with generally accepted accounting principles requires the 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 reporting 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.

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 reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting 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.

Useful lives of property, plant and equipment:

Included in property, plant and equipment of the Group are leasehold improvements with a carrying amount of US$660,161 as at end of the reporting year. Management has depreciated the leasehold improvements on a straight-line basis over their estimated useful lives of 3 years. The terms of the lease for the Group's premise however is less than 3 years. Management has assumed the Group will be able to renew the terms of its lease on its expiry and hence the estimated useful lives for leasehold improvements of 3 years is appropriate. In the event the Group is not able to renew the terms of its lease and the Group vacates the relevant premise, the carrying value of leasehold improvements related to the vacated premise would have to be fully impaired.

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. 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 reporting year, the trade receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the note on trade and other receivables.

Year ended 31 March 2016

3. Significant accounting policies and other explanatory information

3A. Significant accounting policies

Revenue recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the ordinary activities of the entity and it is shown net of related sales taxes and rebates.

Revenue from the 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 that are of short duration is recognised when the services are completed.

Rental revenue is recognised on a time-proportion basis that takes into account the effective yield on the asset on a straight-line basis over the lease term.

Interest income, including income arising from other financial instruments, is recognised using the effective interest method.

Employee benefits

Certain subsidiaries operate defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund are held separately from those of the entity in an independently administered fund. The entity contributes an amount equal to a fixed percentage of the salary of each participating employee. Contributions are charged to profit or loss in the period to which they relate. This plan is in addition to the contributions to government managed retirement benefit plans such as the Central Provident Fund in Singapore which specifies the employer's obligations which are dealt with as defined contribution retirement benefit plans.

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.

Pursuant to the relevant regulations of the People's Republic of China ("PRC") government, the subsidiaries in the PRC have participated in a local municipal government retirement benefits scheme (the "Scheme"), whereby the subsidiaries in the PRC are required to contribute to a certain percentage to the basic salaries of its employees to the Scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of those employees of the Group.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred except that borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

Foreign currency transactions

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 reporting 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 reporting year and fair value 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.

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 an investee 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 reporting year rates of exchange and the profit and loss items are translated at average rates of exchange for the reporting 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 investee.

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 reporting 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 reporting 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 except where the reporting entity 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.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

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

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

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, if any.

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 (CODM) in deciding how to allocate resources and in assessing the 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.

Segment results that are reported to the Group's CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

Property, plant and equipment

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. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured 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 reporting 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.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Subsequent cost 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.

An asset is depreciated when it is installed and available for use, or in respect of internally constructed assets, from the date that the asset is completed and ready 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.

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 remaining terms of the lease that is 2%
Leasehold improvements	–	10% to 20%
Plant and equipment	–	18% to 20%

Intangible assets

On initial recognition, intangible assets acquired separately are measured at cost. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any directly attributable cost of preparing the asset for its intended use. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses. The estimated useful life and amortisation method are revised at the end of each reporting period with the effect of any changes in estimate being accounted for on a prospective basis. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset – measured as the difference between the net disposal proceeds and the carrying amount of the asset – are recognised in profit or loss when the asset is derecognised. For intangible assets with finite useful lives, amortisation is calculated so as to write off the cost of the assets less its estimated residual value, over its useful economic life as follows:

MIC License	–	6.7%

Land use rights

Land use rights related to the land in People's Republic of China where the factories are located. Cost included acquisition cost and any direct attributable costs. Subsequent costs were recognised as an asset only when it was probable that future economic benefits associated with the item would flow to the entity and the cost of the item measured reliably.

Land use rights were stated at cost less accumulated amortisation and provision for impairment. The land use rights were amortised over the term of the leases that range from 2.0% to 9.0%.

Land use agreements and leases in Myanmar have been signed during the course of the tower construction and recognised in profit or loss.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

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 statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined 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 reporting 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 reporting 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. Rental income from operating leases is recognised 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. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Joint ventures

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

Joint ventures (cont'd)

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Investments in joint ventures are stated in the Company's statement of financial position at cost less accumulated impairment losses. Impairment loss recognised in profit or loss for a joint venture is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a joint venture are not necessarily indicative of the amount that would be realised in a current market exchange.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the reporting entity as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant Note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

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. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Financial assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position 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 financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently 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.

Subsequent measurement:

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

1. Financial assets at fair value through profit or loss: As at end of the reporting year date 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 the trade and other receivables are classified in this category.

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

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

Financial assets (cont'd)

4. Available for sale financial assets: These are non-derivative financial assets that are designated as available-for-sale on initial recognition or are not classified in one of the previous categories. These assets are carried at fair value. Changes in fair value of available-for-sale financial assets (other than those relating to foreign exchange translation differences on monetary investments) are recognised in other comprehensive income and accumulated in a separate component of equity under the heading revaluation reserves. Such reserves are reclassified to profit or loss when realised through disposal. When there is objective evidence that the asset is impaired, the cumulative loss is reclassified from equity to profit or loss as a reclassification adjustment. A significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment. If, in a subsequent period, the fair value of an equity instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss, it is reversed against revaluation reserves and is not subsequently reversed through profit or loss. However for debt instruments classified as available-for-sale impairment losses recognised in profit or loss are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss. For non-equity instruments classified as available-for-sale the reversal of impairment is recognised in profit or loss. The weighted average method is used when determining the cost basis of publicly listed equities being disposed of. The financial assets are classified as non-current assets unless management intends to dispose of the investments within 12 months of the end of the reporting year. Usually non-current investments in equity shares and debt securities are classified in this category but it does not include subsidiaries, joint ventures, or associates. Unquoted investments are stated at cost less allowance for impairment in value where there are no market prices, and management is unable to establish fair value by using valuation techniques except that where management can establish fair value by using valuation techniques the relevant unquoted investments are stated at fair value. For unquoted equity instruments impairment losses are not reversed.

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 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 statement of financial position 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.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

Financial liabilities (cont'd)

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 determined 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.

Assets and liabilities classified as held for sale

Identifiable assets, liabilities and contingent liabilities and any disposal groups are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by FRS 105 in certain circumstances. It can include a subsidiary acquired exclusively with a view to resale. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal and are presented separately on the face of the statement of financial position. Once an asset is classified as held for sale or included in a group of assets held for sale no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

In addition, the results of discontinued operations are presented separately in profit or loss. A discontinued operation is a component of the business that represents a separate major line of business or geographical area of operations that has been sold, or classified as held for sale or has been abandoned. They are shown separately in profit or loss and comparative figures are restated to reclassify them from continuing to discontinued operations.

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.

3. Significant accounting policies and other explanatory information (cont'd)

3A. Significant accounting policies (cont'd)

Fair value measurement (cont'd)

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.

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 reporting year they occur.

3B. Other explanatory information

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 reporting entity. Where the financial instrument does not give rise 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.

4. Related party relationships and transactions

FRS 24 on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

4A. Members of a group

Name	Relationship	Country of incorporation
Taipan Grand Investments Ltd	Parent and ultimate parent company	British Virgin Island

Related companies in these financial statements include the members of the above group of companies. Associates also include those that are associates of members of the above group.

The ultimate controlling party is Mr Ho Kwok Wai.

There were no significant transactions with the ultimate parent company. Intra-group transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

4B. Related party transactions

There are transactions and arrangements between the reporting entity 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 and financial guarantees if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise. The transactions were not significant.

4C. Key management compensation

	Group	
	2016	2015
	US$'000	US$'000
Salaries and other short-term employee benefits	**2,590**	645
Contributions to defined contribution plans	**39**	13

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

	Group	
	2016	2015
	US$'000	US$'000
Directors' fees	**171**	148
Remuneration of directors of the company	**508**	246
Contributions to defined contribution plans for directors of the company	**–**	8

Further information about the remuneration of individual directors is provided in the report on corporate governance.

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.

4. Related party relationships and transactions (cont'd)

4D. Other receivables from or other payables to related parties/company

The trade transactions and the trade receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and other payables to related parties/company are as follows:

	Subsidiaries	
	2016	2015
	US$'000	US$'000
Company:		
Other receivables/(payables)		
Balance at beginning of year	**3,064**	(2,687)
Amounts paid out and settlement of liabilities on behalf of subsidiaries	**19,974**	5,751
Payables forgiven (Note 13)	**1,294**	–
Balance at end of year (Notes 23 and 31)	**24,332**	3,064

	Directors	
	2016	2015
	US$'000	US$'000
Group:		
Other payables		
Balance at beginning of year	**–**	598
Amounts paid out and settlement of liabilities on behalf of directors	**–**	(598)
Balance at end of year	**–**	–

5. Financial information by operating segments

5A. Information about reportable segment profit or loss, assets and liabilities

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 reporting entity.

For management purposes, the group's principal operating businesses are organised according to their nature of activities as follows:-

(a) Trading of industrial products;

(b) Trading of F&B products;

(c) Provision of telecommunication towers and related services;

(d) "Europcar" rental vehicles; and

(e) Duty free and retail operations.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

5. Financial information by operating segments (cont'd)

5A. Information about reportable segment profit or loss, assets and liabilities (cont'd)

The discontinued operations relate to the disposal of manufacture and sale of moulds and the provision of services segments (see Note 13). There are 3 new segments in 2016.

The management reporting system evaluates performances based on a number of factors. However the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators: (1) earnings from operations before depreciation, interests and income taxes (called "Recurring EBITDA") and (2) operating result before income taxes and other unallocated items (called "ORBT").

Segment results consist of costs directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Certain assets and liabilities are not allocated to business segments because they are of general use and they are not directly attributable to the segments or cannot be allocated to the segments on a reasonable basis.

5B. Profit or loss from continuing operations and reconciliations

Continuing operations	Trading of industrial products	Trading of F&B products	Provision of telecom-munication towers and related services	"Europcar" rental vehicles	Duty free and retail operations	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2016							
Revenue by segment							
Total revenue by segment	5,753	663	872	564	206	168	8,226
Recurring EBITDA	(634)	(827)	(3,191)	(353)	(1,249)	(1,617)	(7,871)
Interest income	199	–	–	–	–	1	200
Finance costs	(78)	–	–	(116)	–	(120)	(314)
Depreciation	–	(2)	(267)	(89)	(37)	(239)	(634)
ORBT	(513)	(829)	(3,458)	(558)	(1,286)	(1,975)	(8,619)
Loss before tax from continuing operations	(513)	(829)	(3,458)	(558)	(1,286)	(1,975)	(8,619)
Loss after tax from continuing operations							(8,620)
Loss from discontinued operations							(966)
Gain on disposal of discontinued operations							8,761
Loss for the year							(825)

5. Financial information by operating segments (cont'd)

5B. Profit or loss from continuing operations and reconciliations (cont'd)

Continuing operations	Trading of industrial products	Trading of F&B products	Provision of telecom-munication towers and related services	"Europcar" rental vehicles	Duty free and retail operations	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2015							
Revenue by segment							
Total revenue by segment	5,402	–	456	–	–	–	5,858
Recurring EBITDA	(28)	–	(305)	–	–	(3,609)	(3,942)
Interest income	101	–	–	–	–	–	101
Finance costs	(43)	–	–	–	–	–	(43)
Depreciation	–	–	(13)	–	–	(22)	(35)
ORBT	30	–	(318)	–	–	(3,631)	(3,919)
Profit/(loss) before tax from continuing operations	30	–	(318)	–	–	(3,631)	(3,919)
Loss after tax from continuing operations							(3,919)
Loss from discontinued operations							(2,071)
Loss for the year							(5,990)

5C. Assets and reconciliations

	Trading of industrial products	Trading of F&B products	Provision of telecom-munication towers and related services	"Europcar" rental vehicles	Duty free and retail operations	Discontinued operatins	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2016								
Total group assets	5,865	718	17,465	1,670	1,752	–	6,050	33,520
2015								
Total group assets	4,031	–	462	–	–	28,638	6,453	39,584

Unallocated items comprise cash and cash equivalents, other receivables and prepayments and other investments. Certain assets are not allocated to business segments because they are of general use and they are not directly attributable to the segments or cannot be allocated to the segments on a reasonable basis.

5. Financial information by operating segments (cont'd)

5D. Liabilities and reconciliations

	Trading of industrial products	Trading of F&B products	Provision of telecom-munication towers and related services	"Europcar" rental vehicles	Duty free and retail operations	Discontinued operations	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2016								
Total group liabilities	3,442	97	6,067	1,376	3,037	–	9,268	23,287
2015								
Total group liabilities	4,002	–	740	–	–	24,972	2,529	32,243

Unallocated items comprise trade payables and accrued liabilities, other payables, income tax payable, deferred tax expense, long-term borrowings and finance leases. Certain liabilities are not allocated to business segments because they are of general use and they are not directly attributable to the segments or cannot be allocated to the segments on a reasonable basis.

5E. Other material items and reconciliations

	Trading of industrial products	Trading of F&B products	Provision of telecom-munication towers and related services	"Europcar" rental vehicles	Duty free and retail operations	Discontinued operations	Unallocated	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Other non-cash expenses other than depreciation/ amortization:								
2016	–	–	–	–	–	–	–	–
2015	–	–	–	–	–	–	–	–
Expenditure for non-current assets:								
2016	–	9	15,423	891	576	–	916	17,815
2015	–	–	217	–	–	–	464	681

5F. Geographical information

	Revenue		Non-current assets	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Singapore	**211**	–	**2,358**	132
Myanmar	**8,015**	5,858	**15,920**	1,107
	8,226	5,858	**18,278**	1,239

5. Financial information by operating segments (cont'd)

5G. Information about major customers

Revenue from major customers during the reporting year are as follows:

	Group	
	2016	2015
	US$'000	US$'000
Top 1 customer	**1,854**	1,699
Top 2 customers	**2,681**	2,519

6. Revenue

	Group	
	2016	2015
	US$'000	US$'000
Sale of goods	**6,621**	5,402
Rendering of services	**1,605**	456
	8,226	5,858

7. Interest income

	Group	
	2016	2015
	US$'000	US$'000
Interest income	**200**	101

8. Other gains/(losses)

	Group	
	2016	2015
	US$'000	US$'000
Commission income	**87**	–
Foreign exchange adjustments (losses)/gains, net	**(232)**	14
	(145)	14
Presented in profit or loss as:		
Other gains	**87**	14
Other losses	**(232)**	–
Net	**(145)**	14

Year ended 31 March 2016

9. Administrative expenses

The major components include the following:

	Group	
	2016	2015
	US$'000	US$'000
Consultancy fee	**475**	–
Depreciation of property, plant and equipment	**505**	272
Employee benefits expense (Note 11)	**3,590**	1,137
Legal and professional fee	**522**	461
Rental of premises	**1,032**	311

10. Finance cost

	Group	
	2016	2015
	US$'000	US$'000
Interest expenses	**314**	43

11. Employee benefits expenses

	Group	
	2016	2015
	US$'000	US$'000
Short term employee benefits expense	**3,511**	1,087
Contributions to defined contribution plan	**79**	50
Total employee benefits expense	**3,590**	1,137

12. Income tax expense

12A. Components of tax expense recognised in profit or loss includes:

	Group	
	2016	2015
	US$'000	US$'000
Current tax expense	**1**	–

12. Income tax expense (cont'd)

12A. Components of tax expense recognised in profit or loss includes (cont'd):

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate. 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% (2015: 17%) to profit or loss before income tax as a result of the following differences:

	Group	
	2016	2015
	US$'000	US$'000
Loss before tax	**(8,619)**	(3,919)
Income tax benefit at the above rate	**(1,465)**	(666)
Expenses not deductible for tax purposes	**251**	666
Deferred tax assets not recognised	**1,386**	–
Effect of different tax rates in different countries	**(171)**	–
Total income tax expense	**1**	–

There are no income tax consequences of dividends to owners of the company.

12B. Deferred tax balance in the statement of financial position:

Unrecognised deferred tax assets

	Tax losses		Unrecognised deferred tax assets	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Unused tax losses available	**8,152**	–	**1,386**	–

No deferred tax asset for the tax losses (including deductible temporary differences, unused tax losses and unused tax credits) has been recognised in respect of the remaining for the above balance, as the future profit streams are not probable against which the deductible temporary difference can be utilised.

Year ended 31 March 2016

13. Loss from discontinued operations, net of tax

13A. Disposal of discontinued operations

Following the Company's announcement on 23 March 2015 to divest the entire interests of the Company's wholly owned subsidiaries, Windsor Holding Investment Limited ("WHI") and Windsor Metal Manufacture Co Limited ("WMM"), the entire assets and liabilities related to WHI and WMM are classified as a disposal group held for sale in the statement of financial position and the entire results from the disposal group are presented separately in the consolidated income statement as "Discontinued operation". The divestment was completed on 6 August 2015.

For the discontinued operations, the results for the previous reporting year and for the period from the beginning of the reporting year to 6 August 2015, which have been included in the consolidated financial statements, were as follows:

	Windsor Metal Group		**Windsor Holding Group**		**Group Total**	
	2016	2015	**2016**	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
Revenue	**7,101**	21,278	**–**	–	**7,101**	21,278
Cost of sales	**(5,850)**	(16,951)	**–**	–	**(5,850)**	(16,951)
Gross profit	**1,251**	4,327	**–**	–	**1,251**	4,327
Other income	**–**	899	**–**	–	**–**	899
Distribution costs	**(420)**	(1,004)	**–**	–	**(420)**	(1,004)
Administrative expenses	**(1,418)**	(4,397)	**–**	(4)	**(1,418)**	(4,401)
Other charges	**(199)**	–	**–**	(831)	**(199)**	(831)
Finance costs	**(150)**	(558)	**(42)**	(136)	**(192)**	(694)
Loss before income tax from discontinued operation	**(936)**	(733)	**(42)**	(971)	**(978)**	(1,704)
Income tax income/ (expenses)	**12**	(368)	**–**	–	**12**	(368)
Loss from discontinued operation, net of tax	**(924)**	(1,101)	**(42)**	(971)	**(966)**	(2,072)

13. Loss from discontinued operations, net of tax (cont'd)

13A. Disposal of discontinued operations (cont'd)

The following table summarises the carrying value of the account balances of the discontinued operations that were sold on 6 August 2015:

	Windsor Metal Group	Windsor Holding Group	Group Total	Windsor Metal Group	Windsor Holding Group	Group Total
	1 April 2015 to 6 August 2015			Year ended 31 March 2015		
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Property, plant and equipment	5,474	–	5,474	5,746	–	5,746
Non-current assets held for sale	2,354	–	2,354	1,837	–	1,837
Investment property	–	–	–	603	–	603
Other financial assets, Non-current	570	440	1,010	599	440	1,039
Deferred tax assets	451	–	451	359	–	359
Inventories	1,933	–	1,933	1,957	–	1,957
Trade and other receivables	11,826	–	11,826	11,708	99	11,807
Other assets, current	5,056	103	5,159	335	–	335
Cash and cash equivalents	3,433	–	3,433	4,952	3	4,955
Trade and other payables	(14,944)	(349)	(15,293)	(13,372)	(307)	(13,679)
Deferred tax liabilities	–	–	–	(13)	–	(13)
Borrowings	(8,820)	(3,548)	(12,368)	(7,732)	(3,548)	(11,280)

Net assets disposed off	3,979
Non-controlling interest de-consolidated	(1,575)
Foreign currency translation reserve	(2,774)
Forgiveness of payables	(1,294)
Gain on disposal	8,761
Total consideration	7,097
Net cash inflow on disposal:	
Cash consideration	7,097
Cash balance disposed off	(3,433)
Deferred consideration (Note 23)	(867)
	2,797

13. Loss from discontinued operations, net of tax (cont'd)

13A. Disposal of discontinued operations (cont'd)

The cash flows of the discontinued operations for the previous year and for the period from the beginning of the reporting year to 6 August 2015, which have been included in the consolidated financial statements, were as follows:

	Windsor Metal Group	Windsor Holding Group	Group Total	Windsor Metal Group	Windsor Holding Group	Group Total
	1 April 2015 to 6 August 2015			Year ended 31 March 2015		
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Operating	(2,386)	40	(2,346)	10,576	138	10,714
Investing	(59)	–	(59)	490	–	490
Financing	927	(42)	885	(9,048)	(136)	(9,184)
Net cash inflows	(1,518)	(2)	(1,520)	2,019	2	2,021

14. Loss per share

The following table illustrates the numerators and denominators used to calculate basic and diluted losses per share of no par value:

		Group	
		2016	2015
		US$'000	US$'000
A.	Numerators: losses attributable to equity:		
	Continuing operations: attributable to equity holders	**(8,159)**	(3,826)
	Discontinued operations: gains/(losses) for the year	**7,840**	(2,452)
B.	Total basic losses	**(319)**	(6,278)
C.	Diluted losses	**(319)**	(6,278)
		No. of shares	
D.	Denominators: weighted average number of equity shares:		
E.	Basic	**155,384,740**	146,880,000
F.	Diluted	**155,384,740**	146,880,000

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

There is no dilution of losses per shares as there are no shares under options. The denominators used are the same as those detailed above for basic and diluted losses per share.

15. Property, plant and equipment

Group	Leasehold buildings and improvements	Plant and equipment	Construction work-in-progress	Total
	US$'000	US$'000	US$'000	US$'000
Cost				
At 1 April 2014	7,538	30,261	–	37,799
Additions	161	520	–	681
Assets classified as held for sale	(7,538)	(30,261)	–	(37,799)
At 31 March 2015	161	520	–	681
Additions	1,412	10,176	6,176	17,764
Disposals	–	(2)	–	(2)
At 31 March 2016	1,573	10,694	6,176	18,443
Accumulated depreciation				
At 1 April 2014	5,368	24,953	–	30,321
Depreciation for the year	27	8	–	35
Assets classified as held for sale	(5,368)	(24,953)	–	(30,321)
At 31 March 2015	27	8	–	35
Depreciation for the year	235	396	–	631
At 31 March 2016	262	404	–	666
Net carrying value				
At 1 April 2014	2,170	5,308	–	7,478
At 31 March 2015	134	512	–	646
At 31 March 2016	1,311	10,290	6,176	17,777

Certain items of property, plant and equipment at a carrying value of US$806,285 (2015: US$Nil) are pledged as security for the bank facilities (see Note 29A).

The depreciation expense is charged as follows:

	Distribution costs	Administrative expenses	Total
	US$'000	US$'000	US$'000
2016	126	505	631
2015	–	35	35

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

Company	Leasehold buildings and improvements	Plant and equipment	Total
	US$'000	US$'000	US$'000
Cost			
At 1 April 2014	–	–	–
Additions	128	26	154
At 31 March 2015	128	26	154
Additions	138	72	210
At 31 March 2016	266	98	364
Accumulated depreciation			
At 1 April 2014	–	–	–
Depreciation for the year	19	3	22
At 31 March 2015	19	3	22
Depreciation for the year	140	12	152
At 31 March 2016	159	15	174
Net carrying value			
At 1 April 2014	–	–	–
At 31 March 2015	109	23	132
At 31 March 2016	107	83	190

16. Intangible assets

Group	MIC permit
	US$'000
Cost	
At 1 April 2015	–
Additions	51
At 31 March 2016	51
Accumulated depreciation	
At 1 April 2015	–
Amortisation for the year	3
At 31 March 2016	3
Net carrying value	
At 1 April 2014 and 31 March 2015	–
At 31 March 2016	48

The Myanmar Investment Commission permit was granted by MIC on 16 December 2015. The permit allows a subsidiary of the group to construct and lease telecommunication towers for a duration of 15 years, and also be entitled to the following:

(a) income tax exemption for a period of five consecutive years including the year of commencement of commercial operation

(b) exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and material which are imported during the period of construction.

17. Investment property

	Group	
	2016	2015
	US$'000	US$'000
At cost		
At beginning of year	**–**	999
Assets classified as held for sale	**–**	(999)
At end of year	**–**	–
Accumulated depreciation		
At beginning of year	**–**	240
Assets classified as held for sale	**–**	(240)
At end of year	**–**	–
Net carrying value	**–**	–

18. Investment in subsidiaries

	Company	
	2016	2015
	US$'000	US$'000
Unquoted equity shares, at cost	**1,397**	1,300

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

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities (Independent Auditors)	**Cost in Books of Group**		**Effective Percentage of Equity held by Group**	
	2016	2015	**2016**	2015
	US$'000	US$'000	**%**	%
Held by the Company:				
Windsor Metal Manufacture Co. Limited [a] Hong Kong Investment holding/trading of PCB punching moulds, PCB laminates and related products (BDO Limited, Hong Kong)	**–**	7,318[a]	**–**	100.0
Windsor Holding Investments Limited [a] Hong Kong Investment holding (BDO Limited, Hong Kong)	**–**	1[a]	**–**	100.0
SMI Construction Services Pte Ltd [c] Singapore Distribution of heavy equipment and spare parts	**(b)**	(b)	**100.0**	100.0
SMI Infrastructure Services Pte Ltd [c] Singapore Infrastructure engineering services	**(b)**	(b)	**100.0**	100.0

18. Investments in subsidiaries (cont'd)

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities (Independent Auditors)	Cost in Books of Group		Effective Percentage of Equity held by Group	
	2016	2015	**2016**	2015
	US$'000	US$'000	**%**	%
Held by the Company (cont'd):				
Myanmar Infrastructure Group Pte Ltd [c] Singapore Build, distribution and own telecom infrastructure	**97**	(b)	**97.0**	100.0
Kinnaya Pte Ltd [c] Singapore Provider of serviced offices	**1,300**	1,300	**65.0**	65.0
SMI F&B Pte Ltd [c] Singapore Distribution of food & beverage items	**(b)**	(b)	**100.0**	100.0
SMI Auto Services Pte Ltd [c] Singapore Provision of car rental & limousine services	**(b)**	(b)	**100.0**	100.0
SMI Retail Pte Ltd [c] Singapore Distribution of duty free & retail products	**(b)**	(b)	**100.0**	100.0
SMI Mobile Pte Ltd [c] Singapore Distribution of B2B telecom plans	**(b)**	(b)	**100.0**	100.0
Held through Myanmar Infrastructure Group Pte Ltd:				
TPR Myanmar Co Ltd [d] Myanmar Build, lease and own telecom infrastructure (MAT Audit and Professional Services)	**50**	50	**96.9**	99.9
Held through Kinnaya Pte Ltd:				
YGN Kinnaya Co Ltd [d] Myanmar Provider of serviced offices (MAT Audit and Professional Services)	**50**	50	**65.0**	65.0
Held through SMI F&B Pte Ltd:				
SMI F&B MM Pte Ltd [c] Singapore Distribution of food & beverage items	**334**	(b)	**60.0**	100.0
Held through SMI F&B MM Pte Ltd:				
SMI FB Ltd (incorporated on 26 Jun 2015) [d] Myanmar Consultancy and advertising services for the food and beverage industry (MAT Audit and Professional Services)	**50**	–	**60.0**	–

18. Investments in subsidiaries (cont'd)

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities (Independent Auditors)	Cost in Books of Group		Effective Percentage of Equity held by Group	
	2016	2015	**2016**	2015
	US$'000	US$'000	**%**	%
Held through SMI Auto Services Pte Ltd:				
SMIRental Services MM Ltd (incorporated on 25 Jun 2015) [d] Myanmar Equipment rental, vehicle repair and fleet management services (MAT Audit and Professional Services)	**50**	–	**100.0**	–
Held through SMI Retail Pte Ltd:				
SMIRS Myanmar Ltd (incorporated on 12 Nov 2015) [e] Myanmar Management consultancy services	**50**	–	**100.0**	–
Held by SMI Mobile Pte Ltd:				
SMIMM Mobile Co Ltd (incorporated on 25 Jun 2015) [d] Myanmar Consultancy for telecommunication services (MAT Audit and Professional Services)	**25**	–	**100.0**	–
Held through Windsor Metal Manufacture Co. Limited:				
Goodbase Overseas Limited [a] Hong Kong Manufacture and sale of PCB punching moulds (BDO Limited, Hong Kong)	**–**	(b)[a]	**–**	100.0
Guozhou Windsor Limited [a] Hong Kong Provision of punching services/sale of PCB punching moulds (BDO Limited, Hong Kong)	**–**	1[a]	**–**	60.0
Iwasa Windsor Company Limited [a] Hong Kong Manufacture and sale of PCB punching moulds/provision of punching services (BDO Limited, Hong Kong)	**–**	1[a]	**–**	51.0
Lun Hsing Machinery Industrial (Kun Shan) Co., Ltd [a] The People's Republic of China Manufacture and sale of PCB punching moulds/provision of punching services (Kunshan Gongxin Certified Public Accountants Co., Ltd)	**–**	2,472[a]	**–**	100.0
National Chance Limited [a] Hong Kong Provision of electroplating services (BDO Limited, Hong Kong)	**–**	(b)[a]	**–**	100.0

18. Investments in subsidiaries (cont'd)

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities (Independent Auditors)	Cost in Books of Group		Effective Percentage of Equity held by Group	
	2016	2015	**2016**	2015
	US$'000	US$'000	**%**	%
Held through Windsor Metal Manufacture Co. Limited (cont'd):				
Shenzhen National Chance Metal Manufacture Co Ltd [(a)] The People's Republic of China Manufacture of die-casting and plastic injection mould bases (Shenzhen Tianying Certified Public Accountants)	–	1,548[(a)]	–	100.0
Kun Shan Lun Hsing Electronics Technologies Limited [(a)] The People's Republic of China Provision of PCB punching services (Suzhou Hua Ming United Certified Public Accountants)	–	2,077[(a)]	–	100.0
Qinhuangdao Goodbase Precision Mould Limited [(a)] The People's Republic of China Manufacture and sale of PCB punching moulds (Qinhuangdao Leading Certified Public Accountants Firm)	–	397[(a)]	–	100.0
Goodbase Windsor Moulds (Shenzhen) Limited [(a)] The People's Republic of China Manufacture and sale of PCB punching moulds (Shenzhen Tianying Certified Public Accountants)	–	568[(a)]	–	100.0
National Chance Electroplating (Shenzhen) Limited [(a)] The People's Republic of China Provision of PCB electroplating services (Shenzhen Tianying Certified Public Accountants)	–	77[(a)]	–	100.0
Guozhou Windsor Punching (Shenzhen) Limited [(a)] The People's Republic of China Provision of PCB punching services (Shenzhen Tianying Certified Public Accountants)	–	52[(a)]	–	100.0
Iwasa Windsor Moulds (Shenzhen) Limited [(a)] The People's Republic of China Manufacture and sale of PCB punching moulds (Shenzhen Tianying Certified Public Accountants)	–	139[(a)]	–	100.0
Held through Iwasa Windsor Company Limited:				
Iwasa Windsor Precision Mould (Wuhan) Co., Ltd [(a)] The People's Republic of China Manufacture and sale of PCB punching moulds (Hongfa Certified Public Accountant Co., Ltd)	–	402[(a)]	–	51.0

(a) These subsidiaries were disposed on 6 Aug 2015 and the cost of investments was reclassified to assets held for sale.
(b) Cost of investment is less than US$1,000.
(c) Audited by RSM Chio Lim LLP.
(d) Audited by RSM International correspondent firm in Myanmar.
(e) Not audited, as it is immaterial.

18. Investments in subsidiaries (cont'd)

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

There are no subsidiaries that have non-controlling interests that are considered material to the reporting entity.

19. Investments in joint ventures

	Group and Company	
	2016	2015
	US$'000	US$'000
Unquoted equity shares, at cost	**(a)**	–

The joint ventures held by the company are listed below:

Name of Joint ventures, Country of Incorporation, Place of Operations and Principal Activities	Cost in books of group		Effective percentage of equity held by group	
	2016	2015	**2016**	2015
	US$'000	US$'000	**%**	%
Held by the Company:				
SMI-Senko Logistics Pte Ltd (incorporated on 4 Mar 2016) [(b)] Singapore Value added logistics providers and general warehousing	**(a)**	–	**50.0**	–

(a) Cost of investment is less than US$1,000.
(b) Not audited, as it is immaterial.

20. Other financial assets, non-current

	Company	
	2016	2015
	US$'000	US$'000
Available-for-sale investments:		
Investment linked keyman life insurance policies as available-for-sale at fair value through profit or loss [(a)]		
Movements during the year:		
Fair value at beginning of year	**–**	1,675
Assets classified as held for sale	**–**	(1,675)
Fair value at end of year	**–**	–

20. Other financial assets, non-current (cont'd)

	Company	
	2016	2015
	US$'000	US$'000
Unquoted equity shares in corporation as available-for-sale at cost [(b)]		
Cost at beginning of year	–	440
Assets classified as held for sale	–	(440)
Cost at end of year	–	–
Equity linked note at fair value through profit or loss		
Cost at beginning of year	–	258
Assets classified as held for sale	–	(258)
Fair value at end of year	–	–
Total financial assets	–	–

a) Investment linked keyman life insurance policies

The investment linked keyman insurance policies relates to life insurance purchased by a subsidiary for two of the directors of the subsidiary, Mr Chung Koon Wing and Mr Chung Wah Sang. The total insured amount of the four contracts is US$1.8million. Each of the contract will mature on the date when the insured person reaches the age of 100 or death of the insured person whichever is earlier. At time of death of the insured person, 100% of the insured amount plus the accumulated dividends bonus will be payable to the company.

The fair value of investment linked keyman life insurance policies is based on the total cash surrender value of the contracts stated in the annual statements of these policies (Level 2).

b) Unquoted equity shares in a corporation

Unquoted equity shares in corporations represent investment in the unquoted shares of Taiwanese and Hong Kong companies at cost.

The fair value of the unquoted investments as available-for-sale financial assets is deemed to be not reliably measurable as the probabilities of the various estimates within the range cannot be reasonably assessed as used in estimating fair values.

Consequently the investment was carried at cost less allowance for impairment, if any.

21. Other assets, non-current

	Group	
	2016	2015
	US$'000	US$'000
Land use rights (Note 21A)	**–**	–

21. Other assets, non-current (cont'd)

21A. Land use rights

	Group	
	2016	2015
	US$'000	US$'000
Cost		
At beginning of year	**–**	507
Assets classified as held for sale	**–**	(507)
At end of year	**–**	–
Accumulated depreciation		
At beginning of year	**–**	100
Assets classified as held for sale	**–**	(100)
At end of year	**–**	–
Net carrying value	**–**	–

22. Inventories

	Group	
	2016	2015
	US$'000	US$'000
Finished goods	**118**	–
Included in cost of sales:		
Finished goods	**669**	–

There are no inventories pledged as security for liabilities.

23. Trade and other receivables

	Group		Company	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Trade receivables				
Outside parties	**6,617**	2,294	**–**	–
Other receivables				
Subsidiary (Note 4)	**–**	–	**24,332**	4,427
GST/commercial tax receivable	**96**	3	**–**	–
Share placement receivable (Note 26)	**2,199**	–	**2,199**	–
Deferred consideration from disposal of discontinued operations (Note 13)	**867**	–	**867**	–
Others	**88**	74	**3**	22
Sub-total	**3,250**	77	**27,401**	4,449
Total trade and other receivables	**9,867**	2,371	**27,401**	4,449

23. Trade and other receivables (cont'd)

	Group		Company	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Presented as:				
Trade and other receivables, current	**9,414**	1,778	**27,401**	4,449
Trade and other receivables, non-current	**453**	593	**–**	–
	9,867	2,371	**27,401**	4,449

Trade receivables of US$3,047,847 (2015: US$1,855,245) are pledged as security for the bank facilities (see Note 29).

The trade receivables are carried at amortised cost using the effective interest method (10% to 13% per annum) over the repayment period between 5 to 24 months. The carrying amount is a reasonable approximation of fair value (Level 3).

24. Other assets

	Group		Company	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Deposits	**359**	316	**59**	53
Prepayments	**1,573**	1,194	**29**	–
Recoverables	**82**	–	**18**	–
Others	**91**	–	**67**	–
	2,105	1,510	**173**	53

25. Cash and cash equivalents

	Group		Company	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Available for use	**3,198**	5,485	**1,357**	3,883
Restricted in use (a)	**407**	934	**–**	–
	3,605	6,419	**1,357**	3,883

(a) This amount is held by bankers as security for financial liabilities (Note 29).

The rate of interest for the cash on interest earning account of US$406,757 (2015: US$934,086) for the group ranges from 0.05% to 0.58% (2015: 0.23%) per annum.

25. Cash and cash equivalents (cont'd)

25A. Cash and cash equivalents in the statement of cash flows

	Group	
	2016	2015
	US$'000	US$'000
As stated above	**3,605**	6,419
Fixed bank deposits restricted in use (a)	**(407)**	(934)
Discontinued operations (Note 13A)	**–**	4,955
Cash and cash equivalents for statement of cash flows purposes at end of year	**3,198**	10,440

25B. Non-cash transactions

During the reporting year, there were acquisitions of certain assets under property, plant and equipment with a total cost of US$948,893 remain unpaid as at year end.

During the reporting year, there were acquisitions of certain assets under property, plant and equipment with a total cost of US$5,311 acquired by means of finance leases.

26. Share capital

	Group and Company	
	Number of shares issued	**Share Capital**
		US$'000
Ordinary shares of no par value:		
Balance as at 1 April 2014 and 31 March 2015	146,880,000	14,252
Issue of shares at S$0.36 each on 28 July 2015	11,250,000	2,971
Issue of shares at S$0.36 each on 29 February 2016	10,000,000	2,523
Issue of shares at S$0.40 each on 29 March 2016	7,740,000	2,199
	28,990,000	7,693
Balance as at 31 March 2016	175,870,000	21,945

The ordinary shares of no par value which are fully paid, except for 7,740,000 shares in which proceeds were received on 1 April 2016 (Note 23).

During the year ended 31 March 2016, the company issued 28,990,000 ordinary shares for cash at an average price of S$0.37, by way of share placement. The share issue expenses totalled US$286,000.

26. Share capital (cont'd)

Capital management:

In order to maintain its listing on the Singapore Stock Exchange it has to have share capital with 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 continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The objectives when managing capital are: to safeguard the reporting entity'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 reporting 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 (i.e. share capital, and retained earnings).

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	
	2016	2015
	US$'000	US$'000
Net debt:		
All borrowings including finance leases	**2,382**	1,496
Less: cash and cash equivalents	**(3,605)**	(6,419)
Surplus of cash over debt	**(1,223)**	(4,923)
Net capital:		
Equity	**10,233**	7,341
Debt-to-equity ratio	**N.M.**	N.M.

The debt-to-equity ratio is not meaningful as the Group has net surplus cash over debt. In addition, the equity of the Group has enlarged because of share placements.

27. Other reserves

	Group	
	2016	2015
	US$'000	US$'000
Foreign currency translation reserves	–	2,490
Statutory reserves	–	510
	–	3,000

27. Other reserves (cont'd)

(a) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

Group	US$'000
Current year	
Opening balance at 1 April 2015	2,490
Exchange difference on translating foreign operation	284
Disposal of subsidiaries with loss of control	(2,774)
Closing balance at 31 March 2016	–
Previous year	
Opening balance at 1 April 2014	2,757
Exchange difference on translating foreign operation	(267)
Closing balance at 31 March 2015	2,490

This reserve is not available for distribution as cash dividends.

(b) Statutory reserves

Under the regulations in the People's Republic of China, a subsidiary is required to set up a statutory reserve which represents a non-distributable reserve made at a rate of 10% of net profit after tax. Contribution to this reserve is no longer mandatory when the reserve reaches 50% of the registered share capital of the subsidiary. The statutory reserve is not available for distribution as cash dividend. The reserve is to be used in accordance to the circumstances as stipulated in the relevant regulations.

Group	US$'000
Current year	
Opening balance at 31 March 2015 and 1 April 2015	510
Disposal of subsidiaries with loss of control	(510)
Closing balance at 31 March 2016	–

28. Provisions

	Group	
	2016	2015
	US$'000	US$'000
Provision for dismantling	**812**	–

The provision is based on the present value of costs to be incurred to remove the leasehold improvements from leased property. The estimate is based on quotations from external contractors.

29. Other financial liabilities

	Group	
	2016	2015
	US$'000	US$'000
Non-current		
Finance leases (Note 29A)	**1,142**	–
Bank loans (secured) (Note 29B)	**–**	706
Sub-total	**1,142**	706
Current		
Outside parties (Note 29C)	**–**	108
Finance leases (Note 29A)	**1,663**	–
Bank loans (secured) (Note 29B)	**468**	682
Sub-total	**2,131**	790
Total	**3,273**	1,496
The non-current portion is repayable as follows:		
Due within 2 to 5 years	**1,142**	706
The range of floating rate interest rates paid were as follows:		
Bank loans (secured)		
2016		2.35% to 2.65%
2015		2.20% to 6.58%
The ranges of fixed rate interest rates paid were as follows:		
Finance leases		
2016		3.80% to 13.0%
2015		–
Outside parties		
2016		–
2015		3.80% to 5.00%

29A. Finance leases

Group	Minimum payments	Finance charges	Present value
	US$'000	**US$'000**	**US$'000**
Minimum lease payments payable:			
Due within one year	1,676	(106)	1,570
Due within 2 to 5 years	1,365	(130)	1,235
	3,041	(236)	2,805
Net carrying value of property, plant and equipment under finance leases			806

29. Other financial liabilities (cont'd)

29A. Finance leases (cont'd)

The finance leases were drawdown by subsidiaries to repay its suppliers for the purchase of heavy equipment and automotive that were leased to the subsidiaries' customers under extended credit terms of up to 24 months. All leases are on a fixed repayment basis. All lease obligations are denominated in US dollars. The fair value of the lease obligations approximates to their carrying amount. The obligations under finance leases for heavy equipment are secured by the subsidiary's trade receivables (Note 23) and the charge over the assets sold to the customers.

29B. Bank loans (secured)

The total for bank loans is US$468,335 (2015: US$1,387,484) at floating rates of interest. The fair value (Level 2) is a reasonable approximation of the carrying amounts as they are floating rate instruments that are frequently re-priced to market interest rates.

(a) a corporate guarantee of US$12,700,000 executed by the Company;
(b) fixed bank deposit (Note 25); and
(c) floating charge over a subsidiary's trade receivables (Note 23).

The bank loans are repayable over 24 monthly instalments, commencing from their drawdown on various dates.

29C. Outside parties loans

Outside parties are the business partners of the group. The principal and interest are due and payables upon maturity of the loans. The total for the loans of US$Nil (2015: US$108,258) is at fixed rate interest. The fair value (Level 2) is a reasonable approximation of the carrying amount. The fair value of the loans were estimated by discounting the future cash flows payable under the terms of the loans using the year-end market interest rate Nil% (2015: 5%) per annum applicable to loans of similar credit risk, terms and conditions.

30. Other payables, non-current

	Group		Company	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Loan from shareholders (Note 30A)	**7,200**	2,959	**7,200**	2,959
Outside parties (Note 30B)	**275**	–	**–**	–
	7,475	2,959	**7,200**	2,959

30A. Loan from shareholders

The loan amounts are due to shareholders, who are also directors of the Company and are denominated in US Dollars (2015: US Dollars) and are unsecured. Interest is accrued on indebtedness at the rate of 2.34% per annum (2015: 2.34% per annum). The loan is due 24 months from the date of the first disbursement of the loan.

The fair value of loan from shareholders (non-current) is US$7,135,430. The fair value of the loan from shareholders was estimated by discounting the future cash flows payable using the year-end market interest rate of 5.35% (Level 3) per annum.

30B. Outside parties

The amount due to suppliers is unsecured and is not expected to pay within 12 months after the financial year end.

Year ended 31 March 2016

31. Trade and other payables

	Group		Company	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Trade payables				
Outside parties	**4,091**	103	**1**	–
Sub-total	**4,091**	103	**1**	–
Other payables				
Subsidiaries (Note 4)	**–**	–	**–**	1,363
Accrued liabilities	**4,062**	867	**1,240**	274
Deposit received for disposal of discontinued operations	**–**	1,774	**–**	1,774
Deposits from customers	**87**	–	**–**	–
Deferred income	**121**	–	**–**	–
Loan from shareholders (Note 30A)	**3,000**	–	**3,000**	–
Others	**364**	72	**273**	1
Sub-total	**7,634**	2,713	**4,513**	3,412
Total trade and other payables	**11,725**	2,816	**4,514**	3,412

32. Capital commitments

	Group	
	2016	2015
	US$'000	US$'000
Commitments to purchase of property, plant and equipment	**417**	–
Future payment commitments for construction of Tower Equipment under the back to back contract agreement	**2,298**	–
Share capital commitment for Kun Shan Lun Hsing Electronics Technologies Limited	**–**	931

33. Operating lease payments commitments – as lessee

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

	Group	
	2016	2015
	US$'000	US$'000
Not later than one year	**523**	133
Later than one year but not later than five years	**1,245**	55
More than 5 years	**784**	–
Rental expense for the year	**924**	59

Operating lease payments mainly represent rental payable by the group for certain of its office and leased properties. The lease rental terms are negotiated for terms for 1 to 15 years (2015: 2 years) at fixed rentals.

34. Operating lease income commitments – as lessor

At the end of the reporting year the total of future minimum lease receivables committed under non-cancellable operating leases are as follows:

	Group	
	2016	2015
	US$'000	US$'000
Not later than one year	**6**	–
Rental income for the year	**169**	–

Operating lease income commitments represent rental receivable by the group for certain of its office properties.

35. Contingent liabilities

The Group has provided a corporate guarantee amounting to US$50,000 (2015: US$Nil) to a supplier of a subsidiary's mobile business.

The Company has provided the following guarantees at the end of the reporting year:

- a corporate guarantee amounting to US$2,000,000 (2015: US$Nil) to a bank for hire purchases arrangements taken by a subsidiary.

- a corporate guarantee amounting to US$150,000 (2015: US$2,001,000) to banks for banking facilities taken by subsidiaries.

36. Financial instruments: information on financial risks

36A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2016	2015	**2016**	2015
	US$'000	US$'000	**US$'000**	US$'000
Financial assets:				
Cash and cash equivalents	**3,605**	6,419	**1,357**	3,883
Loans and receivables	**9,867**	2,371	**27,401**	4,449
At end of year	**13,472**	8,790	**28,758**	8,332
Financial liabilities:				
Measured at amortised costs:				
Borrowings	**3,273**	1,496	**–**	–
Trade and other payables	**9,000**	2,816	**1,514**	3,412
Loan from shareholders	**10,200**	2,959	**10,200**	2,959
At end of year	**22,473**	7,271	**11,714**	6,371

Further quantitative disclosures are included throughout these financial statements.

36. Financial instruments: information on financial risks (cont'd)

36B. Financial risk management

The main market risks subject to exposure are interest rates and foreign exchange. There is also exposure to credit risk and liquidity risk. Credit risk on cash balances and derivative financial instruments is limited because the counter-parties are banks with high credit ratings. The Executive Director (Finance and Administrative) who monitors the procedures reports to the board.

The management has certain strategies for the management of financial risks and action to be taken in order to manage the financial risks. The following guidelines are followed:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. 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.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following good market practices.

36C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. 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.

36D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counter-parties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables, and certain other financial assets. 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 reporting 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 with customers 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 receivables, 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 25A discloses the maturity of the cash and cash equivalents balances.

As part of the process of setting customer credit limits, different credit terms are used. Except for certain customers also be given credit period of 5 to 24 months, the average credit period generally granted to trade receivable customers is about 60 days (2015: 60 days). But some customers may take a longer period to settle the amounts.

36. Financial instruments: information on financial risks (cont'd)

36D. Credit risk on financial assets (cont'd)

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

	Group	
	2016	2015
	US$'000	US$'000
61 to 90 days	**359**	111
91 to 150 days	**53**	225
Over 150 days	**174**	1,269
Total	**586**	1,605

There is no fixed maturity for the available for sale investments.

Other receivables are normally with no fixed terms and therefore there is no maturity.

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

	Group	
	2016	2015
	US$'000	US$'000
Top 1 customer	**718**	660
Top 2 customers	**1,299**	1,038
Top 3 customers	**1,787**	1,354

36E. Liquidity risk – financial liabilities maturity analysis

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

Group	**Less than 1 year**	**1 – 2 years**	**2 – 5 years**	**Total**
	US$'000	**US$'000**	**US$'000**	**US$'000**
2016				
Gross borrowings commitments	2,040	476	–	2,516
Trade and other payables	9,616	275	–	9,891
Loan from shareholders	3,028	7,274	–	10,302
At end of year	14,684	8,025	–	22,709
2015				
Gross borrowings commitments	790	729	–	1,519
Trade and other payables	2,816	–	–	2,816
Loan from shareholders	–	3,028	–	3,028
At end of year	3,606	3,757	–	7,363

36. Financial instruments: information on financial risks (cont'd)

36E. Liquidity risk – financial liabilities maturity analysis (cont'd)

Company	Less than 1 year	1 – 2 years	Total
	US$'000	US$'000	US$'000
2016			
Trade and other payables	1,514	–	1,514
Loan from shareholders	3,028	7,274	10,302
	4,542	7,274	11,816
2015			
Trade and other payables	3,412	–	3,412
Loan from shareholders	–	3,028	3,028
	3,412	3,028	6,440

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counter-party has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay. For financial guarantee contracts the maximum earliest period (within one year) in which the guarantee could be called is used (Note 35).

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 to 90 days (2015: 60 to 90 days). In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows. In addition, the financial assets are held for which there is a liquid market and that are available to meet liquidity needs.

Financial guarantee contracts - For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year no claims on the financial guarantees are expected to be payable. The following table shows the majority analysis of the contingent liabilities from financial guarantees:

Group	Less than 1 year
	US$'000
2016:	
Financial guarantee contracts - bank guarantee in favour of a subsidiary (Note 35)	50
2015:	
Financial guarantee contracts - bank guarantee in favour of a subsidiary (Note 35)	–

Bank facilities:

	Group	
	2016	2015
	US$'000	US$'000
Undrawn borrowing facilities:		
Loans facilities	100	–
Bank overdraft	50	–

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for budgeted operations. A monthly schedule showing the maturity of financial liabilities and unused borrowing facilities is provided to management to assist them in monitoring the liquidity risk.

36. Financial instruments: information on financial risks (cont'd)

36F. Interest rate risk

The interest rate risk exposure is from changes in fixed rate and floating interest rates and it mainly concerns financial liabilities which are both fixed rate and floating rate. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group	
	2016	2015
	US$'000	US$'000
Financial assets		
Floating rate	**407**	934
Financial liabilities		
Fixed rate	**12,114**	108
Floating rate	**468**	1,388
At end of year	**12,582**	1,496

The floating rate debt instruments are with interest rates that are re-set regularly at one, three or six month intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis:

The effect on pre-tax loss is not significant.

36G. Foreign currency risk

Company

There is no significant exposure to foreign currency risk as the transactions are made in the company's functional currency.

Group

There is exposure to foreign currency risk as part of its normal business of the group. In particular, there is a significant exposure to the Singapore Dollars and Myanmar Kyats currency risk due to significant transactions made in Myanmar and Singapore.

Analysis of amounts denominated in non-functional currencies:

	Singapore Dollars	Myanmar Kyats	Others	Total
	US$'000	**US$'000**	**US$'000**	**US$'000**
2016:				
Financial assets:				
Cash and cash equivalents	819	78	8	905
Loans and receivables	274	833	38	1,145
Total financial assets	1,093	911	46	2,050
Financial liabilities:				
Trade and other payables	897	107	13	1,017
Total financial liabilities	897	107	13	1,017
Net financial assets at end of year	196	804	33	1,033

36. Financial instruments: information on financial risks (cont'd)

36G. Foreign currency risk (cont'd)

	Singapore Dollars	Others	Total
	US$'000	**US$'000**	**US$'000**
2015:			
Financial assets:			
Cash and cash equivalents	1,020	–	1,020
Total financial assets	1,020	–	1,020
Financial liabilities:			
Trade and other payables	302	103	405
Total financial liabilities	302	103	405
Net financial assets/(liabilities) at end of year	718	(103)	615

Sensitivity analysis:

The effect on loss before tax for the group as follows:

	Group	
	2016	2015
	US$'000	US$'000
A hypothetical 10% strengthening in the exchange rate of the functional currency United States Dollar against Singapore Dollar (SGD) with all other variables held constant would have an adverse effect on pre-tax loss of	**(20)**	(72)
A hypothetical 10% strengthening in the exchange rate of the functional currency United States Dollar against Myanmar Kyats (MMK) with all other variables held constant would have an adverse effect on pre-tax loss of	**(80)**	–
A hypothetical 10% strengthening in the exchange rate of the functional currency United States Dollar against other currencies with all other variables held constant would have an adverse effect on pre-tax loss of	**(3)**	10

The above table shows sensitivity to a hypothetical 10% variation in the functional currency against the relevant 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.

The analysis above has been carried out on the basis that there are no hedged transactions.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

37. Subsequent event

Subsequent to 31 March 2016, the SGX-ST has granted its in-principal approval for the listing and quotation of up to 35,264,050 Debt Conversion Shares. Pursuant to the Debt Conversion Deeds, Mr Ho Kwok Wai and Mr Mark Francis Bedingham have agreed to convert shareholders loans (Notes 30 and 31) of US$9,073,732 for up to 35,264,050 new ordinary shares in the capital of the Company at the issue price of S$0.36 per Debt Coversion Share. The Debt Conversion Shares are issued for repayment of shareholders' loans and accrued interest thereon at a rate of 2.34% per annum, which have been extended by Mr Ho Kwok Wai and Mr Mark Francis Bedingham.

The Company will be convening an extraordinary general meeting to seek Shareholders' approval for the Proposed Debt Conversion.

38. Comparative figures

Comparatives have been re-presented as a result of the change in functional and presentation currencies (Note 2).

39. Changes and adoption of financial reporting standards

For the current reporting year new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any material modification of the measurement methods or the presentation in the financial statements.

FRS No.	Title
FRS 1	Amendments to FRS 1: Disclosure Initiative (early application)
Various	Improvements to FRSs (Issued in January 2014). Relating to
	FRS 113 Fair Value Measurement
	FRS 24 Related Party Disclosures
Various	Improvements to FRSs (Issued in February 2014). Relating to
	FRS 113 Fair Value Measurement

40. New or amended standards in issue but not yet effective

For the future reporting years new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No.	Title	Effective date for periods beginning on or after
FRS 115	Revenue from Contracts with Customers	1 Jan 2018
FRS 109	Financial Instruments	1 Jan 2018

STATISTICS OF SHAREHOLDINGS

As at 16 June 2016

Issued and fully paid share capital	:	S$34,944,975.00
Total number of shares in issue	:	175,870,000
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

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

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the information provided and to the best knowledge of the Directors, approximately 31.82% of the issued ordinary shares of the Company were held in the hands of the public as at 16 June 2016 and therefore Rule 723 of the Listing Manual is complied with.

DISTRIBUTION OF SHAREHOLDINGS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	–	–	–	–
100 - 1,000	43	23.76	42,100	0.02
1,001 - 10,000	75	41.44	494,100	0.28
10,001 - 1,000,000	52	28.72	5,358,900	3.05
1,000,001 and above	11	6.08	169,974,900	96.65
Total	181	100.00	175,870,000	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	MAYBANK KIM ENG SECURITIES PTE LTD	121,886,300	69.30
2	DBS NOMINEES PTE LTD	8,240,000	4.69
3	CITIBANK NOMINEES SINGAPORE PTE LTD	7,183,800	4.08
4	RHB SECURITIES SINGAPORE PTE LTD	6,082,000	3.46
5	QUAH SUAT LAY NANCY (KE XUELI NANCY)	5,761,000	3.28
6	DBS VICKERS SECURITIES (S) PTE LTD	5,541,900	3.15
7	HSBC (SINGAPORE) NOMINEES PTE LTD	5,471,900	3.11
8	HO CHEE TONG	5,000,000	2.84
9	PHILLIP SECURITIES PTE LTD	1,971,000	1.12
10	UOB KAY HIAN PTE LTD	1,787,000	1.02
11	LIU NAN	1,050,000	0.60
12	WEE HIAN KOK	604,000	0.34
13	LEE KEE SAN	523,000	0.30
14	ABN AMRO CLEARING BANK N.V.	450,000	0.26
15	COMAROFF EMI	424,000	0.24
16	RAFFLES NOMINEES (PTE) LTD	327,000	0.19
17	CHAN SING PONG @ CHENG SIEW FONG	247,000	0.14
18	NG YUTING PRISCILLA	232,000	0.13
19	CHAN KEE HAM	184,900	0.11
20	DB NOMINEES (S) PTE LTD	175,000	0.10
	Total:	173,141,800	98.46

STATISTICS OF SHAREHOLDINGS

As at 16 June 2016

SUBSTANTIAL SHAREHOLDERS

	Direct Interest		Deemed Interest	
Name	Number of Shares	%	Number of Shares	%
Ho Kwok Wai[1]	–	–	113,489,000	64.53
Jet Palace Holdings Limited[1]	33,400,000	18.99	–	–
Taipan Grand Investments Limited[1]	77,933,000	44.31	–	–

Note:

1. Ho Kwok Wai's aggregate deemed interest comprised 33,400,000 shares held by Jet Palace Holdings Limited, 77,933,000 shares held by Taipan Grand Investments Limited and 2,156,000 shares held by BSI Bank Ltd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **SINGAPORE MYANMAR INVESTCO LIMITED** (the "**Company**") will be held at Sky Garden Meeting Room, 21st Floor Straits Trading Building, 9 Battery Road, Singapore 049910 on Tuesday, 26 July 2016 at 10.00 a.m., for the following purposes:

AS ORDINARY BUSINESS:

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

2. To approve the payment of Directors' fees of S$240,000 for the financial year ended 31 March 2016. (2015: S$191,452) **(Resolution 2)**

3. To re-elect Mr Fong Sing Chak Jack, a Director retiring under Article 91 of the Company's Constitution and who being eligible, will offer himself for re-election. (see explanatory note 1) **(Resolution 3)**

4. To re-elect Mr Wee Sung Leng, a Director retiring under Article 91 of the Company's Constitution and who being eligible, will offer himself for re-election. (see explanatory note 2) **(Resolution 4)**

5. To re-appoint Messrs RSM Chio Lim LLP 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 Resolution as an Ordinary Resolution, with or without any modifications:

6. **Authority to Allot and Issue Shares** **(Resolution 6)**

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

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

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

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force, provided that:

(i) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution and including Shares which may be issued pursuant to any adjustments effected under any relevant Instrument) to be issued pursuant to this Resolution shall not exceed fifty per cent (50%) of the total number of issued Shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per cent (20%) of the total number of issued Shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares shall be calculated and based on the total number of issued Shares in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

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

(II) new Shares arising from the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

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

(iii) in exercising the authority granted by this Resolution, the Company shall comply with the provisions of the Act, the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

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

(see explanatory note 3)

7. **Authority to grant awards and to allot and issue shares under SWH Performance Share Plan** **(Resolution 7)**

"That approval be and is hereby given to the Directors to grant awards from time to time in accordance with the provisions of SWH Performance Share Plan ("SWH PSP"), and, pursuant to Section 161 of the Companies Act, Chapter 50, to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the vesting of the awards under SWH PSP, provided always that the aggregate number of Shares to be allotted and issued pursuant to SWH PSP, when aggregated together with Shares to be allotted and issued pursuant to any other existing employee share schemes of the Company shall not exceed 15 per cent (15%) of the total number of issued Shares excluding treasury shares from time to time."

(see explanatory note 4)

8. To transact any other business that may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Wang Shin Lin, Adeline
Company Secretaries
Singapore

8 July 2016

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

1. Mr Fong Sing Chak Jack will, upon re-appointment as a Director of the Company, continue to serve as a member of the Audit, Remuneration and Nominating Committees. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. He does not have any relationships, including immediate family relationships with the Directors of the Company, the Company or its 10% shareholders.

2. Mr Wee Sung Leng will, upon re-appointment as a Director of the Company, continue to serve as the Chairman of the Remuneration and Nominating Committees and a member of the Audit Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. He does not have any relationships, including immediate family relationships with the Directors of the Company, the Company or its 10% shareholders.

3. The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company from the date of this Annual General Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis to existing shareholders of the Company.

4. The proposed Ordinary Resolution 7, if passed, will empower the Directors to offer and grant awards under SWH PSP (as from time to time amended, modified or supplemented), which was approved at the extraordinary general meeting of the Company on 30 July 2014, and to allot and issue Shares in the capital of the Company, pursuant to the vesting of the awards under SWH PSP provided always that the aggregate number of Shares to be issued under SWH PSP, when aggregated with Shares to be issued under any other existing share scheme of the Company, does not exceed 15 per cent (15%) of the total number of issued Shares excluding treasury shares of the Company for the time being.

Notes:

(i) (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the Annual General Meeting ("AGM"). Where such member's form of proxy appoints more than one (1) proxy, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

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

(ii) A proxy need not be a member of the Company.

(iii) The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898 not less than forty-eight (48) hours before the time appointed for the AGM.

PERSONAL DATA PRIVACY

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (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.

SINGAPORE MYANMAR INVESTCO LIMITED

(Company Registration Number 200505764Z)
(Incorporated in the Republic of Singapore)

Important:

1. For investors who have used their CPF monies to buy the Shares, this report is forwarded to them at the request of 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 vote should contact their respective CPF Approved Nominees.

PROXY FORM
ANNUAL GENERAL MEETING

I/We* _____ (Name) NRIC/Passport number* _____ of

_____ (Address)

being a shareholder/shareholders* of SINGAPORE MYANMAR INVESTCO LIMITED (the "**Company**") hereby appoint:

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

and/or*

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

or failing *him/her, the Chairman of the Annual General Meeting ("**AGM**") of the Company as *my/our *proxy/proxies to attend and to vote for *me/us on *my/our behalf at the AGM of the Company to be held at Sky Garden Meeting Room, 21st Floor Straits Trading Building, 9 Battery Road, Singapore 049910 on Tuesday, 26 July 2016 at 10.00 a.m. and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the Ordinary Resolutions as set out in the Notice of AGM. In the absence of specific directions, the *proxy/proxies will vote or abstain as *he/she/they may think fit, as *he/she/they will on any other matter arising at the AGM.)

No.	**Resolutions relating to:**	**For**	**Against**
	Ordinary Business		
1.	Adoption of Directors' Statement and Audited Financial Statements for financial year ended 31 March 2016 together with the Independent Auditors' Report thereon		
2.	Approval of Directors' fees amounting to S$240,000 for financial year ended 31 March 2016		
3.	Re-election of Fong Sing Chak Jack as a Director		
4.	Re-election of Wee Sung Leng as a Director		
5.	Re-appointment of RSM Chio Lim LLP as Auditors and authorise the Directors to fix their remuneration		
	Special Business		
6.	Authority to allot and issue new shares in the Company and make/grant/offer Instruments		
7.	Authority to grant awards and to allot and issue shares under SWH Performance Share Plan		

* Delete accordingly

Dated this _____ day of _____ 2016

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

_____

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

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.

2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one (1) proxy, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as alternate to the first named proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

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

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

4. The instrument appointing a proxy or proxies must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898 not less than forty-eight (48) hours before the time appointed for the AGM.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its 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 that is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Act.

8. The submission of an instrument or form appointing a proxy by a member does not preclude him/her from attending and voting in person at the AGM if he/she so wishes.

9. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

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

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 8 July 2016.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Ho Kwok Wai
Non-Executive Chairman and Non-Executive Director

Mark Francis Bedingham
Executive Director, President and Chief Executive Officer

Wong Yen Siang
Lead Independent Director

Fong Sing Chak Jack
Independent Director

Wee Sung Leng
Independent Director

AUDIT COMMITTEE

Wong Yen Siang
Chairman

Wee Sung Leng

Fong Sing Chak Jack

NOMINATING COMMITTEE

Wee Sung Leng
Chairman

Wong Yen Siang

Fong Sing Chak Jack

REMUNERATION COMMITTEE

Wee Sung Leng
Chairman

Wong Yen Siang

Fong Sing Chak Jack

COMPANY SECRETARIES

Lee Wei Hsiung
Wang Shin Lin, Adeline

COMPANY REGISTRATION NUMBER

200505764Z

REGISTERED OFFICE AND BUSINESS ADDRESS

300 Beach Road
29-01 The Concourse
Singapore 199555
Tel: (65) 6718 6677
Fax: (65) 6391 9636
Website: www.sin-mi.com

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

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

AUDITORS

RSM Chio Lim LLP
Certified Public Accountants
(a member of RSM International)
8 Wilkie Road #03-08
Wilkie Edge
Singapore 228095
Partner-In-Charge: **Goh Swee Hong**
(appointed in financial year ended 31 March 2015)

PRINCIPAL BANKERS

United Overseas Bank Limited
Malayan Banking Berhad
Kanbawza Bank Limited (KBZ Bank)
Oversea-Chinese Banking Corporation Limited



Singapore Myanmar Investco Limited

300 Beach Road
#29-01 The Concourse
Singapore 199555

cre8
Tel: 63278398