



Axcelasia

ACCELERATING SUCCESS

**FY2015 RESULTS AND
CORPORATE & BUSINESS UPDATE BRIEFING**

1 MARCH 2016

BRIEFING AGENDA

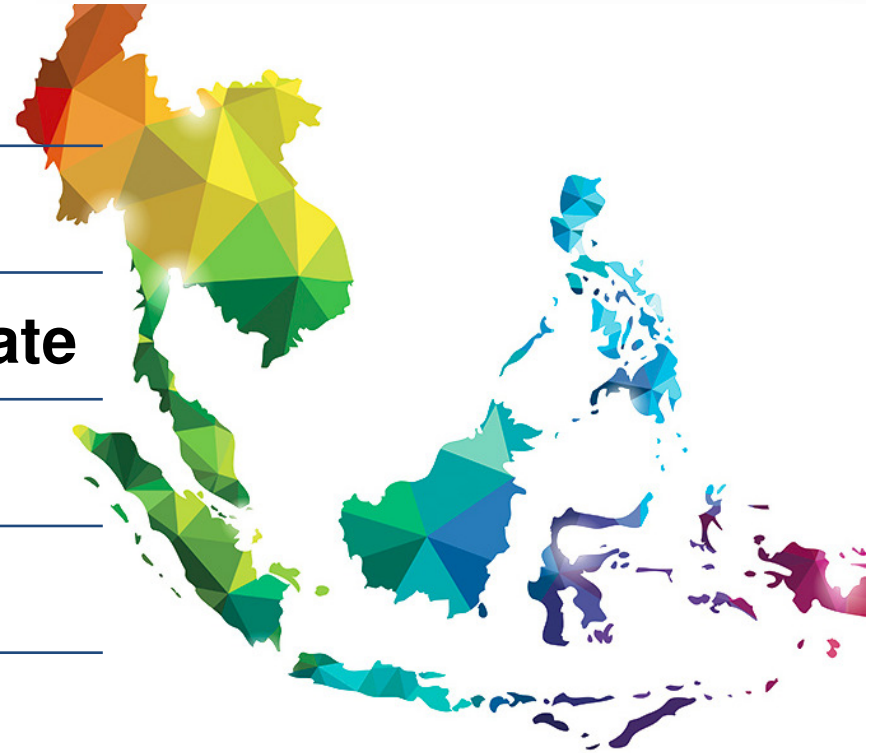
- 1. Corporate Overview**

- 2. Recent Highlights**

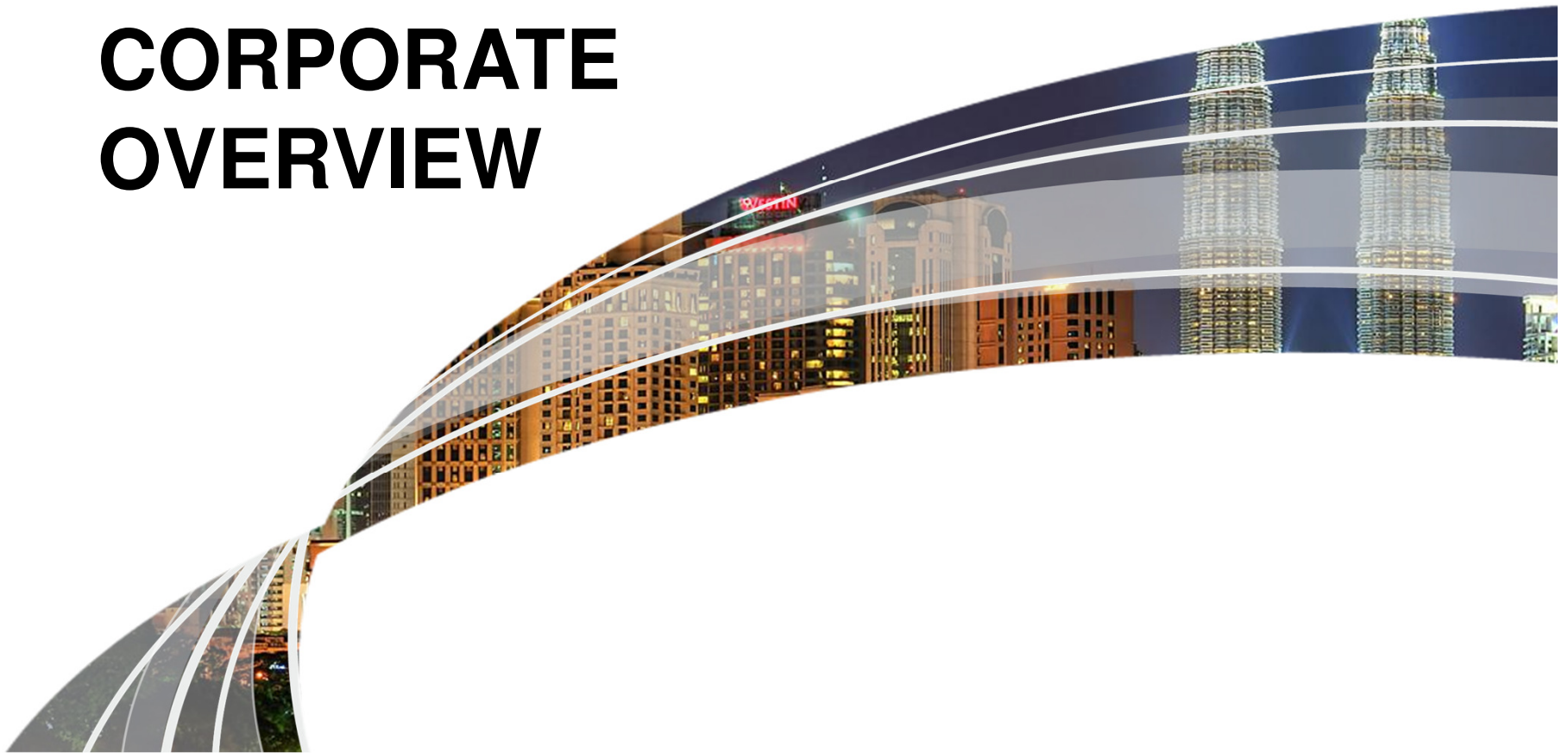
- 3. Corporate and Business Update**

- 4. FY2015 Financial Highlights**

- 5. Outlook**



CORPORATE OVERVIEW



CORPORATE OVERVIEW

Axcelasia Inc. (“Axcelasia”) provides integrated professional services mainly in Malaysia to government-linked entities, private and public listed companies and multinational corporations. Its four key business segments are tax advisory, business consultancy, enterprise management system (“EMS”) application and business support.

The Group is led by three Executive Directors, Dr. Veerinderjeet Singh, Dato’ Peter Tang, and Mr. Ranjit Singh, who are industry veterans with more than 95 years’ combined industry experience.

Axcelasia was listed on the Singapore Exchange Catalist Board on 27 November 2015.

BUSINESS SEGMENTS



TAX ADVISORY



BUSINESS CONSULTANCY



EMS APPLICATION



BUSINESS SUPPORT

TAX ADVISORY

- Tax advisory services are provided by Taxand Malaysia Sdn Bhd
- Taxand Malaysia is a member of Taxand, a global organisation of independent tax advisory firms consisting of 400 tax partners and over 2,000 tax advisors in 46 countries. Taxand Malaysia remains an independent firm, and does not share profits and losses with the other Taxand member firms.

Taxand Malaysia

- Corporate tax advisory
- Transfer pricing
- Individual tax advisory
- Tax compliance
- International tax
- GST
- Knowledge management

BUSINESS CONSULTANCY

- Business Consultancy services are offered through Axcelasia Columbus Sdn Bhd and Axcelasia HR Consulting Sdn Bhd
- Strong track record of providing strategic advice to government-linked organisations as well as private and public listed companies which operate in various industries

Axcelasia Columbus

- Governance, Risk & Compliance
- Internal Audit and IT Audit
- Transformation and Programme Management
- IT Consulting
- Forensic Accounting
- Business Continuity Management

Axcelasia HR Consulting

- HR Services
- Change Management
- HR Transformation
- Talent Management & Succession Planning
- Executive Search & Placement

EMS APPLICATION

- Axcelasia Softnex Sdn Bhd develops and maintains the EMS Application software for clients
- The software provides a user interface to input operational information, creating a dashboard view of one's governance, risk and compliance issues. There are various modules available which can be customised to specific client requirements.

Axcelasia Softnex

The EMS software modules include:

- Risk management
- Compliance
- Internal Audit
- ISMS
- Incident
- Insurance

BUSINESS SUPPORT

- Business Support services are offered through Axcelasia Corporate Services Sdn Bhd – which focuses on corporate secretarial services – and Axcelasia Global Business Services Sdn Bhd – which focuses on accounting and outsourcing services
- Axcelasia Corporate Services and Axcelasia Global Business Services handle all internal support services for the Group

Axcelasia Corporate Services

- Corporate secretarial services

Axcelasia Global Business Services

- Accounting
- Outsourcing services

AWARDS AND ACCREDITATIONS

Taxand Malaysia has received the following awards and accreditations:

2015: Sustained Excellence in Corporate Tax by Acquisition Intl Magazine

2015: Most Outstanding Tax Advisory Firm by Corporate Intl Magazine

2015: Recommended Tax Firm by International Tax Review (ITR)

2014: Corporate Tax Firm by Acquisition Intl Magazine

2014: International Tax Accountancy Firm by Corporate Intl Magazine

2013: Tier 1 Transactional Tax Advisor – ITR Survey

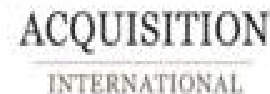
2013: Tier 1 Tax Planning Advisor – ITR Survey

2012: International Tax Advisory Firm by Corporate Intl Magazine

2012: Corporate Tax Advisory Firm by Acquisition Intl Magazine

2010 : Asia Transfer Pricing Firm of the Year by ITR

2009: Transfer Pricing Firm of the Year – Malaysia – ITR



RECENT HIGHLIGHTS



RECENT HIGHLIGHTS

27 November 2015

Listed on Singapore Exchange's Catalist Board

22 January 2016

Axcelasia Singapore Pte Ltd was incorporated to carry on the business of tax advisory, business consultancy, internal audit, risk management advisory and business support services in Singapore

22 January 2016

Names of Axcelasia's subsidiaries were changed to reflect the new corporate identity of the Group

10 February 2016

Increased issued and paid-up capital of Axcelasia Singapore to S\$500,000

Dr. James Wong appointed as Managing Director of Singapore operations; also holds 25% of Axcelasia Singapore

24 February 2016

Announced FY2015 results (net profit rose five-fold to RM7.9 million on RM25.3 million revenue)

CORPORATE & BUSINESS UPDATE



OPERATING ENVIRONMENT

The operating environment has presented opportunities for Axcelasia to capitalise on:

- Formalisation of the ASEAN Economic Community encourages greater regional cooperation and introduction of new initiatives that will benefit the Group as it expands
- Increasing demand in the region for digital transformation
- Corporates requiring more risk management and risk mitigation strategies
- Opportunities to leverage on shared services and off-shoring

CORPORATE AND BUSINESS UPDATE

Three main strategies:

- 1 • Asset-light geographical expansion in Malaysia and ASEAN region
- 2 • Expansion of portfolio of services to develop new revenue streams
- 3 • Harnessing of economies of scale arising from business growth

ASSET-LIGHT

GEOGRAPHICAL EXPANSION IN MALAYSIA AND ASEAN REGION

- Operations in the Klang Valley currently account for bulk of revenue; Group is targeting other Malaysian cities (Johor Bahru and Penang) and ASEAN region
- Adoption of asset-light strategy – strategic alliances, joint ventures or mergers and acquisitions with low start-up and operating costs – mitigates risks while leveraging on existing clientele
- Professional services sub-sector will benefit from formalisation of ASEAN Economic Community
 - Initiatives such as free flow of skilled labour and harmonisation of financial regulation
- Target to establish operations in at least three other ASEAN cities within the next 18 months
- Expects non-Malaysian operations to commence revenue contribution by FY2016

ASSET-LIGHT

GEOGRAPHICAL EXPANSION IN MALAYSIA AND ASEAN REGION

- Established an office in Singapore this year
 - Initial focus will be on business consultancy before expanding to include tax advisory and corporate secretarial services
 - Serves as a springboard to other ASEAN countries
 - Enhances interaction with shareholders and investment community in Singapore
- Dr. James Wong appointed as Managing Director of Axcelasia Singapore Pte Ltd

EXPANSION OF PORTFOLIO OF SERVICES

DEVELOP NEW REVENUE STREAMS

- To offer complementary services to increase value to customers and attract a wider range of clients
- Diversification will create additional and recurring revenue streams while enhancing profit
- Identified share registrar services and corporate finance advisory to start with
- Currently at the planning stage to enter discussions with potential parties and will provide updates on any material developments

HARNESSING ECONOMIES OF SCALE

ARISING FROM BUSINESS GROWTH

- Group to capture economies of scale as business grows and from centralising various management and operational functions
- Expertise in business consultancy gives Group expertise to significantly streamline internal and operating efficiencies as it expands
- Administrative functions of various subsidiaries have been integrated at Group-level and are expected to translate into cost improvements
- Opportunity to use its Klang Valley operations as a centre for shared and outsourced services – leveraging on economies of scale including relatively weak Malaysian ringgit

FY2015 FINANCIAL HIGHLIGHTS



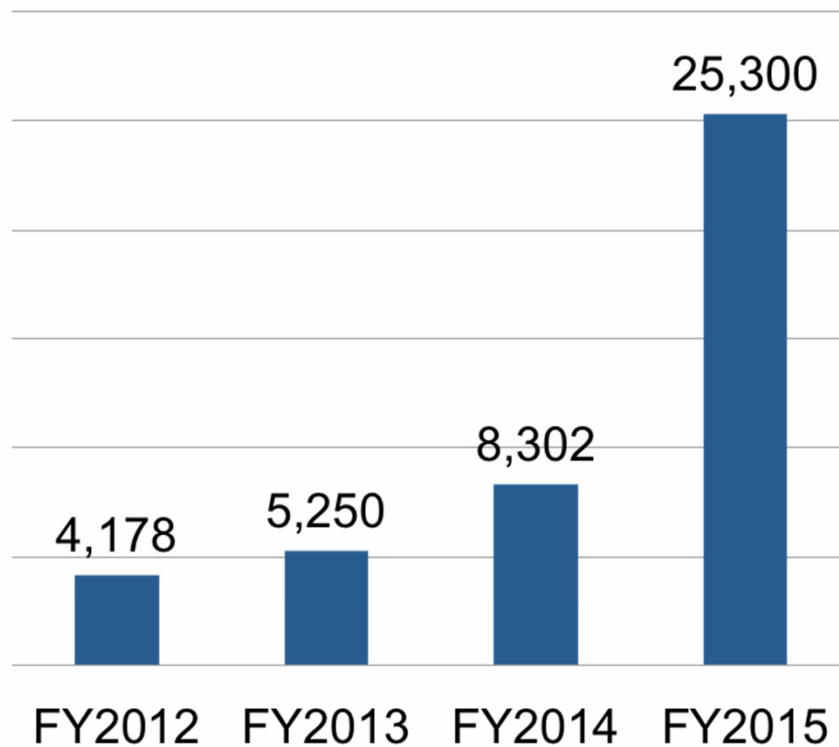
FY2015 RESULTS SNAPSHOT

RM'000	FY2015	FY2014	Change (%)
Revenue	25,300	8,302	204.7
Profit Before Income Tax	9,806	2,089	369.4
Net Profit Attributable To Shareholders	7,866	1,591	394.4
Net Profit Margin (%)	31.1	19.2	11.9 ppt
EPS (RM cents)	10.22 for FY2015		
NAV per share (RM cents)	21.24 as 31 December 2015		

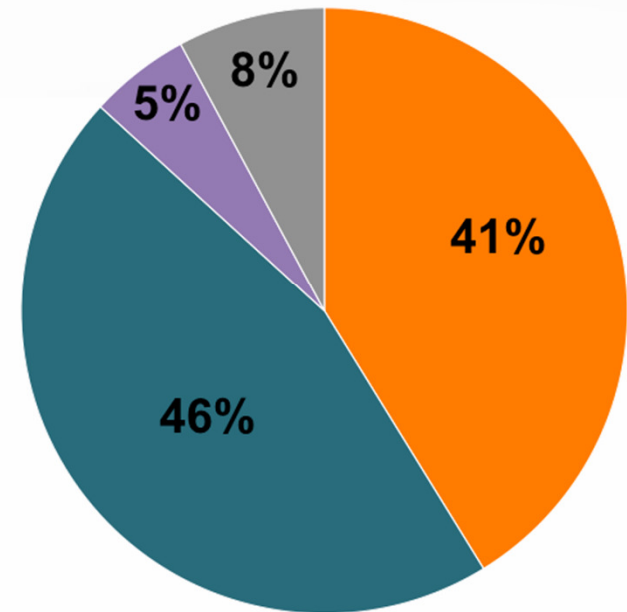
RM'000	31 December 2015	31 December 2014
Total Assets	36,686	5,325
Total Liabilities	2,628	2,383
Cash and Cash Equivalents	28,982	2,870
Total Equity	34,058	2,942

FINANCIAL HIGHLIGHTS – REVENUE

Revenue By Year (RM'000)



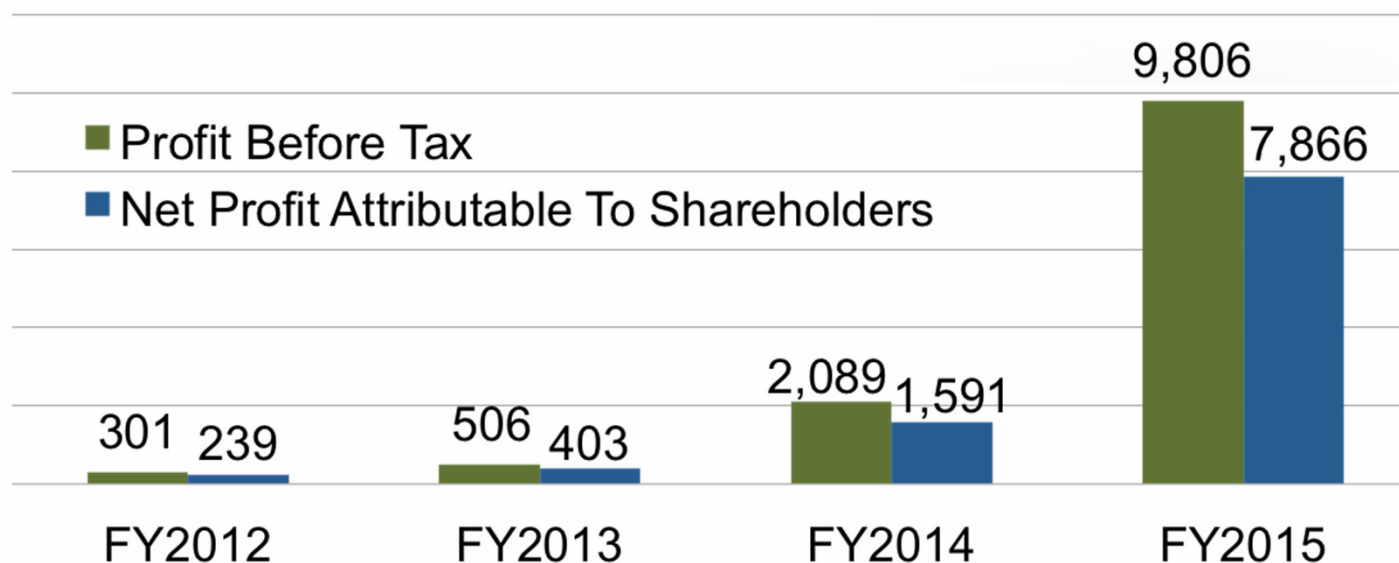
FY2015 Revenue Breakdown



- Tax Advisory
- Business Consultancy
- EMS Application
- Business Support

FINANCIAL HIGHLIGHTS – PROFIT

Profit By Year (RM'000)

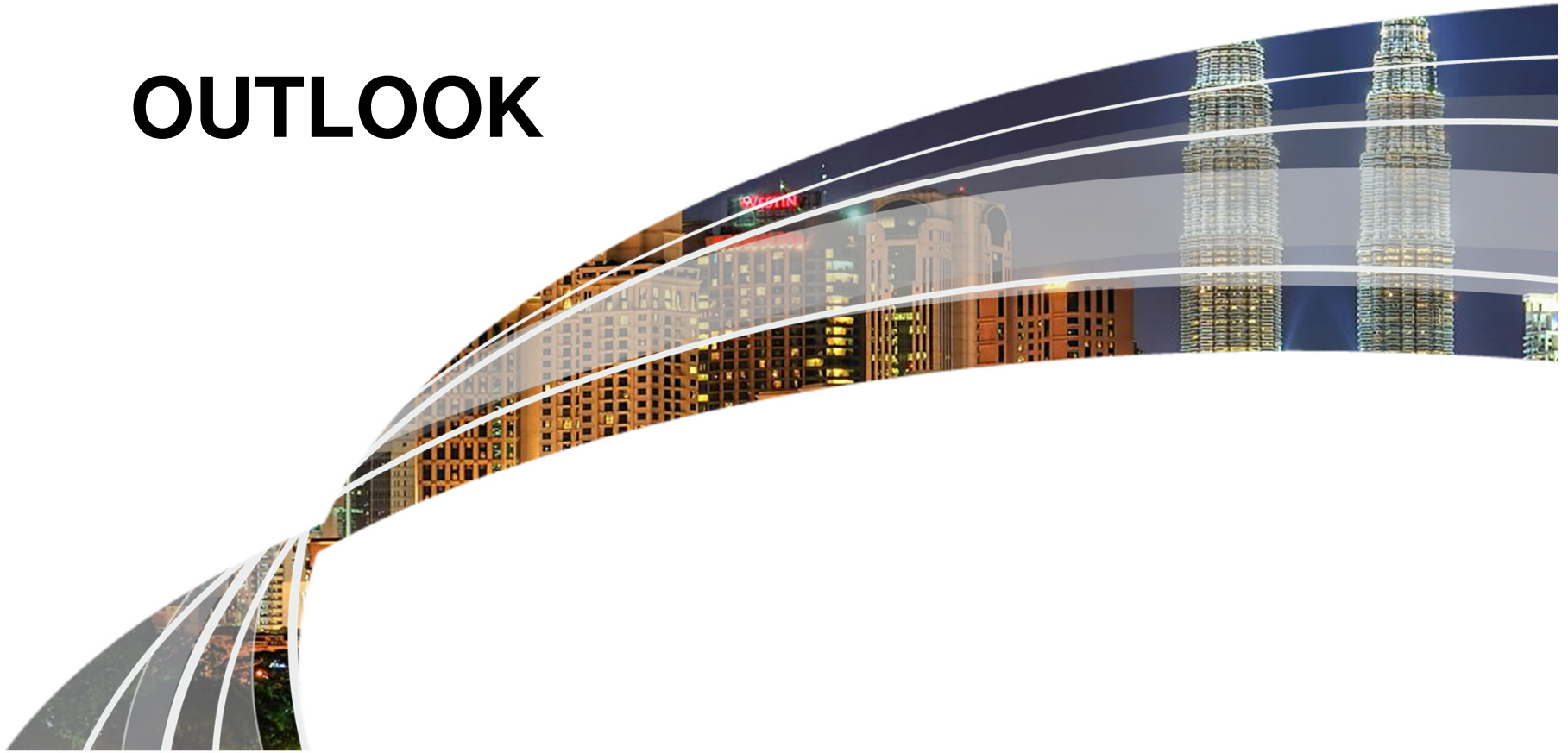


	FY2012	FY2013	FY2014	FY2015
Profit Before Tax Margin	7.2%	9.6%	25.2%	38.8%
Net Profit Margin	5.7%	7.7%	19.2%	31.1%

USE OF IPO PROCEEDS

Use of IPO Proceeds	Amount Allocated (S\$'000)	Amount Utilised (S\$'000)	Balance (S\$'000)
Expand business operations in Malaysia and the ASEAN region and enhance range of professional services	6,000	375	5,625
Enhance Group's office and support infrastructure	500	0	500
Working capital	1,080	0	1,080
Listing expenses	1,300	1,300	0
Total	8,880	1,675	7,205

OUTLOOK



OUTLOOK

The Group is optimistic of its performance in FY2016

Non-Malaysian revenue will commence contributions from FY2016 as network of operations across ASEAN increases

Improvement in economies of scale and efficiency with the use of the Klang Valley as a centre for shared services

The Group will build upon its core competencies by exploring strategic alliances or mergers and acquisitions to expand its service offerings

THANK YOU!

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