EUROSPORTS GLOBAL

LAMBORGHINI

THE STRENGTH OF OUR BRANDS

PAGANI

TOURING SUPERLEGGERA

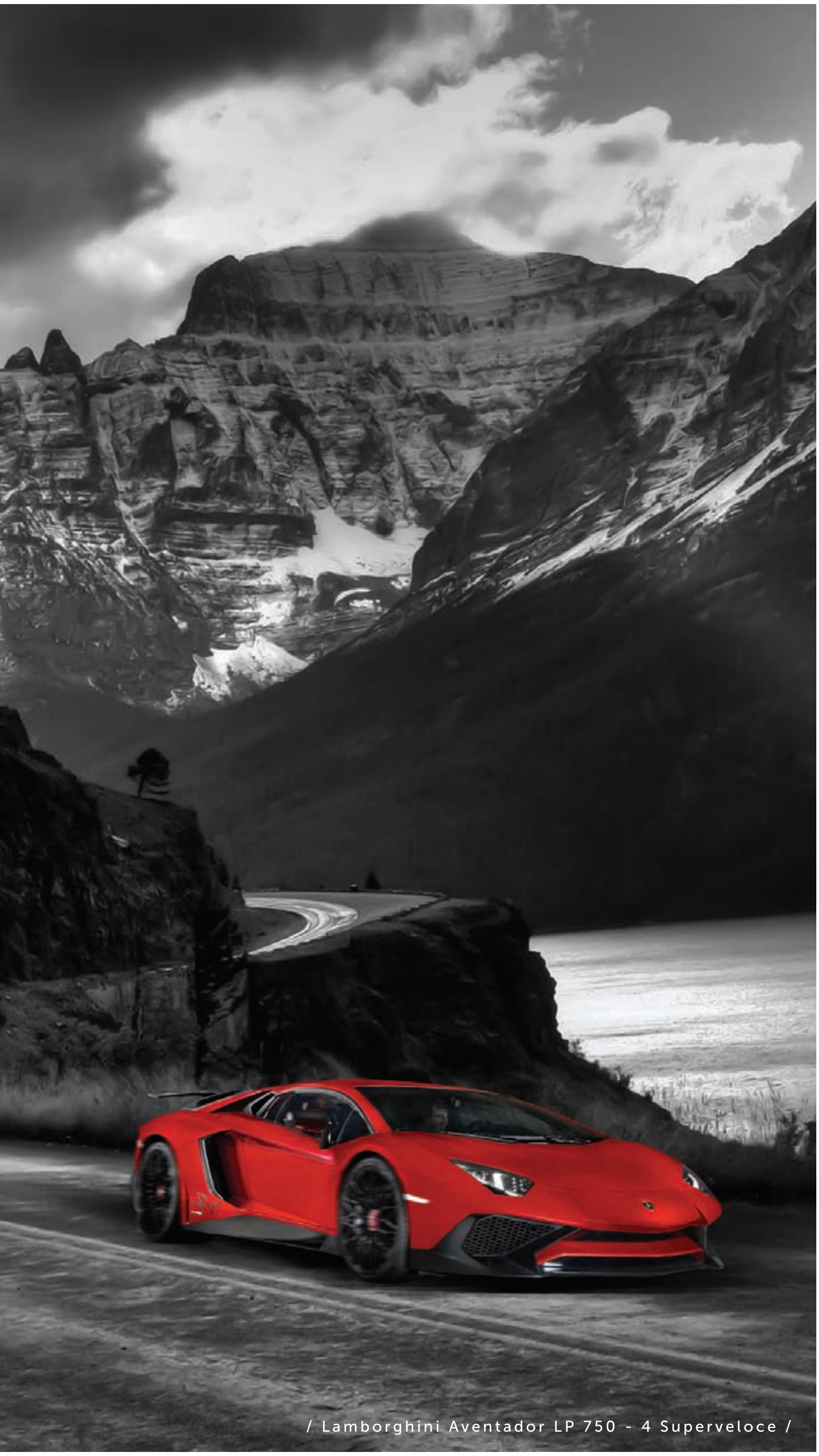
ALFA ROMEO

DELACOUR WATCHES

ANNUAL REPORT 2015

EUROSPORTS GLOBAL LIMITED

CONTENTS & FEATURES


/ Lamborghini Aventador LP 750 - 4 Superveloce /

CORPORATE PROFILE

EuroSports Global Limited ("EuroSports Global", or together with its subsidiaries, the "Group") is a leading luxury lifestyle company in Singapore specialising in the business of distribution of ultra-luxury automobiles and luxury automobiles and the provision of after-sales services.

In Singapore, our Group is the only authorised dealer for Lamborghini automobiles since 2001 and the exclusive distributor of Alfa Romeo automobiles since 2004. We also carry other high-end automobile brands including Pagani as well as customised automobiles supplied by Touring Superleggera.

In addition to new ultra-luxury automobiles and luxury automobiles, EuroSports Global operates an automobile leasing business and retails pre-owned automobiles directly and through our 60% owned subsidiary, AutoInc EuroSports Pte. Ltd., as an ancillary business that complements our automobile distribution business. Our after-sales services include the sale of automobile parts and accessories and we operate the only authorised service centre in Singapore for all the automobile brands we carry.

In September 2012, EuroSports Global diversified its product portfolio when it embarked on the luxury watch distribution and retail business and in November 2012, our Group became the exclusive distributor for the deLaCour brand of watches for Singapore, Malaysia, Indonesia, Thailand and Brunei. In Singapore, we retail the watches at our Teban Gardens Crescent showroom, a watch boutique at Wisma Atria as well as through two watch retailers – Sincere Watches Limited and Watches of Switzerland. We have also appointed a local distributor, PT Eurobutik Bangun Indonesia, in Jakarta, Indonesia.

Our Group's long-term goal is to diversify into other businesses in the luxury segment in order to leverage on our established pool of high net worth customers.

OUR BRANDS

AUTOMOBILES

LUXURY WATCHES

OUR VALUES

WE PLACE GREAT EMPHASIS ON UNDERSTANDING THE NEEDS OF OUR CUSTOMERS AND PROVIDING THEM WITH QUALITY SERVICE STANDARDS THAT THEY EXPECT.

OUR MOTTO IS **"WALK IN AS A CUSTOMER, WALK OUT AS A FRIEND"** AND THIS ENCOMPASSES THE VALUES AND PHILOSOPHY BY WHICH WE OPERATE.

WE AIM TO PROVIDE PERSONALISED AND ATTENTIVE CUSTOMER SERVICE, FROM THE PURCHASING STAGE TO THE POST-PURCHASING STAGE.

CORPORATE STRUCTURE

100%

EUROAUTOMOBILE PTE. LTD.

Trading and distribution of automobiles and automobile related parts and accessories.

100%

EUROSPORTS AUTO PTE LTD

Trading and distribution of automobiles and automobile related parts and accessories

100%

SPANIA GTA ASIA PACIFIC PRIVATE LTD.

Trading and distribution of automobiles and automobile related parts and accessories

100%

DELACOUR ASIA PACIFIC PTE. LTD.

Trading and distribution of watches and related accessories

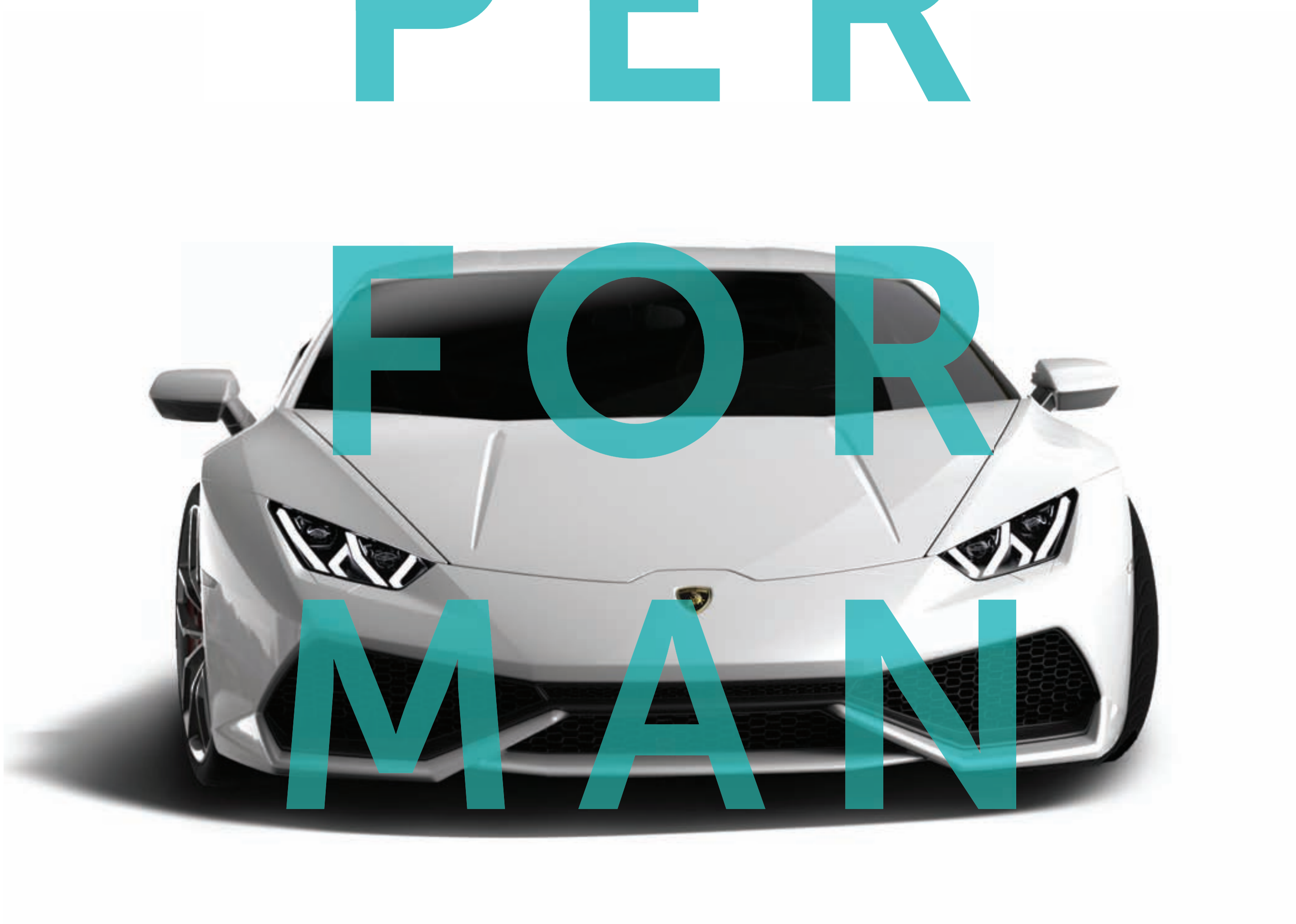
60%

AUTOINC EUROSPORTS PTE. LTD.

Trading of pre-owned sports and luxury automobiles

LAMBORGHINI

PER FOR MAN CE



HURACÁN

EUROSPORTS GLOBAL LIMITED

/ Engine of the Lamborghini Aventador /

PAGANI

HUAYRA

EUROSPORTS GLOBAL LIMITED

/ Detail of Touring Superleggera's Disco Volante /

DELACOUR

CITY EGO II

EUROSPORTS GLOBAL LIMITED


/ Mechanics of the deLaCour Constelation Watch /

MILE-STONES

1998

EuroSports Auto was incorporated and started distributing Lotus automobiles

1999

Launched Lotus showroom and service centre

2001

Started distribution of Lamborghini automobiles

Launched Lamborghini showroom and service centre

2002

Formally entered into an agreement with the Lamborghini manufacturer to secure the Lamborghini dealership in Singapore

Established Massa Auto (S) Pte. Ltd. (now known as EuroAutomobile) for the purpose of securing the Alfa Romeo distributorship

2003

Acquired existing premises at 30 Teban Gardens Crescent and established showrooms and service centres

2004

Secured the Alfa Romeo distributorship in Singapore and launched showroom and service centre

Expanded and refurbished Lamborghini showroom and service centre in anticipation of a growth in sales of Lamborghini automobiles

2005

Awarded "Certificate of Achievement for the 2005 Results Obtained in Sales and Service" by the Lamborghini manufacturer

2007

Celebrated the delivery of the 100th Lamborghini in Singapore

2008

Awarded "Best Sales Performance 2008" by the Lamborghini manufacturer

2011

Marked the 10th anniversary of Lamborghini dealership

2012

Secured the following dealership/ distributorship:

deLaCour brand of watches, jewellery and accessories (exclusive distributorship) in Singapore, Malaysia, Indonesia, Thailand and Brunei

Pagani automobiles (exclusive dealership) in Singapore and Malaysia

Touring Superleggera automobiles (exclusive distributorship) in Singapore, Malaysia, Brunei, Indonesia and PRC (non-exclusive distributorship in PRC)

2014

Successfully launched our IPO on 17 January

Successfully completed the Sales and Leaseback Arrangement regarding our premises at 30 Teban Gardens Crescent on 17 March

Acquired a 60% stake in a new subsidiary specialising in the trading of pre-owned sports and luxury automobiles in August and renamed it AutoInc EuroSports Pte. Ltd.

Set up boutique to retail deLaCour watches at Wisma Atria and launched the new Lamborghini Huracán model

(left)

MELVIN GOH

Executive Chairman
& CEO

—

(right)

ANDY GOH

Executive Director
& Deputy CEO

—

(car)

ASTERION LPI 910-4

by
Lamborghini

JOINT LETTER TO OUR SHAREHOLDERS

" TO DRIVE SALES OF OUR PRODUCTS, WE CONTINUED TO ENGAGE OUR CUSTOMERS IN ACTIVITIES WHERE THEY COULD TAKE THEIR SUPERCARS OUT FOR A SPIN IN A SAFE AND CONTROLLED ENVIRONMENT AND ORGANISED EVENTS WHERE THEY COULD NETWORK WITH OTHER LAMBORGHINI ENTHUSIASTS AND SUPER CAR COLLECTORS. "

DEAR SHAREHOLDERS,

The past two years have been difficult and challenging for the car dealership industry, which continued to be affected by government policies that put a curb on car loans and introduced an unfavourable progressive tax structure.

As the sole and exclusive dealer for several high end marques such as Lamborghini, Pagani, Touring Superleggera and Alfa Romeo, EuroSports Global was not spared in the slowdown in car registrations of ultra-luxury models.

To drive sales of our products, we continued to engage our customers in activities where they could take their supercars out for a spin in a safe and controlled environment and organised events where they could network with other Lamborghini enthusiasts and super car collectors. These included track days in Malaysia and car club events, which serve to keep our high performance brands at the top of mind among our customers.

FY2015 YEAR IN REVIEW

In August 2014, the Group completed the acquisition of a subsidiary, namely AutoInc EuroSports Pte. Ltd. ("AutoInc EuroSports"), which deals mainly in the sale of pre-owned automobiles and the provision of after-sales services. As a result of contribution from this new 60%-owned subsidiary, we achieved higher sales of pre-owned automobiles and also higher revenue from the provision of after-sales services. This was very encouraging to us as it showed that acquiring AutoInc EuroSports was the right move.

In line with the general industry performance, there were fewer new Lamborghini automobiles sold (13 in FY2015 as compared to 15 in FY2014). In addition, disappointing sales achieved by our watch distributors caused revenue from the sale of deLaCour watches to fall 57.1% year-on-year ("yoy").

Despite the challenging environment, the Group achieved a modest 1.6% increase in overall sales revenue to S$40.4 million as compared to S$39.8 million achieved in the previous financial year ("FY2014") mainly because of higher revenue achieved by our Sale of Automobiles segment.

Our gross profit margin fell 4.0 percentage points to 18.2% in FY2015 from 22.2% in FY2014 because of higher sales of pre-owned automobiles, which typically enjoy lower gross

/ deLaCour timepiece /

/ Lamborghini Huracán /

/ Lamborghini Aventador LP 750 - 4 Superveloce /

JOINT LETTER TO OUR SHAREHOLDERS (CONT.D)

" WE ARE CONFIDENT ABOUT THE STRENGTH OF OUR BRANDS AND WE BELIEVE THAT THE ASPIRATIONS OF MANY SINGAPOREANS IS TO OWN ONE, IF NOT MORE, OF THE LUXURY PRODUCTS THAT WE CARRY. AS SUCH, WE PLAN TO CONTINUE OUR BRAND BUILDING ACTIVITIES TO DRIVE SALES OF OUR PRODUCTS. "

profit margins as compared to new automobiles. Gross profit fell 16.7% to S$7.36 million in FY2015.

During the year, we were hit by higher marketing, rental and staff expenses.

Consequently, the Group reported a net loss attributable to shareholders of the company of S$4.0 million in FY2015, as compared to a net profit of S$17.0 million in FY2014 when we had recognised a one-time gain of S$16.2 million arising from the sales and leaseback of 30 Teban Gardens Crescent.

BUSINESS OUTLOOK AND STRATEGIES

Like everyone else in the industry, we have come to terms with the tougher environment and we expect the next 12 months to remain challenging.

However, we are confident about the strength of our brands and we believe that the aspirations of many Singaporeans is to own one, if not more, of the luxury products that we carry. As such, we plan to continue our brand building activities to drive sales of our products. These plans include the opening of a new Lamborghini display and retail store at Suntec City Mall by end 2015. We believe the new store will stir up new excitement among potential customers and also enable us to sell the merits of Lamborghini automobiles and increase the level of awareness among car enthusiasts.

In the meantime, we are also busy exploring opportunities to grow our business. Our strategy is to enlarge our distribution network for our existing products locally and into other emerging markets in the region. We will also look into acquiring existing distributorships or dealerships for more luxury products to expand our portfolio as well as seek out strategic alliances or joint ventures that we believe will complement our existing or future businesses.

APPRECIATION

We would like to take this opportunity to thank all our shareholders for your support.

We would also like to thank our principals, in particular the Lamborghini manufacturer, for offering their assistance in the form of better pricing during this challenging period. We were able to pass this on to our customers through discounts, which have enabled us to continue to sell cars despite the higher price tag. Our principals' understanding of the market's current situation and their willingness to support us is a testament to the strong and longstanding relationship that we enjoy with them.

Special thanks go to our staff for their hard work and dedication and also to our business partners and customers who have stood by us over the years.

MELVIN GOH
Executive Chairman
& CEO

ANDY GOH
Executive Director
& Deputy CEO

BOARD OF DIRECTORS

DELACOUR
BICHRONO TECH

MELVIN GOH

Executive Chairman & CEO

.01

Mr Melvin Goh is one of the co-founders of the Group. He was appointed to the Board as Executive Chairman on 12 December 2012 in addition to his role as CEO. He is responsible for the Group's overall management, formulating the Group's strategic focus and direction, developing and maintaining relationships with the suppliers and customers as well as overseeing the Group's general operations. Prior to the establishment of EuroSports Auto, he was already engaged in the automobile industry, working as the Managing Director in Gay Hin Enterprise, the family-owned business that sells pre-owned automobiles. He has substantial senior management experience and more than 30 years of experience and industry knowledge of the automobile industry.

ANDY GOH

Executive Director & Deputy CEO

.02

Mr Andy Goh is the other co-founder of our Group. He was appointed to the Board as Executive Director on 12 December 2012 in addition to his role as Deputy CEO. He assists the CEO in all matters relating to general management and administration. Prior to the establishment of EuroSports Auto, he was already engaged in the automobile industry, working as the Executive Director in Gay Hin Enterprise, the family-owned business that sells pre-owned automobiles. He has more than 29 years of experience and industry knowledge of the automobile industry.

NG TIAK SOON

Lead Independent Director

.03

Mr Ng Tiak Soon was appointed as the Group's Lead Independent Director on 29 November 2013. He has more than 30 years of experience in the audit, commercial and industrial sectors. He retired as Senior Partner from Ernst & Young LLP in June 2005. While at Ernst & Young, he held various positions including Head of Banking, Head of an audit group, Partner-in-Charge of audit quality review and Chief Financial Officer. He is a non-practicing member of the Institute of Singapore Chartered Accountants, a member of the Association of Chartered Certified Accountants, United Kingdom as well as a member of the Singapore Institute of Directors. He is currently a Director of 800 Super Holdings Limited listed on the SGX-ST.

CALVIN TAN SIOK SING

Independent Director

.04

Mr Calvin Tan Siok Sing was appointed as the Group's Independent Director on 29 November 2013. He is currently the Managing Director of Ironman Minerals & Ores Pte Ltd, an energy resources and minerals trading company. He has more than 18 years of experience in the financial industry. Between 1985 and 2008, he held the position of Executive Director in three companies including Tsang and Ong Stockbrokers Pte Ltd (later restructured as Sun Yuan Holdings Pte Ltd), Ei-Nets Ltd (subsequently known as E3 Holdings Ltd) and Regalindo Resources Pte Ltd (2005 to 2008). He is currently a director of four SGX-ST listed companies namely Changtian Plastic & Chemical Limited, Li Heng Chemical Fibre Technologies Limited, Dukang Distillers Holdings Limited and QingMei Group Holdings Limited.

LIM KIM QUEE

Independent Director

.05

Mr Lim Kim Quee was appointed as our Independent Director on 29 November 2013. He has more than 30 years of experience in the corporate banking industry. He started his career in DBS Group as a Project Analyst before moving onto various other positions, including Vice-President of Corporate Banking Division, General Manager of New York Agency, General Manager of the Tokyo branch, the Managing Director of International Department and the CEO of DBS Bank Philippines Inc.. He left DBS Group and retired as the Managing Director of Corporate Credit Division in December 2008. He was a director of two companies listed on the SGX-ST, namely Engro Corporation Limited and NatSteel Ltd (now known as NSL Ltd.). He obtained a Bachelor of Social Science (Honours) from the National University of Singapore in 1976.

EXECUTIVE TEAM

.01

SIU YEUNG SAU
Chief Financial Officer

Siu Yeung Sau is the Chief Financial Officer (CFO) of the Group. He has been with the company since July 2012 and is responsible for the overall financial management, accounting and management reporting as well as all financial operations of our Group. Between July 1997 and December 2004, he worked in various audit positions at KPMG Pte. Ltd., Pricewaterhouse Coopers LLP and Diethelm Keller Siber Hegner. In 2005, he joined Pokka Corporation (Singapore) Private Limited, which was then a company listed on the Main Board of the SGX-ST, until April 2008 when he left the company as Group Financial Controller. Between 2008 and 2009, he was CFO of Sisulan Apparel (China) Co Ltd. In 2010, he was CFO of SGX-ST Catalist-listed Westech Electronics Limited (now known as WE Holdings Ltd.) and subsequently became Group Financial Controller of Commonwealth Travel Service Corporation Pte Ltd. He holds a Bachelor in Accountancy from Nanyang Technological University of Singapore and a Masters in Business Administration from California State University, East Bay. He has been certified by the Institute of Singapore Chartered Accountants as Chartered Accountant (Singapore) since 2002.

DELACOUR
CITY ATTITUDE

.02

JAMIE NGUYEN HA LAN
Financial Controller

Jamie Nguyen joined our Group in July 2007 and is currently our Financial Controller. She is responsible for overseeing the day to day accounting and all financial operations of our Group. She started her career working as a Management Accountant for Kim Ngan Ha Co., Ltd, a Singaporean-controlled Vietnamese company, from January 1995 to December 2000. From August 2004 to September 2005, she was an Accounts Executive with The Stansfield Group Pte Ltd where she was responsible for preparation of financial statements and management reporting. Prior to joining our Group, she was the Accounting Officer for Showa Denko HD (S) Pte Ltd from September 2006 to July 2007, where she was involved in preparation of financial statements and budgets. She holds a Bachelor Degree in Economics (majoring in Accounting) from Hanoi University of Finance and Accounting. She has been certified by the Institute of Singapore Chartered Accountants as Chartered Accountant (Singapore) in June 2015.

.03

EYU SOON FATT
Director / Technical Support

Eyu Soon Fatt joined our Group in March 1999 as a service centre supervisor and is currently our Director (Technical Support). He is primarily responsible for overseeing the technical and after-sales services operations and handling technical, warranty and homologation issues. He worked as a service centre supervisor in M1 Motors Works Sdn Bhd from February 1987 to February 1993. He subsequently worked as a senior technician in Performance Motors Pte Ltd, from March 1993 to March 1996, and in Stuttgart Auto Pte Ltd, from May 1996 to January 1999 where he was responsible for handling the technical and services issues related to luxury automobiles.

.04

DENNIS YANG YUNG KANG

Chief Operating Officer

Dennis Yang joined our Group in August 2012 as our Chief Operating Officer. He is responsible for strategic planning for business expansion and overseeing corporate compliance in operational matters. In 1976, he started his career with the Cycle & Carriage group of companies as an Assembly Plant Supervisor and was a sales executive prior to leaving in 1979. Between 1979 and 1993, he served as the General Sales Manager of Performance Motors Limited, where he was responsible for the sales and management of the BMW brand of automobiles. Subsequently, he worked as the Managing Director in the Eurokars group of companies from 1993 to 2003 where he was responsible for the strategic planning for business expansion in Singapore and within the region. He also worked as the Managing Director in YLL Automotive Group Private Limited from 2004 to 2005, where he was responsible mainly for securing and establishing the Audi brand in East Malaysia. Prior to joining our Group, he was Vice-President of the Komoco group of companies from 2006 to 2012, where he was mainly responsible for the automotive business.

.05

CHONG KHIM CHENG

Director / Sales

Chong Khim Cheng joined our Group in April 1999 as Customer Service Manager (Sales) and is currently our Director (Sales). He is responsible for overseeing the overall brand management of the Lamborghini and Pagani brands. Since joining our Group, he has held several management positions in our subsidiary EuroSports Auto, primarily responsible for the sales and marketing functions and brand management of our new automobile distribution business. He holds a High School Diploma from Columbia College (Canada).

.06

CAROLYN ANN THENG MAY LIN

Director / Marketing & Communications

Carolyn Theng joined our Group in May 2007 as our Director (Marketing and Communications). She is primarily responsible for the management of marketing and communications activities related to all our automobile brands in our portfolio. From June 1992 to June 1996, she worked in Cityneon Displays Pte Ltd, a full-service public relations and marketing firm, as Assistant Marketing Manager and Assistant Project Manager respectively. Subsequently, she joined public relations and marketing firm FLEx Integrated Marketing Pte Ltd as the assistant vice-president from June 1997 to April 2007. She holds a Diploma in Environment Engineering from Ngee Ann Polytechnic.

FINANCIAL HIGHLIGHTS

REVENUE CONTRIBUTION BY SEGMENT

(%)

7%
SALES REVENUE

Increase in sales revenue of automobiles.

0.3
NET GEARING

Net gearing is derived from total other financial liabilities (net of cash and cash equivalents) divided by total equity.

0.41
QUICK RATIO

Quick Ratio is derived from cash and cash equivalents divided by current liabilities.

2.06
CURRENT RATIO

Current Ratio is derived from current assets divided by current liabilities.

OPERATING & FINANCIAL REVIEW

/ Pagani Huayra /

FINANCIAL PERFORMANCE

Revenue

Revenue achieved by the Group in FY2015 was S$40.37 million, a 1.6% increase from S$39.76 million in FY2014.

- *Sale of Automobiles segment*
  Revenue contribution by this segment increased by approximately 7.0% from S$31.33 million in FY2014 to S$33.51 million in FY2015, mainly because of contribution by newly acquired 60% subsidiary, AutoInc EuroSports Pte. Ltd., which deals primarily in the sale of pre-owned automobiles and the provision of after-sales services.

  Sales of pre-owned automobiles sold increased from 13 in FY2014 to 24 in FY2015. This increase was offset by the decrease in the sale of new Lamborghini automobiles from 15 in FY2014 to 13 in FY2015 mainly due to the effects of new vehicle regulations related to increased additional registration fees and the tightening of loan financing restrictions.

- *Provision of After-Sales Services segment*
  The new subsidiary also contributed to the increase in revenue achieved by the Group's Provision of After-Sales Services segment, which rose 4.8% to S$5.50 million in FY2015.

- *Sale of deLaCour Watches segment*
  Revenue from this segment decreased 57.1% from S$3.18 million in FY2014 to S$1.36 million in FY2015 due to a lower number of watches sold through distributors.

Cost of Sales

Cost of sales increased by 6.8%, from S$30.93 million in FY2014 to S$33.01 million in FY2015 mainly due to an increase in vehicle taxes and fees of S$3.83 million, which was partially offset by a decrease in cost of purchases of S$1.84 million.

Gross Profit & Gross Profit Margin

The Group's gross profit decreased from S$8.83 million in FY2014 to S$7.36 million in FY2015. Gross profit margin also fell approximately from 22.2% in FY2014 to 18.2% in FY2015 due to the increase in the proportion of the lower-margined pre-owned automobiles sold.

Other Income

Other income increased by approximately 31.2%, from S$5.19 million in FY2014 to S$6.47 million in FY2015. The increase was mainly due to a rise in deferred income of S$1.40 million related to the completion of the sales and leaseback of 30 Teban Gardens Crescent on 17 March 2014, an increase in leasing income of S$0.39 million arising from the increased number of leasing automobiles, partially offset by a decrease in commission income of S$0.58 million.

Other Credits & Charges

The Group recorded a charge of approximately S$1.47 million in FY2015 as compared to a credit of S$16.35 million in FY2014 mainly due to:

- an impairment loss of goodwill of S$1.97 million relating to the acquisition of a subsidiary; and
- a decrease in gain on disposal of property, plant and equipment of S$16.28 million as the one-time gain arising from the sales and leaseback of 30 Teban Gardens Crescent was recognised in FY2014.

The decrease in other credits was partially offset by an increase in other payables written back of S$0.51 million relating to income recognised on non-refundable customer deposits and other long outstanding owings.

Marketing & Distribution Expenses

Marketing and distribution expenses increased from S$2.93 million in FY2014 to S$3.32 million in FY2015. The increase was due to an increase in advertising and promotions expenses of S$0.86 million incurred for launch events for the new Lamborghini Huracán, brand building activities on Lamborghini held at Wisma Atria, and launch events for the new deLaCour boutique at Wisma Atria. The increase in marketing and distribution expenses was partially offset by a decrease in entertainment expenses of S$0.29 million.

Administrative Expenses

Administrative expenses increased by approximately 42.1%, from S$9.70 million in FY2014 to S$13.79 million in FY2015, mainly due to an increase of rental and related expenses of S$3.89 million mainly due to the leaseback of 30 Teban Gardens Crescent; an increase in employee benefits expenses

OPERATING & FINANCIAL REVIEW (CONT.D)

ALFA ROMEO GIULIETTA

of S$0.97 million due to an increase in headcount arising from the acquisition of a subsidiary and the additional hiring of staff in the Group; and an increase in property taxes of S$0.22 million.

The increase in administration expenses was offset by a decrease in professional fees of S$0.85 million as higher professional fees were incurred as listing expenses in FY2014; and a decrease in depreciation expense of S$0.38 million arising mainly from the disposal of 30 Teban Gardens Crescent.

Loss, Net of Tax

As a result of the aforementioned, the net loss after tax attributable to owners of the Company in FY2015 amounted to S$4.02 million.

FINANCIAL POSITION

Non-Current Assets

Non-current assets increased from S$20.68 million as at 31 March 2014 to S$23.68 million as at 31 March 2015 mainly due to an increase in property, plant and equipment of S$3.52 million, of which S$3.15 million was due to additions in motor vehicles arising mainly from an increase in leasing automobiles. The increase was offset by a decrease in the non-current other assets of S$0.52 million relating to the amortisation of the long-term portion of the upfront land premium paid in the sales and leaseback arrangement.

During the period, the Company recognised an intangible asset of S$2.47 million relating to preliminary goodwill from the acquisition of a subsidiary which was subsequently adjusted to S$1.97 million upon the completion of the purchase price allocation exercise. The goodwill of S$1.97 million was fully impaired and written off as at 31 March 2015.

Current Assets

Current assets decreased from S$59.36 million as at 31 March 2014 to S$48.47 million as at 31 March 2015 mainly due to a decrease in cash and cash equivalents of S$24.57 million arising from the payment of dividends of S$7.42 million and other uses of funds in operating, investing and other financing activities; and a decrease in other assets of S$0.67 million because of a decrease in deposit payment of S$1.07 million relating to one Pagani automobile being delivered to the Group, partially offset by an increase in deposit payment of S$0.15 million relating to one Touring Superleggera automobile and rental deposits of S$0.33 million for the stores at Wisma Atria and Suntec City Mall.

The decrease in current assets was offset by an increase in inventories of S$13.75 million mainly due to an increase in inventories of new automobiles of S$14.63 million which was offset by a decrease of pre-owned automobiles of S$0.92 million and an increase in trade and other receivables of S$0.60 million, mainly due to balances from a few customers.

Included in other assets is an amount of approximately S$1.90 million relating to deposits paid to Spania GTA Technomotive S.L. for the order of five GTA automobiles. The Executive Directors of the Company have on 18 November 2013 executed a deed of indemnity in favour of the Group, pursuant to which the Executive Directors have undertaken, inter alia, that they will pay to the Group, on a joint and several basis, all deposits and monies paid to GTA Spain in connection with the GTA automobiles remaining undelivered, in the event (i) GTA Spain fails to deliver the GTA automobiles by 31 March 2015 and fails to refund the deposits and all monies paid to GTA Spain in connection therewith, in full, to the Group; or (ii) if GTA Spain is wound up, dissolved, insolvent, bankrupt or placed in judicial management, whichever is earlier. The Board of Directors has agreed not to demand for the repayment of S$1.90 million till the end of August 2015 based on correspondence from Spania GTA Technomotive S. L. on the expected delivery schedule. The Management continues to assess this delivery schedule.

Equity

Equity comprises share capital, retained earnings, merger reserves and non-controlling interest. The decrease in equity of S$11.31 million was due to the payment of dividends of S$7.42 million and loss attributable to owners of the Company of S$4.01 million, which was offset by an increase in non-controlling interest of S$0.11 million arising from the acquisition of a subsidiary.

Non-Current Liabilities

Non-current liabilities fell from S$28.68 million as at 31 March 2014 to S$23.51 million as at 31 March 2015, mainly due to a decrease in non-current other liabilities of S$3.33 million, comprising the long-term portion of the deferred income recognised under the sales and leaseback arrangement; and a decrease in non-current other financial liabilities of S$1.84 million mainly due to the repayment of a term loan of S$0.71 million for the financing of the Group's leasehold properties at Chang Charn Road and a S$1.13 million repayment of hire-purchase finance leases relating to the Group's automobiles.

Current Liabilities

Current liabilities increased from S$14.96 million to S$23.58 million mainly due to an increase in other financial liabilities of S$4.75 million arising mainly from increases in short-term bank borrowings; and an increase in current other liabilities of S$5.58 million mainly due to an increase of S$5.73 million of deposits received.

The increase in current liabilities was offset by a decrease in trade and other payables of S$2.01 million arising mainly due to the payment of S$1.50 million in FY2015 in respect of the construction of an annex at 30 Teban Gardens Crescent which was completed at the end of the last financial period; and the recognition of income of S$0.51 million of long outstanding payables and non-refundable customer deposits.

CASH FLOW

In FY2015, the net cash used in operations amounted to S$13.21 million. This comprises negative operating cash flows before changes in working capital of S$4.16 million, adjusted by net working capital outflow of S$8.98 million and taxes paid of S$0.07 million. The net working capital outflow was mainly due to an increase in inventories of S$12.90 million and trade and other receivables of S$0.60 million, which was offset by decreases in other assets of S$0.79 million and trade and other payables of S$2.00 million and an increase in other liabilities of S$5.73 million.

Net cash used in investing activities amounted to S$5.47 million in FY2015 mainly due to the purchase of property, plant and equipment of S$4.30 million and net cash used in acquisition of a subsidiary of S$1.36 million, which was offset by an aggregate amount of S$0.19 million arising from disposal of property, plant and equipment and interest received.

Net cash used in financing activities amounted to S$5.89 million in FY2015 mainly due to dividends paid of S$7.42 million and finance lease repayment of S$1.95 million, which was offset by an increase in other financial liabilities of S$3.64 million.

Update on Use of IPO Proceeds

Of the S$8.46 million of net proceeds raised from its IPO on 17 January 2014, the following table shows how the proceeds have been utilised as at 31 March 2015:

USE OF NET PROCEEDS	Amount allocated as stated in the offer document (S$'million)	Amount utilised as at 31 March 2015 (S$'million)	Balance of Net Proceeds as at 31 March 2015 (S$'million)
Expansion of our operations locally and in other markets and diversification into other luxury lifestyle business	6.00	1.50	4.50
General working capital	2.46	2.46	–
Total	**8.46**	**3.96**	**4.50**

CORPORATE SOCIAL RESPONSIBILITY

/ Punggol Charity Drive/

The drive was co-organised by the Punggol West CC Building Fund Committee and supported by the Lamborghini Club Singapore.

A total of S$206,000 was raised from the event, which will go towards building a new community centre near Punggol MRT station for Punggol West, catering to the 50,000 residents living in the area.

The event was graced by Member of Parliament for Pasir Ris-Punggol GRC, Deputy Prime Minister, and Coordinating Minister for National Security and Minister for Home Affairs Mr Teo Chee Hean.

CORPORATE CULTURE

EuroSports Global's distinctive customer-centric corporate culture stems from its niche market of high net worth customers. Be it at the pre-purchase, purchase or post-purchase stages, we go the extra mile to provide personalised and quality service to understand the lifestyle needs of our customers. Our distinguishing corporate motto is "Walk in as a customer, Walk out as a Friend".

COMMITMENT TO COMMUNITY

Our belief in giving back to the community has prompted the Group to actively rally our customers to do the same. For the second year running, on 25 October 2014, the Group organised and sponsored a charity drive, where owners of 50 Lamborghini supercars treated 85 underprivileged children living in Punggol, the chance of a lifetime to take a spin in these ultra-luxurious marques from Punggol Central to the Singapore Sports Hub and back.

COMMITMENT TO EMPLOYEES

Our employees are our greatest assets and we are committed to providing them with a happy work environment with many opportunities for professional and personal development.

Training

Product Training

Upon the arrival of every new automobile model, our staff will undergo detailed training on its prowess, specifications and unique features, so as to assist customers in making informed decisions.

Personal Development & Wellness

- We feel good when we look good. To help our staff enhance their professional image, the Group engaged an image consultant to conduct a "Dress for Success" lunchtime workshop at our premises in September 2014. The session focused on the importance of first impressions and creating a positive personal image and brand by dressing well.

- Aimed at cultivating a healthy workforce and lively workplace, the Group organised a month-long "Fitness at Work" lunchtime programme in October 2014. Conducted three times a week at our premises by external trainers, each session included pre- and post-activity stretching and cardio exercises, focused on toning different parts of the body.

  To ensure a nutritious post-workout meal, protein shakes and fruits were provided for lunch. Fitness measurements were taken weekly to monitor progress and a handful of participants achieved significant weight and fat loss and gained muscle after the 4-week programme.

Workplace Safety & Health ("WSH")
EuroSports Global is committed to providing a safe, healthy and secure working environment for all its employees.

We have a nine-member WSH committee headed by our Deputy CEO Mr Andy Goh, who oversees our internal policies and processes including reporting structure and response to workplace accidents, occupational diseases and dangerous occurrences.

The committee also conducts yearly fire safety and evacuation drills and ensures that the Group's premises and emergency response plans adhere to the guidelines set out by the Singapore Civil Defence Force.

Special Occasions
The Group is committed to providing a cheerful work environment and we do so by making employees feel special. We organise joint birthday celebrations every month and also

/ Fitness at Work /

celebrate important occasions such as Christmas and Chinese New Year over company dinners.

To acknowledge long-serving employees, we give out long service awards together with a significant token of appreciation to thank employees for their loyalty and dedication.

COMMITMENT TO SHAREHOLDERS

EuroSports Global is committed to providing the investment community with transparent, timely and accurate information. Our aim is to keep our existing and potential investors updated on the Group's performance and strategic initiatives, in order to help them evaluate the Group and make informed investment decisions. Since our listing in January 2014, we:

- Post all our corporate announcements, press releases and presentation slides on the SGX-NET and our website (www.eurosportsglobal.com) simultaneously;

- Maintain a dedicated investor relations section within our corporate website with easy access to up-to-date information;

- Share our IR contact (including telephone number and email: ir@eurosportsglobal.com) on our website;

- Provide an e-mail alert service on our corporate website which investors can sign up to get pushed alerts whenever an announcement is posted on SGX-NET; and

- Hold our Annual General Meeting in a timely manner in Singapore.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Melvin Goh
Executive Chairman and CEO

Andy Goh
Executive Director and Deputy CEO

Ng Tiak Soon
Non-Executive and Lead Independent Director

Calvin Tan Siok Sing
Non-Executive Independent Director

Lim Kim Quee
Non-Executive Independent Director

AUDIT COMMITTEE

Ng Tiak Soon (Chairman)
Calvin Tan Siok Sing
Lim Kim Quee

NOMINATING COMMITTEE

Calvin Tan Siok Sing (Chairman)
Ng Tiak Soon
Lim Kim Quee

REMUNERATION COMMITTEE

Lim Kim Quee (Chairman)
Ng Tiak Soon
Calvin Tan Siok Sing

JOINT COMPANY SECRETARIES

Siu Yeung Sau, CA (Singapore)
Loh Lee Eng, ACIS

REGISTERED OFFICE

30 Teban Gardens Crescent
Singapore 608927
Tel: (65) 6565 5995
Fax: (65) 6567 5515

AUDITORS

RSM Chio Lim LLP
8 Wilkie Road
#03-08 Wilkie Edge
Singapore 228095
Partner-in-charge: Paul Lee Seng Meng
(a member of the Institute of Singapore Chartered Accountants)

SHARE REGISTRAR & SHARE TRANSFER OFFICE

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

PRINCIPAL BANKERS

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

CIMB Bank Berhad (Singapore Branch)
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623

INVESTOR RELATIONS

August Consulting
101 Thomson Road
#30-02 United Square
Singapore 307591
Email: ir@eurosportsglobal.com
Tel: (65) 6733 8873

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FINANCIAL REPORT 2015

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CORPORATE GOVERNANCE REPORT

EuroSports Global Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") is committed to maintaining a high standard of corporate governance in complying with the Code of Corporate Governance 2012 (the "**Code**") which forms part of the continuing obligations of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") listing rules.

In line with the commitment by the Company to maintaining a high standard of corporate governance, the Company will continually review its corporate governance processes to strive to fully comply with the Code. The Board is pleased to report compliance of the Company with the Code where applicable except otherwise stated.

(A) Board Matters

The Board's Conduct of its Affairs

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

The Board's primary role 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.

The Board is also responsible for the following corporate matters:

- Review the strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices;
- Set the Group's strategic objectives, and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- Oversee the process of evaluation on the adequacy of internal control, financial reporting and compliance;
- Oversee the adequacy and effectiveness of the Group's risk management framework and policies;
- Review the remuneration policies and guidelines for the Board and Management;
- Review the performance of Management and oversee the succession planning of Senior Management;
- Set the Group's values and standards (including ethical standards) and ensure that obligations to shareholders and other stakeholders are understood and met;
- Ensure that the Group and the Management comply with laws, regulations, policies, directives, guidelines and internal code of conduct; and
- Consider sustainability issues, e.g. environmental and social factors, as part of the strategic formulation.

All directors exercise due diligence and independent judgement, and make decisions objectively in the best interest of the Group. At the date of this report, the members of the Board and their membership on the Board Committees of the Company are as follows:

Director	Board Appointment	Audit Committee	Nominating Committee	Remuneration Committee
Melvin Goh	Executive Chairman and Chief Executive Officer ("**CEO**")	–	–	–
Andy Goh	Executive Director and Deputy CEO	–	–	–
Lim Kim Quee	Non-Executive and Independent Director	Member	Member	Chairman
Ng Tiak Soon	Non-Executive and Lead Independent Director	Chairman	Member	Member
Tan Siok Sing	Non-Executive and Independent Director	Member	Chairman	Member

Delegation by the Board

The Board has delegated certain functions to various Board Committees, namely the Audit Committee, Nominating Committee and Remuneration Committee. Each of the Board Committees has its own written terms of reference and whose actions are reported to and monitored by the Board. The Board accepts that while these 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.

Key features of board processes

The dates of Board and Board Committee meetings, as well as Company's Annual General Meeting (the "**AGM**"), are scheduled in advance at the beginning of each calendar year. To assist directors in planning their attendance, the Company Secretary consults every director before fixing the dates of these meetings. The Board conducts regular scheduled meetings at least twice a year and as warranted by particular circumstances. Ad hoc meetings are also convened to deliberate on urgent substantive matters. Telephone attendance or by means of similar communication equipment at Board and Board Committee meetings are allowed under the Company's Articles of Association.

Directors' attendance at Board and Board Committee meetings

The details of the number of Board and Board Committees Meetings held in the Financial Year Ended 31 March 2015 ("**FY2015**"), as well as the attendance of each director at those meetings, are disclosed as below:

	Board Meetings		**Audit Committee Meetings**		**Nominating Committee Meetings**		**Remuneration Committee Meetings**	
Melvin Goh	4	4	4*	4*	1*	1*	1*	1*
Andy Goh	4	4	4*	4*	1*	1*	1*	1*
Lim Kim Quee	4	4	4	4	1	1	1	1
Ng Tiak Soon	4	4	4	4	1	1	1	1
Tan Siok Sing	4	4	4	4	1	1	1	1

Note:
(*) Attended as invitees

Board approval

The Group has adopted and documented internal guidelines setting forth matters that require Board approval. Matters which are specifically reserved for the Board approval are:

- Matters involving a conflict of interest for a substantial shareholder or a director;
- Material acquisition and disposal of property, plant and equipment of S$2 million and above;
- Corporate restructuring;
- Share issuances, interim dividends and other returns to shareholders;
- Interested person transactions; and
- Any investment or divestment exceeding S$1 million in transaction value.

CORPORATE GOVERNANCE REPORT

Apart from the matters that are reserved for the Board's approval, the Board approves the following:

- Strategies and objectives of the Group;
- Annual budgets and business plans;
- Announcements of half year and full year results;
- Releases of annual reports;
- Convening of shareholders' meetings; and
- Commitments to terms loans and lines of credits from banks and financial institutions.

Training of directors

The Company has an open policy for professional training for all directors. The Company encourages directors to attend the relevant courses and training programmes and the cost incurred will be borne by the Company.

The Company will regularly organize internal trainings for the directors, which include technical training on the Company's products.

Induction, briefings, updates to directors in FY2015

A formal letter of appointment is provided to every new director. The formal letter of appointment indicates the time commitment required and the roles and responsibilities of directors.

All new directors were given appropriate briefings when they were first appointed to the Board. All new directors appointed to the Board were briefed to ensure that they are familiar with the Company's business, operation, governance practice and regulatory requirement. The directors are provided with continuing briefings from time to time and are kept updated on relevant laws and regulations, including directors' duties and responsibilities, corporate governance and developing trends, insider trading and financial reporting standards so as to enable them to properly discharge their duties as members of the Board or Board Committees. In addition, the external auditors briefed the directors at least annually to keep the directors abreast of changes to accounting standards and issues which have a direct impact on financial statements or when necessary when these changes may be significant and/or substantial. To keep the directors abreast of industry trends and issues, press releases which were relevant to the Group's business are circulated to the directors.

The directors can request for further explanations, briefings or information on any aspect of the Company's operation or business issues from the Management.

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

Board size and board composition

The present Board comprises five members. There is strong and independent element on the Board. Of the five members, three are Non-Executive Independent Directors.

On an annual basis, the Nominating Committee reviews the size and composition of the Board and Board Committees and the skills and core competencies of their members to ensure an appropriate balance of skills and experience. These competencies include accounting and finance, banking, business acumen, customer based knowledge, familiarity with regulatory requirements, industry knowledge, risk management knowledge, management experience, and strategic planning experience.

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 business, the Board believes that the current composition and size provide sufficient diversity without interfering with efficient decision-making.

As and when required, the Non-Executive and Independent Directors will hold meetings without the presence of management and the Executive Directors, in order to facilitate a more effective check on the management and / or the Executive Directors.

Directors' independence review

Directors who have 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 that 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 Nominating Committee 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 2.3 and 2.4 set forth in the Code.

Annually, each director is required to complete a Director's Declaration of Independence ("**Declaration**") to confirm his independence. The Declaration is drawn up based on the guidelines provided in the Code. Thereafter, the Nominating Committee reviews the Declaration completed by each director, assesses the independence of the directors and recommends its assessment to the Board.

The Nominating Committee has affirmed that Mr Ng Tiak Soon, Mr Lim Kim Quee and Mr Tan Siok Sing are Independent Directors. None of the Independent Directors has served on the Board beyond nine years from their respective date of appointment. Guideline 2.4 of the Code is therefore not applicable to the Board.

Directors' time commitments and multiple directorships

All directors are required to declare their board appointments. The Nominating Committee has reviewed and is satisfied that each director is able to devote sufficient time and attention to the affairs of the Company to adequately discharge his duties as a director of the Company.

The key information on the directors is set out below:

Name of Director	Appointment	Date of Appointment / Last Re-election	Directorships in other listed companies	
			Current as at 1 July 2015	**For the past 3 years**
Melvin Goh	Chairman and CEO	12 December 2012 / 31 July 2014	Nil	Nil
Andy Goh	Deputy CEO	12 December 2012	Nil	Nil
Lim Kim Quee	Independent Director	29 November 2013 / 31 July 2014	Nil	Nil
Ng Tiak Soon	Independent Director	29 November 2013 / 31 July 2014	800 Super Holdings Limited	Cordlife Group Limited St. James Holdings Limited Kinergy Ltd.
Tan Siok Sing	Independent Director	29 November 2013 / 31 July 2014	Changtian Plastic & Chemical Limited Dukang Distillers Holdings Limited Li Heng Chemical Fibre Technologies Limited QingMei Group Holdings Limited	Nil

CORPORATE GOVERNANCE REPORT

The Nomiating Committee has reviewed the contribution by each Director taking into account their listed company board representations and other principal commitments. Key information about the Board Members, including their principal commitments are set out on Page 17 of this annual report.

The Nominating Committee views that the effectiveness of each director is best assessed by a qualitative assessment of the director's contributions, as well as taking into account each director's listed company board directorships, and any other relevant time commitments. While having a numerical limit on the number of directorships may be considered by some other companies to be suitable for their circumstances, at present, the Board considers the former to be more effective for its purposes. The Company also does not wish to omit from considering outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as new members of the Board.

The Nominating Committee views that it would not be appropriate to set a limit on the number of directorships that a director may hold because directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities. It is for each director to personally determine the demands of his competing directorships and obligations and assess the number of directorships they could hold and serve effectively.

For now, the Nominating Committee believes that its qualitative assessment and the existing practice, which require each director to confirm annually to the Nominating Committee, his ability to devote sufficient time and attention to the Company's affairs, having regard to his other commitments, are effective.

Currently, there is an informal succession plan put in place by the Executive Chairman and CEO. Going forward and at the relevant time, the Nominating Committee will look into a formal succession plan in close consultation with the Executive Chairman and CEO.

Chairman and Chief Executive Officer

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

Mr Melvin Goh is the Chairman of the Board and the CEO. He assumes the following responsibilities:

(a) Lead the Board to ensure its effectiveness on all aspects of its role;
(b) Set the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
(c) Promote a culture of openness and debate at the Board;
(d) Ensure that the directors receive complete, adequate and timely information;
(e) Ensure effective communication with shareholders;
(f) Encourage constructive relations within the Board and between the Board and Management;
(g) Promote high standards of corporate governance;
(h) Run the day-to-day business of the Group;
(i) Ensure implementation of policies and strategies across the Group as set by the Board;
(j) Lead the Management Team;
(k) Assess the risk and opportunities for the growth of its business;
(l) Review the performance of its existing business; and
(m) Enhance the long-term shareholders' value of the Company.

The Board has not adopted the recommendation of the Code to have separate directors appointed as the Chairman and the CEO. This is because the Board is of the view that there is already sufficiently strong independent element on the Board to enable independent exercise of objective judgement on affairs and operations of the Group by members of the Board, taking into account factors such as the number of Independent Directors on the Board as well as the contributions made by each member at meetings which relate to the affairs and operations of the Group. The Board is satisfied that one person is able to effectively discharge the duties of both positions.

The Board has appointed Mr Ng Tiak Soon as the Lead Independent Director. Shareholders with concerns may contact him directly, when contact through the normal channels to the Executive Chairman and CEO and/or the Chief Financial Officer ("CFO") has failed to provide satisfactory resolution, or when such contact is inappropriate.

All the Board Committees are chaired by Independent Directors and more than half of the Board consists of Independent Directors.

Board Membership

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

The Nominating Committee comprises Mr Tan Siok Sing, Mr Ng Tiak Soon and Mr Lim Kim Quee, all of whom are Non-Executive Independent Directors. Mr Tan Siok Sing is the Chairman of the Nominating Committee.

The Nominating Committee, which has written terms of reference, is responsible for making recommendations to the Board on all appointments and re-appointments. The key terms of reference of the Nominating Committee, include, amongst others, the following:

(a) Make recommendations to the Board relating to:
- the review of Board succession plans for directors, in particular, for the Chairman of the Board and the CEO;
- the development of a process for evaluation of the performance of the Board, its Board Committees and directors;
- the review of training and professional development programs for the members of the Board; and
- the appointment and re-appointment of directors (including Alternate Directors, if applicable).

(b) Review and approve employment of related persons to directors, executive officers or controlling shareholders and the proposed terms of their employment;

(c) Review the process of re-nominations of directors who are retiring by rotation for re-election by shareholders, to have regard to the directors' contributions and performances (e.g. attendance, preparedness and participation) including, if applicable, as an Independent Director;

(d) Decide whether a director who has multiple board representations is able to and has been adequately carrying out his duties as a director, having taking into account the director's number of listed company board representation and other principal commitments;

(e) Determine annually whether a director is independent and provide its views to the Board for the Board's consideration;

(f) Review the Board's structure, size, composition and balance and make recommendations to the Board if necessary, and ensure there is strong and independent element on the Board;

(g) Establish procedures for evaluation of the Board's performance and assess, on an annual basis, the effectiveness of the Board as a whole and contributions by each individual director to the effectiveness of the Board;

(h) Decide how the Board's performance is to be evaluated; propose objective performance criteria which shall be approved by the Board; and address how the Board has enhanced long-term shareholder value;

(i) Identify gaps in the mix of skills, experience and other qualities required in an effective Board and nominate or recommend suitable candidates to fill these gaps; and

(j) Ensure that all new members of the Board undergo an appropriate induction programme.

CORPORATE GOVERNANCE REPORT

Process for selection and appointment of new directors

The Nominating Committee leads the process of selection appointment of new directors. The Nominating Committee has in place a formal, written procedure for making recommendation to the Board on the selection and appointment of directors. Such procedures would be activated when a vacancy on the Board arises or when the Board is considering making a new Board appointment either to enhance the core competency of the Board or for the purpose of progressive renewal of the Board.

The Nominating Committee will evaluate the balance, skills, knowledge and experience of the existing Board and the requirements of the Group, in determining the role and key attributes that an incoming director should have.

Upon endorsement by the Board of the key attributes, the Nominating Committee may:

- Advertise or use services of external advisers to facilitate a search;
- Approach alternative sources such as the Singapore Institute of Directors; and / or
- Consider candidates from a wide range of backgrounds from internal or external sources.

After short-listing the candidates, the Nominating Committee shall:

- Consider and interview all candidates on merit against objective criteria, taking into consideration that appointees have sufficient time availability to devote to the position; and
- Evaluate and agree to a preferred candidate for recommendation to and appointment by the Board.

Article 117 of Company's Articles of Association provides that the directors shall have the power at any time to appoint additional directors who shall hold office only until the next AGM. No new director has been appointed in FY2015.

Process for re-appointment of directors

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

The assessment parameters include attendance record, preparedness, intensity of participation and candour at meetings of the Board and Board Committees as well as the quality of intervention and special contribution.

All directors submit themselves for re-nomination and re-appointment at regular intervals of at least once every three years. Article 113 of the Company's Articles of Association provides that one-third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and be subject to re-election at the Company's Annual General Meeting ("AGM").

Pursuant to the one-third rotation rule, Mr Andy Goh, who was appointed on 12 December 2012, and Mr Tan Siok Sing who was appointed on 29 November 2013, will retire and submit himself for re-election at the forthcoming AGM. Each member of the Nominating Committee abstains from making any recommendations and / or participating in any deliberation of the Nominating Committee and from voting on any resolution, in respect of the assessment of his own performance or re-nomination as director.

Board Performance

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

A review of the Board's performance is conducted by the Nominating Committee. On the recommendation of the Nominating Committee, the Board has adopted an internal process for evaluating the effectiveness of the Board as a whole annually. Each Board Member will be required to complete an evaluation form to be returned to the Nominating Committee Chairman for evaluation. Based on the evaluation results, the Nominating Committee Chairman will present his recommendations to the Board.

The Nominating Committee Chairman evaluates the performance and contribution of each director on an informal basis. The Nominating Committee will, at the relevant time, look into adopting guidelines for annual assessment of the contribution of each individual director to the effectiveness of the Board.

The Board has not engaged any external facilitator in conducting the assessment of the Board's performance. When relevant, the Nominating Committee will consider such engagement.

Access to Information

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

The Management recognises the importance of ensuring the flow of complete, adequate and timely information to the directors on an on-going basis to enable them to make informed decisions to discharge their duties and responsibilities.

To allow directors sufficient time to prepare for the meetings, Board and Board Committee papers are distributed to directors a week in advance of the meeting. Any additional material or information requested by the directors is promptly furnished.

The Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, 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. In order to keep directors abreast of the Group's operations, the directors are also updated on initiatives and developments on the Group's business as soon as practicable and/ or possible and on an on-going basis.

To facilitate direct access to the Management, the directors are also provided with the names and contact details of the Management Team.

The Management also provides the Board with management reports. These reports include 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

The directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, amongst others, ensuring that the Board's procedures are observed and the Company's Memorandum and Articles of Association, relevant rules and regulations, including requirements of the Companies Act and the Catalist Rules, are complied with. The Company Secretary also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes.

The Company Secretary assists the Chairman in ensuring good information flows within the Board and its Board Committees.

The Company Secretary attends Board and Board Committee meetings and prepares minutes for all meetings and, where appropriate, provides advice, secretarial support and assistance to the Board and ensures adherence to the board procedures and relevant rules and regulations applicable to the Company. Under Article 151 of the Articles of Association of the Company, the Company Secretary may be appointed and removed by the directors.

Independent professional advice

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

(B) Remuneration Matters
Procedures for Developing Remuneration Policies
Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The Remuneration Committee comprises Mr Lim Kim Quee, Mr Tan Siok Sing and Mr Ng Tiak Soon, all whom are Non-Executive Independent Directors. Mr Lim Kim Quee is the Chairman of the Remuneration Committee.

The Remuneration Committee is responsible for ensuring a formal and transparent procedure for developing policies on executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel.

The members of the Remuneration Committee carried out their duties in accordance with the terms of reference which include, amongst others, the following:

(a) Review and recommend for endorsement by the Board, a general framework of remuneration for the Board and key management personnel;
(b) Review and recommend for endorsement by the Board, specific remuneration packages for each director and key management personnel;
(c) Review whether Executive Directors and key management personnel should be eligible for benefits under long-term incentive schemes;
(d) Review annually the remuneration packages of all employees who are related to any of the directors, controlling shareholders or the executive officers;
(e) Ensure that the remuneration packages are comparable within the industry and with similar companies and include a performance-related element;
(f) Ensure that there are appropriate and meaningful measures of assessing the performance of Executive Directors and key management personnel;
(g) Ensure that the remuneration package of key executives related to directors and controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities; and
(h) Implement and administer performance share plan and employee share option scheme in accordance with the rules of the share plan and option scheme adopted by members of the Company from time to time;
(i) Review the Group's obligations arising in the event of termination of the Executive Director's and key management personnel's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The Remuneration Committee may from time to time and where necessary seek advice from external remuneration consultant in framing the remuneration policy and determining the level and mix of remuneration for Directors and key management personnel. The Board has not engaged any external remuneration consultant to advise on remuneration matters for FY2015.

No director is involved in determining his own remuneration.

Level and Mix Remuneration
Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the Company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the Company; and (b) key management personnel to successfully manage the Company. However, companies should avoid paying more than is necessary for this purpose.
Disclosure on Remuneration
Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the Company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

In setting remuneration packages, the Remuneration Committee will take into account the pay and employment conditions within the same industry and comparable companies, as well as the Group's relative performance and the performance of individual directors.

The Non-Executive Independent Directors receive directors' fees, in accordance with their contributions, taking into account factors such as effort, time spent, responsibilities of the directors and the need to pay competitive fees to attract, motivate and retain the Non-Executive Independent Directors. Directors' fees are recommended by the Board for approval by the shareholders at the AGM.

The Executive Directors, namely Melvin Goh and Andy Goh, are remunerated based on their service agreements with the Company as disclosed in the Company's Offer Document dated 7 January 2014 ("**Offer Document**"). Their remuneration includes fixed pay, annual wage supplement, performance bonuses, transport allowances, usage of company cars, and subscription fees for country club memberships. The service agreements are valid for an initial period of three years with effect from the date of listing, and thereafter continue from year to year unless terminated by either party giving six months prior written notice to the other party.

Key management personnel are remunerated based on their employment contracts. Their remunerations include fixed pay, annual wage supplement, performance bonuses, transport allowances and usage of company cars. The Remuneration Committee, with close consultation with the Executive Directors, intends to set formal performance conditions for key management personnel.

As disclosed in the Offer Document, the Company has in place the EuroSports Employee Share Option Scheme ("**ESOS**") and EuroSports Performance Share Plan ("**PSP**") since 29 November 2013.

The ESOS is administered by the Remuneration Committee. Options may be granted to the following groups of participants under the ESOS (a) Group employees; and (b) Group Directors (including Group Executive Directors, Group Non-Executive Directors and Independent Directors). Controlling shareholders are not eligible to participate in the ESOS. However, associates of a controlling shareholder who meet the eligibility criteria are eligible to participate in the ESOS provided that (a) the participation of; and (b) the terms of each grant and the actual number of options granted under the ESOS, to a participant who is an associate of a controlling shareholder shall be approved by our independent shareholders in separate resolutions for each such person.

Offers for the grant of options may be made at any time from time to time at the discretion of the Remuneration Committee, in accordance with the Catalist Rules. Options which are fixed at the market price may be exercised after the first anniversary of the date of grant of that option while options exercisable at a discount to the market price may only be exercised after the second anniversary from the day of grant of the option. The ESOS shall continue in operation for a maximum of 10 years commencing on the date on which the ESOS is adopted by the Company in general meeting.

The exercise price for each option shall be determined and fixed by the Remuneration Committee at (a) a price ("**Market Price**") equal to the average of the last dealt price for the shares on Catalist for five consecutive market days immediately preceding the relevant date of grant of the relevant option; or (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Remuneration Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the Market Price.

The PSP is administered by the Remuneration Committee and shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which the PSP is adopted by the Company in general meeting, provided always that the PSP may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The total number of shares over which the Remuneration Committee may grant the options under the ESOS and the total number of shares which may be delivered pursuant to the vesting of awards under the PSP on any date, when added to the number of shares issued and issuable in respect of (i) all options granted under the ESOS; (ii) all awards granted under the PSP; and (iii) all outstanding options, shares or awards issued/issuable or granted under such other share-based incentive schemes or share plans of the Company, shall not exceed 15% of the total number of issued shares (excluding treasury shares, as defined in the Act) of the Company on the day immediately preceding the offer date of the option or from time to time.

During the reporting year, no option to take up unissued shares of the Company or its subsidiary was granted.

During the reporting year, there were no shares of the Company or its subsidiaries 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 of the Company or its subsidiary under option.

During the reporting year, no shares were issued pursuant to the PSP.

Remuneration of directors and the CEO

The remuneration paid to or accrued to each director for FY2015 is as follows:

	Fees S$'000	Salary S$'000	Fixed Bonus[1] S$'000	Variable or Performance Related Income / Bonus S$'000	Other Benefits and Benefits in Kind[2] S$'000	Total S$'000
Melvin Goh	–	550	120	–	28	698
Andy Goh	–	468	99	–	61	628
Lim Kim Quee	35	–	–	–	–	35
Ng Tiak Soon	50	–	–	–	–	50
Tan Siok Sing	35	–	–	–	–	35

Notes:

(1) The Company paid the Executive Directors three months of contractual fixed bonuses.

(2) Other benefits and benefits in kind include transport allowances, usage of car and membership subscription.

The remuneration received by the top key management personnel, who are neither directors nor the CEO, for FY2015 is below S$250,000 in each case, and in total approximately S$0.8 million. The details of the remuneration of the top five key management personnel are as below:

	Salary %	Fixed Bonus[1] %	Variable or Performance Related Income / Bonus %	Other Benefits and Benefits in Kind[2] %	Total %
Carolyn Ann Theng May Lin	93	7	–	–	100
Chong Khim Cheng	74	6	20	–	100
Dennis Yang Yung Kang	86	7	–	7	100
Jamie Nguyen Ha Lan	93	7	–	–	100
Siu Yeung Sau	90	7	–	3	100

Notes:

(1) The Group paid the key management personnel one month of contractual fixed bonus.

(2) Other benefits and benefits in kind include usage of car and transport allowances.

There is no immediate family member of the directors under the employment of the Group in FY2015.

(C) Accountability and Audit

Accountability

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

The Board believes that it should conduct itself in ways that deliver maximum sustainable value to its shareholders. Timely releases of the Group's financial results and all significant information to shareholders, as well as the prompt fulfillment of statutory requirements, are ways to maintain shareholder's confidence and trust in the Board's capability and integrity.

Currently, the Company is required to release half year and full year results announcements pursuant to the Catalist Rules. The Board, with the assistance of the Management, strives to provide a balanced and understandable assessment of the Group's performance and position. The Board also undertakes such effort with respect to other price sensitive public reports and reports to regulators, when required.

The Management is responsible to the Board and the Board itself is accountable to the shareholders of the Company.

Risk Management and Internal Controls

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

The Board reviews the adequacy and effectiveness of the Group's risk management and internal controls framework including financial, operational, information technology and compliance controls at least on an annual basis.

CORPORATE GOVERNANCE REPORT

The Company maintains a system of internal controls for all companies within the Group, but recognises that no internal control system will preclude all errors and irregularities. The system is designed to manage rather than to eliminate the risk of failure to achieve business objectives. The controls are to provide reasonable, but not absolute assurance to safeguard shareholders' investments and the Group's assets.

For FY2015, the Executive Chairman and CEO and the CFO have provided their confirmation that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and regarding the effectiveness of the Company's risk management and internal control systems.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors and reviews performed by the Management, various Board Committees and/or the Board, the Board, with the concurrence of the Audit Committee, is of the opinion that there are adequate and effective risk management systems and internal controls in place to address the risks relating to financial, operational, compliance and information technology controls for FY2015.

The system of internal controls and risk management established by the Company provides reasonable but no absolute assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Company is also consistently improving the Company's internal controls and to adopt the recommendations which have been highlighted by the internal and external auditors to further improve on the Company's internal controls.

In FY2015, the Board has engaged the professional services of BDO LLP to assist the Board to determine the Company's levels of risk tolerance and risk policies. The Board will take in the recommendation from BDO LLP to establish a separate Risk Management Team and appoint a Chief Risk Officer. The Board will oversee the Management in the design, implementation and monitoring of the risk management and internal control systems.

Audit Committee

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

The Audit Committee comprises Mr Ng Tiak Soon, Mr Lim Kim Quee, and Mr Tan Siok Sing, all whom are Non-Executive Independent Directors. Mr Ng Tiak Soon is the Chairman of the Audit Committee.

The members of the Audit Committee possess many years of experience in accounting, finance, banking, business and management. The Board considers that the members of the Audit Committee are appropriately qualified to discharge the responsibilities of the Audit Committee.

The members of the Audit Committee carried out their duties in accordance with the terms of reference which include, amongst others, the following:

(i) To oversee and appraise the quality of the Company's internal audit function and external auditors. In pursuance of this function, the duties of the Audit Committee shall include, amongst others, the following:
   - (a) Review the scope and results of the external audit and the independence and objectivity of the external auditors;
   - (b) Review the internal and external audit plans and the audit reports;
   - (c) Review the internal control and procedures;
   - (d) Review risk management policies and systems and potential business risk management process;
   - (e) Review the co-operation given by management to the internal and external auditors; and
   - (f) Recommend to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors and approve the remuneration and terms of engagement of the external auditors.

(ii) To serve as an independent and objective party to review the financial information presented by the Management to shareholders, regulators and the general public. In pursuance of this function, the duties of the Audit Committee shall include, amongst other things, the following:

(a) Review the Company's key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, and make the appropriate disclosure to the Board and in the Company's annual report;
(b) Monitor the integrity of the financial information on the relevance and consistency of the accounting standards used and to review the financial statements, significant financial reporting issues and judgements of the Company and of the Group with the Management and external auditors before submission to the Board; and
(c) Review the half year and full year financial statements and results announcements before submission to the Board for approval.

(iii) To examine the adequacy of the Company's internal controls, and evaluate adherence. In pursuance of this function, the duties of the Audit Committee, shall include, amongst others, the following:

(a) Exercise authority to investigate any matter within its terms of reference, with full access to and co-operation by the Company's management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable the Audit Committee to discharge its functions properly;
(b) Review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls;
(c) Review and discuss with the 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 the Company's operating results or financial position, and the Management's response;
(d) Commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any laws, rules or regulations which has or is likely to have a material impact on the Company's operating results and/or financial position;
(e) Review policies and arrangements by which staff of the Company and any other persons may in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up action;
(f) Review transactions (if any) falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules;
(g) Review potential conflicts of interest (if any) and set out a framework to resolve or mitigate any potential conflicts of interests; and
(h) Review and approve foreign exchange hedging policies and instruments (if any) implemented by the Group and conduct periodic review of foreign exchange transactions and hedging policies and procedures.

Summary of the Audit Committee's Activities

The Audit Committee will meet at least twice a year to review the announcement of the half year and full year financial results before being approved by the Board for release to the SGX-ST.

The Audit Committee met four times in FY2015. Details of members and their attendance at meetings are provided in page 31. The Executive Chairman and CEO, Executive Director and Deputy CEO, CFO, Company Secretary, internal auditors and external auditors were invited to these meetings.

For FY2015, the Audit Committee has met with external and internal auditors, without the presence of management.

CORPORATE GOVERNANCE REPORT

The principal activities of the Audit Committee during FY2015 are summarised below:

a) Reviewed the half year and full year financial statements and dividend announcements, material announcements, and all related disclosures to shareholders before submission to the Board for approval;
b) Reviewed the audit plan and audit report of the Company's internal and external auditors and ensures the adequacy of the Company's system of accounting controls and the co-operation given by the Management to the external and internal auditors;
c) Reviewed the annual financial statements and also discussed with the Management, the CFO and the external auditors the significant accounting policies, judgement and estimate applied by the Management in preparing the annual financial statements. Following the review and discussions, the Audit Committee then recommended to the Board for approval of the audited financial statements;
d) Recommended to the Board for re-appointment of RSM Chio Lim LLP as auditors of the Company for the ensuing year;
e) Undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees awarded to them;
f) Reviewed the nature and extent of non-audit services provided by the external auditors;
g) Reviewed the reports and findings from the internal auditors; and
h) Reviewed the Group's interested person transactions to ensure that the transactions were carried out on normal commercial terms and are not prejudicial to the interests of the Company or its non-controlling shareholders.

External Audit Processes

The Audit Committee manages the relationship with the Group's external auditors, on behalf of the Board. For FY2015, the Audit Committee carried out its annual assessment of the cost effectiveness of the audit process, together with the auditor's approach to audit quality and transparency. The Audit Committee concluded that the auditors demonstrated appropriate qualifications and expertise and that the audit process was effective. Therefore, the Audit Committee recommended to the Board that RSM Chio Lim LLP be re-appointed as the external auditor.

The Board accepted this recommendation and has proposed a resolution (set out on page 105) to the shareholders of the Company for the re-appointment of RSM Chio Lim LLP.

Pursuant to the Rule 713 of the Catalist Rules, an audit partner may only be in charge of a maximum of five consecutive annual audits and may then return after two years. The current RSM Chio Lim LLP's audit partner has been responsible for the audit of the Group since the reporting year ended 31 March 2012.

In appointing external auditors for the Group, the Company is in compliance with Rules 712 and 715 of the Catalist Rules.

Auditor Independence

In order to maintain the independence of the external auditors, the Group has specific policy which governs the conduct of non-audit work by the external auditors. This policy prohibits the external auditors from:

- Performing services which would result in the auditing of their own work
- Participating in activities normally undertaken by the Management
- Acting as advocate for the Group
- Creating a mutuality of interest between the auditors and the Group, for example being remunerated through a success fee structure.

The Audit Committee undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees awarded to them. The Audit Committee received an audit report from the external auditors setting out the non-audit services provided and the fees charge for FY2015. The aggregate amount of fees paid to the external auditors for audit and non-audit services for FY2015 are as follows:

	S$'000
Audit Fees	117
Non-audit Fees	29

Having undertaken a review of the non-audit services provided during the year, the Audit Committee remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services which they provide to the Group. Moreover, the Audit Committee is satisfied that these services were provided efficiently by the external auditors as a result of their existing knowledge of the business.

Whistle Blowing

The Audit Committee reviewed the adequacy of the whistle blower arrangements instituted by the Group through which staff and external parties may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The Group is committed to a high standard of ethical conduct and adopts a zero tolerance approach to fraud. The Group will treat all information received confidentially and protect the identity and the interest of all whistle blowers. Anonymous disclosures will be accepted and anonymity honoured. The policy is communicated via the Company's website under the "Code of Conduct and Ethics".

The Audit Committee will address the issues and concerns raised and ensure that necessary arrangements are in place for the independent investigation of issues raised by the whistle blowers and for appropriate follow up actions.

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

The Board recognises the importance of maintaining an internal audit function to maintain a sound system of internal controls within the Group to safeguard shareholders' investments and the Group's assets. The Audit Committee has the responsibility to review the adequacy of the internal audit function annually, review the internal audit program and ensure co-ordination between internal auditor, external auditor and the Management. The objective of the internal audit function is to provide an independent review on the adequacy and effectiveness of the Group's internal controls and provide reasonable assurance to the Audit Committee on the Group's controls and governance processes.

The internal audit function is outsourced to BDO LLP who reports primarily to the Audit Committee. BDO LLP is an international auditing firm and they perform their work based on the BDO Global Internal Audit Methodology which is consistent with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

The Audit Committee reviews and approves the internal audit plan submitted by the internal audit function. On an on-going basis, the internal audit function reports to the Audit Committee any significant weaknesses and risks identified in the course of internal audits conducted. Recommendations to address internal control weaknesses are further reviewed by the internal audit function based on implementation dates agreed with the Management.

(D) Shareholder Rights and Responsibilities

Shareholder Rights

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

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all shareholders are treated equitably and the rights of all shareholders, including non-controlling shareholders, are protected. All the necessary disclosures required by the Catalist Rules will be made in public announcements, press releases and annual reports to shareholders. The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.

The Company strongly encourages shareholder participation during the AGM which will be held in a central location in Singapore. Shareholders are able to proactively engage the Board and the Management on the Group's business activities, financial performance and other business related matters.

Communications with Shareholders

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

The Company is committed to maintaining high standards of corporate disclosure and transparency. The Company values dialogue sessions with the shareholders. The Company believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns.

Material information is disclosed in a comprehensive, accurate and timely manner via SGX-NET. To ensure a level playing field and provide confidence to shareholders, unpublished price sensitive information is not selectively disclosed. In the event that unpublished material information is inadvertently disclosed to any selected group in the course of the Group's interactions with the investing community, a media release or announcement will be released to the public via SGX-NET.

The Company engaged August Consulting as the dedicated investor relations team to focus on facilitating communications with shareholders and analysts on a regular basis and attending to their queries and concerns.

In view of its financial performances, the Company is not proposing the payment of dividends for the year.

Conduct of Shareholder Meetings

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

The Group supports and encourages active shareholder participation at general meetings. The Board believes that general meetings serve as an opportune forum for shareholders to meet the Board and key management personnel, and to interact with them. Information on general meetings is disseminated through notices in the annual reports or circulars sent to all shareholders. The notices are also released via SGX-NET and published in local newspapers, as well as posted on the Company's website.

The Company's Articles of Association allows all shareholders to appoint not more than two proxies to attend general meetings and vote on their behalf. The Company's Articles of Association also allows investors, who holds shares through nominees such as CPF and custodian banks, to attend and vote at the general meetings without being constrained by the two-proxy rule. As the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.

The Company Secretary, with the assistance of his representative, prepare minutes of shareholders' meetings, which incorporate substantial comments or queries from shareholders and responses from the Board and the Management. These minutes are available to shareholders upon request.

With effect from 2015 AGM, the Company will adopt electronic poll voting by shareholders for greater transparency in the voting process. The number of votes cast for or against each resolution will be displayed immediately after the voting of each resolution. After the meeting, the results will be posted on the SGX-NET website.

(E) Additional Information

Dealings in Securities

In compliance with Rule 1204(19) of the Catalist Rules, the Company has issued a directive to all employees and directors not to deal in the Company's securities one month before the announcement of half year and full year results and ending on the date of the announcement of the relevant results. Reminders are sent via email to remind all directors and employees. The Company has conducted staff briefing to explain the Company's policy on this matter. In addition, the directors and employees are advised not to deal in the Company's securities on short term considerations and are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading periods. The Board will be kept informed when a director trades in the Company's securities. In view of the processes in place, in the opinion of the directors, the Company has complied with Rule 1204(19) of the Catalist Rules on dealings in securities.

Interested Person Transactions

The Group has not obtained a general mandate from shareholders for interested person transactions. The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the Audit Committee and that the transactions are carried out on an arm's length basis. There were no interested person transactions above S$100,000 entered into by the Group since the Company is listed.

CORPORATE GOVERNANCE REPORT

Use of IPO Proceeds

	Amount allocated as stated in the Offer Document S$' million	Amount utilised as at 31 March 2015 S$' million	Balance of net proceeds as at 31 March 2015 S$' million
Expansion of our operations locally and in other markets and diversification into other luxury lifestyle business	6.00	1.50(1)	4.50
General working capital	2.46	2.46(2)	–
Total	**8.46**	**3.96**	**4.50**

The amount deployed for general working capital includes the purchase of inventories and operating expenses.

Notes:

(1) The amount of S$1.50 million for expansion of our operations locally was utilized in the acquisition of a subsidiary.

(2) The amount of S$2.46 million deployed for general working capital includes the purchases of inventories and operating expenses.

Material Contracts

Save for the following contracts previously disclosed in the Offer Document, there were no other material contracts entered into by the Company and its subsidiaries involving the interest of any Director or controlling shareholders subsisting as at 31 March 2015, or if not then subsisting, entered into in FY2015:

- Service agreements of Melvin Goh and Andy Goh
- Indemnity provided by Melvin Goh and Andy Goh in respect of automobiles ordered from Spania GTA Tecnomotive S.L.

Non-sponsor fees

In compliance with Rule 1204(21) of the Catalist Rules, there were no non-sponsor fees paid to the Company's sponsor, CIMB Bank Berhad, Singapore Branch, subsequent to the Company's listing on the Catalist to the date of this report.

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2015

The Directors of the Company are pleased to present their report together with the audited financial statements of the Company and of the Group for the reporting year ended 31 March 2015.

Directors at Date of Report

The Directors of the Company in office at the date of this report are:

Goh Kim San
Goh Kim Hup
Ng Tiak Soon
Tan Siok Sing
Lim Kim Quee

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 any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

Directors' Interests in Shares and Debentures

The Directors of the Company holding office at the end of the reporting year had no interests in the share capital and options of the Company and related corporations 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 the beginning of the reporting year**	**At the end of the reporting year**
	Direct interest	
The Company– EuroSports Global Limited	**Number of shares of no par value**	
Goh Kim San	111,000,000	111,000,000
Goh Kim Hup	74,000,000	74,000,000

By virtue of section 7 of the Act, the above Directors with shareholdings are deemed to have an interest in all the related corporations of the Company.

The Directors' interests as at 21 April 2015 were the same as those at the end of the reporting year.

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2015

Contractual Benefits of Directors

Since the beginning of the reporting year, no Director of the Company has received or become entitled to receive a benefit which is required to be disclosed under section 201(8) of the Act by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest except as disclosed in the financial statements.

Share Options and Share Plan

EuroSports Employee Share Option Scheme ("ESOS")

The ESOS was approved pursuant to a resolution passed by the shareholders on 29 November 2013.

The ESOS is administered by the Remuneration Committee whose members are:

- Lim Kim Quee (Chairman of the Remuneration Committee, Non-Executive Independent Director)
- Tan Siok Sing (Non-Executive Independent Director)
- Ng Tiak Soon (Non-Executive and Lead Independent Director)

Subject to the absolute discretion of the Remuneration Committee, options may be granted to the following groups of participants under the ESOS:

- Group employees; and
- Group Directors (including Group Executive Directors, Group Non-Executive Directors and Independent Directors)

Controlling shareholders are not eligible to participate in the ESOS. However, associates of a controlling shareholder who meet the eligibility criteria are eligible to participate in the ESOS provided that (a) the participation of; and (b) the terms of each grant and the actual number of options granted under the ESOS, to a participant who is an associate of a controlling shareholder shall be approved by our independent shareholders in separate resolutions for each such person.

Offers for the grant of options may be made at any time from time to time at the discretion of the Remuneration Committee, in accordance with the SGX-ST Catalist Listing Manual. Options which are fixed at the market price may be exercised after the first anniversary of the date of grant of that option while options exercisable at a discount to the market price may only be exercised after the second anniversary from the day of grant of the option. The ESOS shall continue in operation for a maximum of 10 years commencing on the date on which the ESOS is adopted by the Company in general meeting.

The exercise price for each option shall be determined by the Remuneration Committee at its absolute discretion, and fixed by the Remuneration Committee at:

- a price ("Market Price") equal to the average of the last dealt price for the shares on Catalist for five consecutive market days immediately preceding the relevant date of grant of the relevant Option; or
- a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Remuneration Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the Market Price.

Share Options and Share Plan (Cont'd)

EuroSports Performance Share Plan ("PSP")

The Group operates a Performance Share Plan which was approved pursuant to a resolution passed by the shareholders on 29 November 2013.

The PSP is administered by the Remuneration Committee. The participants of the PSP are similar to those of the ESOS.

The PSP shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which the PSP is adopted by the Company in general meeting, provided always that the PSP may continue beyond the above stipulated period with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The total number of shares over which the Remuneration Committee may grant the options under the ESOS and the total number of shares which may be delivered pursuant to the vesting of awards under the PSP on any date, when added to the number of shares issued and issuable in respect of (i) all options granted under the ESOS; (ii) all awards granted under the PSP; and (iii) all outstanding options, shares or awards issued / issuable or granted under such other share-based incentive schemes or share plans of the Company, shall not exceed 15% of the total number of issued shares (excluding treasury shares, as defined in the Act) of the Company on the day immediately preceding the offer date of the option or from time to time.

During the reporting year, no option to take up unissued shares of the Company or its subsidiary was granted.

During the reporting year, there were no shares of the Company or its subsidiaries 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 of the Company or its subsidiary under option.

During the reporting year, no shares were issued pursuant to the PSP.

Independent Auditor

The independent auditor, RSM Chio Lim LLP, have expressed their willingness to accept appointment.

Audit Committee

The members of the Audit Committee at the date of this report are as follows:

- Ng Tiak Soon (Chairman of the Audit Committee, Non-Executive and Lead Independent Director)
- Tan Siok Sing (Non-Executive Independent Director)
- Lim Kim Quee (Non-Executive Independent Director)

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2015

Audit Committee (Cont'd)

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

- Reviewed the half year and full year financial statements and dividend announcement, material announcement, and all related disclosures to shareholders before submission to the Board for approval;
- Reviewed the audit plan and audit report of the Company's internal and external auditors and ensures the adequacy of the Company's system of accounting controls and the co-operation given by the Management to the external and internal auditors;
- Reviewed the annual financial statements and also discussed with the Management, the CFO and the external auditors the significant accounting policies, judgement and estimate applied by the Management in preparing the annual financial statements. Following the review and discussions, the Audit Committee then recommended to the Board for approval of the audited financial statements;
- Recommended to the Board for re-appointment of RSM Chio Lim LLP as auditors of the Company for the ensuing year;
- Undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees awarded to them;
- Reviewed the nature and extent of non-audit services provided by the external auditors;
- Reviewed the reports and findings from the internal auditors; and
- Reviewed the Group's interested person transactions to ensure that the transactions were carried out on normal commercial terms and are not prejudicial to the interests of the Company or its non-controlling shareholders.

Subsequent developments

There are no other significant developments subsequent to the release of the Group's and the Company's preliminary financial statements, as announced on 26 May 2015, which would materially affect the Group's and the Company's operating and financial performance as of the date of this report.

On behalf of the Board of Directors

....	....
Goh Kim San	Goh Kim Hup
Director	Director

1 July 2015

STATEMENT BY DIRECTORS

YEAR ENDED 31 MARCH 2015

In the opinion of the Directors,

(a) the accompanying consolidated statement of profit or loss and other comprehensive income, statements of financial position, statements of changes in equity, consolidated statement of cash flows, and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2015 and of the results and cash flows of the Group and changes in equity of the Company and of the Group for the reporting year then ended; and

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

The Board of Directors approved and authorised these financial statements for issue.

On behalf of the Board of Directors

....
Goh Kim San
Director

....
Goh Kim Hup
Director

1 July 2015

INDEPENDENT AUDITORS' REPORT

To the Members of EUROSPORTS GLOBAL LIMITED (Registration No: 201230284Z)

Report on the Financial Statements

We have audited the accompanying financial statements of EuroSports Global 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 2015, 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 a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the 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 statements of profit or loss and other comprehensive income and statements of financial position and to maintain accountability of assets.

Auditor's Responsibility

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

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

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

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 state of affairs of the Group and of the Company as at 31 March 2015 and of the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the 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 subsidiaries 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

1 July 2015

Partner in charge of audit: Paul Lee Seng Meng
Effective from year ended 31 March 2012

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

Year Ended 31 March 2015

	Notes	Group 2015 $'000	Group 2014 $'000
Revenue	4	40,374	39,758
Cost of Sales		(33,018)	(30,928)
Gross Profit		7,356	8,830
Other items of income			
Other Income	5	6,471	5,189
Interest Income		71	15
Other Gains	6	566	16,357
Other items of expenses			
Marketing and Distribution Expenses	7	(3,320)	(2,926)
Administrative Expenses	7	(13,788)	(9,704)
Other Losses	6	(2,033)	(3)
Finance Costs	7	(164)	(540)
(Loss) Profit Before Tax		(4,841)	17,218
Income Tax Expense	9	(68)	(198)
(Loss) Profit, Net of Tax		(4,909)	17,020
Other Comprehensive Income, Net of Tax		–	–
Total Comprehensive (Loss) Income		(4,909)	17,020
(Loss) Profit Attributable To Owners Of The Parent, Net Of Tax		(4,020)	17,020
Loss Attributable To Non-Controlling Interests, Net Of Tax		(889)	–
(Loss) Profit Net Of Tax		(4,909)	17,020
Total Comprehensive (Loss) Income Attributable To Owners Of The Parent		(4,020)	17,020
Total Comprehensive Loss Attributable To Non-Controlling Interests		(889)	–
Total Comprehensive (Loss) Income		(4,909)	17,020
		Cents	**Cents**
(Loss) Earnings Per Share			
Basic and Diluted	10	(1.52)	7.30

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

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2015

	Notes	Group 2015 $'000	Group 2014 $'000	Company 2015 $'000	Company 2014 $'000
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	12	23,045	19,517	–	–
Investment in Subsidiaries	13	–	–	7,953	7,953
Other Assets, Non-Current	16	640	1,161	–	–
Total Non-Current Assets		23,685	20,678	7,953	7,953
Current Assets					
Inventories	14	33,329	19,574	–	–
Trade and Other Receivables	15	1,981	1,379	11,385	8,866
Other Assets, Current	16	3,577	4,251	44	17
Cash and Cash Equivalents	17	9,581	34,154	191	–
Total Current Assets		48,468	59,358	11,620	8,883
Total Assets		72,153	80,036	19,573	16,836
EQUITY AND LIABILITIES					
Equity					
Share Capital	18	18,469	18,469	18,469	18,469
Merger Reserves		–	(4,453)	–	–
Retained Earnings (Accumulated Losses)		6,484	22,377	757	(1,733)
Equity Attributable to Owners of the Parent		24,953	36,393	19,226	16,736
Non-Controlling Interest		111	–	–	–
Total Equity		25,064	36,393	19,226	16,736
Non-Current Liabilities					
Other Financial Liabilities, Non-Current	20	10,307	12,149	–	–
Other Liabilities, Non-Current	21	13,199	16,532	–	–
Total Non-Current Liabilities		23,506	28,681	–	–
Current Liabilities					
Income Tax Payable		135	135	–	–
Trade and Other Payables	19	1,447	3,454	347	100
Other Financial Liabilities, Current	20	7,394	2,640	–	–
Other Liabilities, Current	21	14,607	8,733	–	–
Total Current Liabilities		23,583	14,962	347	100
Total Liabilities		47,089	43,643	347	100
Total Equity and Liabilities		72,153	80,036	19,573	16,836

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

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2015

	Group					
	Total Equity $'000	Non-Controlling Interest $'000	Attributable to Parents $'000	Share Capital $'000	Merger Reserves $'000	Retained Earnings $'000
Current year:						
Opening Balance at 1 April 2014	36,393	–	36,393	18,469	(4,453)	22,377
Movements in Equity:						
Total Comprehensive Loss for the Year	(4,909)	(889)	(4,020)	–	–	(4,020)
Transferred to Retained Earnings	–	–	–	–	4,453	(4,453)
Effects of Acquisition of a Subsidiary	1,000	1,000	–	–	–	–
Dividends Paid (Note 11)	(7,420)	–	(7,420)	–	–	(7,420)
Closing Balance at 31 March 2015	25,064	111	24,953	18,469	–	6,484
Previous year:						
Opening Balance at 1 April 2013	8,857	–	8,857	3,500	–	5,357
Movements in Equity:						
Total Comprehensive Income for the Year	17,020	–	17,020	–	–	17,020
Issue of New Shares (Adjustment) pursuant to Restructuring Exercise	–	–	–	4,453	(4,453)	–
Issue of New Shares pursuant to Listing [Note 18(c)]	11,200	–	11,200	11,200	–	–
Share Issuance Expense [Note 18(d)]	(684)	–	(684)	(684)	–	–
Closing Balance at 31 March 2014	36,393	–	36,393	18,469	(4,453)	22,377

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

	Company		
	Total Equity $'000	Share Capital $'000	Retained Earnings (Accumulated Losses) $'000
Current Year:			
Opening Balance at 1 April 2014	16,736	18,469	(1,733)
Movements in Equity:			
Total Comprehensive Income for the Year	9,910	–	9,910
Dividends Paid (Note 11)	(7,420)	–	(7,420)
Closing Balance at 31 March 2015	19,226	18,469	757
Previous year:			
Opening Balance at 1 April 2013	–	–[1]	–
Movements in Equity:			
Total Comprehensive Loss for the Year	(1,733)	–	(1,733)
Issue of New Shares pursuant to Restructuring Exercise [Note 18(b)]	7,953	7,953	–
Issue of New Shares pursuant to Listing [Note 18(c)]	11,200	11,200	–
Share Issuance Expense [Note 18(d)]	(684)	(684)	–
Closing Balance at 31 March 2014	16,736	18,469	(1,733)

Note:

(1) Share capital is less than $1,000.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2015

	Group	
	2015	2014
	$'000	$'000
Cash Flows (Used in) From Operating Activities		
(Loss) Profit Before Tax	(4,841)	17,218
Adjustments for:		
Deferred Income	(3,333)	(1,929)
Depreciation of Property, Plant and Equipment	1,452	1,834
Amortisation of Other Assets	528	–
Gain on Disposal of Property, Plant and Equipment	(22)	(16,307)
Impairment Loss on Intangibles (Goodwill)	1,970	–
Listing Expenses	–	1,317
Interest Income	(71)	(15)
Interest Expense	164	540
Operating Cash Flows Before Changes in Working Capital	(4,153)	2,658
Inventories	(12,898)	872
Trade and Other Receivables	(602)	4,983
Other Assets	788	(2,427)
Other Liabilities	5,730	115
Trade and Other Payables	(2,007)	(2,990)
Net Cash Flows (Used in) From Operations	(13,142)	3,211
Income Taxes Paid	(68)	(1,724)
Net Cash Flows (Used in) From Operating Activities	**(13,210)**	**1,487**
Cash Flows (Used in) From Investing Activities		
Net Cash Used in Acquisition of a Subsidiary (Note 22)	(1,356)	–
Purchase of Property, Plant and Equipment (Note 17B)	(4,303)	(3,021)
Disposal of Property, Plant and Equipment	116	40,920
Interest Received	71	15
Net Cash Flows (Used in) From Investing Activities	**(5,472)**	**37,914**
Cash Flows Used in Financing Activities		
Increase (Decrease) of Other Financial Liabilities	3,639	(15,085)
Finance Lease Repayment	(1,946)	(2,863)
Issue of New Shares Pursuant to Listing [Note 18(c)]	–	11,200
Listing Expenses	–	(2,001)
Dividends Paid to Equity Owners (Note 11)	(7,420)	–
Interest Paid	(164)	(540)
Net Cash Flows Used in Financing Activities	**(5,891)**	**(9,289)**
Net (Decrease) Increase in Cash and Cash Equivalents	(24,573)	30,112
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	33,794	3,682
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance (Note 17A)	9,221	33,794

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015

1. General

1.1. The Company

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars.

The Board of Directors approved and authorised these financial statements for issue on the date of the Statement by Directors.

The principal activities of the Company are those of an investment holding company and the provision of management services. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

The registered office and principal place of business is at 30 Teban Gardens Crescent Singapore 608927.

1.2. The Restructuring Exercise

The Group was formed through a restructuring exercise (the "**Restructuring Exercise**") which involved a series of acquisitions and the rationalisation of the corporate and shareholding structure for the purposes of the Company's listing on Catalist Board of the SGX-ST in 2014. Pursuant to the Restructuring Exercise, the Company became the holding company of the Group.

The Restructuring Exercise involved the following steps:

(a) Incorporation of the Company

The Company was incorporated on 12 December 2012 in the Republic of Singapore in accordance with the Companies Act as a private limited company with an issued and paid-up share capital of $2.00 comprising two (2) shares each, held by Goh Kim San and Goh Kim Hup.

(b) Incorporation of Spania GTA Asia Pacific Private Ltd.

Spania GTA Asia Pacific Private Ltd. was incorporated on 10 October 2012 in the Republic of Singapore in accordance with the Companies Act as a private limited company with an issued and paid-up share capital of $1.00 comprising one (1) ordinary share, which was wholly-owned by EuroAutomobile Pte. Ltd.

(c) Incorporation of deLaCour Asia Pacific Pte. Ltd.

deLaCour Asia Pacific Pte. Ltd. was incorporated on 5 November 2012 in the Republic of Singapore in accordance with the Companies Act as a private limited company with an issued and paid-up share capital of $1.00 comprising one (1) ordinary share, which was wholly-owned by EuroAutomobile Pte. Ltd.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015

1. General (Cont'd)

1.2. The Restructuring Exercise (Cont'd)

(d) Acquisition of Spania GTA Asia Pacific Private Ltd. and deLaCour Asia Pacific Pte. Ltd.

On 29 November 2013, the Company entered into a sale and purchase agreement with EuroAutomobile Pte. Ltd. pursuant to which the Company acquired the entire issued and paid-up capital of each of Spania GTA Asia Pacific Private Ltd. and deLaCour Asia Pacific Pte. Ltd. at a nominal consideration of $1.00 for each of Spania GTA Asia Pacific Private Ltd. and deLaCour Asia Pacific Pte. Ltd.

Upon completion of the aforesaid acquisition, each of Spania GTA Asia Pacific Private Ltd. and deLaCour Asia Pacific Pte. Ltd. became wholly-owned subsidiaries of the Company.

(e) Acquisition of EuroSports Auto Pte Ltd ("EuroSports Auto")

On 29 November 2013, the Company entered into a sale and purchase agreement with Goh Kim San and Goh Kim Hup pursuant to which the Company acquired the entire issued and paid-up capital of EuroSports Auto at a consideration of S$7,953,000 (the "**EuroSports Purchase Consideration**"), which was determined based on the audited Net Tangible Asset of EuroSports Auto as at 31 March 2013. The EuroSports Purchase Consideration was satisfied by the allotment and issue of an aggregate of 224,999,996 shares, credited as fully paid in the following manner:

Name of allottee	Number of shares issued to such allottee
Goh Kim San	134,999,998
Goh Kim Hup	89,999,998
Total	**224,999,996**

Upon completion of the aforesaid acquisition, EuroSports Auto became a wholly-owned subsidiary of the Company.

(f) Acquisition of EuroAutomobile Pte. Ltd. ("EuroAutomobile")

On 29 November 2013, the Company entered into a sale and purchase agreement with Goh Kim San and Goh Kim Hup pursuant to which the Company acquired the entire issued and paid-up capital of EuroAutomobile at a nominal consideration of $2.00 which was satisfied by the allotment and issue of one (1) share, credited as fully paid, to each of Goh Kim San and Goh Kim Hup.

Upon completion of the aforesaid acquisition, EuroAutomobile became a wholly-owned subsidiary of the Company.

1. General (Cont'd)

1.2. The Restructuring Exercise (Cont'd)

(g) Disposal of shares in Brickfree Pte. Ltd. and E-Elements Pte. Ltd.

As part of the Restructuring Exercise to dispose of the non-luxury lifestyle businesses prior to the Listing, the Company completed the following disposals:

(a) On 30 September 2012, EuroSports Auto disposed 500,000 ordinary shares in Brickfree Pte. Ltd. to Goh Kim San at a cash consideration of $500,000; and

(b) On 12 September 2012, EuroSports Auto transferred 15,000 ordinary shares in E-Elements Pte. Ltd. to Goh Kim Hup at a nominal consideration of S$1.00.

The subsidiaries held by the Company as of the date of this report are disclosed in Note 13.

2. Summary of Significant Accounting Policies

Accounting Convention

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 FRSs need not be applied when the effect of applying them is immaterial. The disclosures required by FRSs 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.

Basis of Preparation of the Financial Statements

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 on-going 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 Note, where applicable.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015

2. Summary of Significant Accounting Policies (Cont'd)

Basis of Presentation

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.

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.

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 activities of the entity and it is shown net of any 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 not significant transactions is recognised as the services are provided or when the significant acts have been 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 is recognised using the effective interest method.

Employee Benefits

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

2. Summary of Significant Accounting Policies (Cont'd)

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 the end of each 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).

Foreign Currency Transactions

The functional currency is the Singapore dollars as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At the end of each 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 measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. The 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.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015

2. Summary of Significant Accounting Policies (Cont'd)

Property, Plant and Equipment

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

Plant and Equipment	–	10% to 33%
Motor vehicles	–	20%
Renovations	–	20%
Leasehold property and improvements	–	8% to 16% (over remaining lease term)
Construction in progress	–	Not depreciated

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

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at the 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.

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

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 measured at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each 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.

2. Summary of Significant Accounting Policies (Cont'd)

Leases (Cont'd)

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.

Segment Reporting

The Group's operating businesses are currently organised according to their nature of business activities. Such structural organisation is determined by the nature of risks and returns associated to each business segment and defines the management structure as well as the internal reporting system. Currently, the Group has only an automobile segment and it represents the basis on which the Group reports its segment information. The Group mainly operated in Singapore during the reporting year.

There are no customers with revenue transactions of over 10% of the group revenue. The watch segment is not significant.

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 Company'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.

Business Combinations

As disclosed in Note 1.2 of the financial statements, a restructuring exercise was undertaken in reporting year 2014. The business combination involved entities or businesses under common control that is, a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The business combination in such situation is accounted for under the pooling-of-interests method.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015

2. Summary of Significant Accounting Policies (Cont'd)

Business Combinations (Cont'd)

Under the pooling-of-interests method, the combined assets, liabilities and reserves of the pooled enterprises are recorded at their existing carrying amounts at the date of amalgamation. The excess or deficiency of amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) over the amount recorded for the share capital acquired is to be adjusted to the retained earnings.

During the reporting year, a new subsidiary was incorporated to acquire the assets and liabilities of 3 other external entities. Such business combinations not under common control are accounted for by applying the acquisition method as follows.

A business combination is a transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting. The cost of a business combination includes the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree. The acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received except for any costs to issue debt or equity securities are recognised in accordance with FRS 32 and FRS 39. As of the acquisition date, the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree measured at acquisition-date fair values as defined in and that meet the conditions for recognition under FRS 103. If there is gain on bargain purchase, for the gain on bargain purchase a reassessment is made of the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination and any excess remaining after this reassessment is recognised immediately in profit or loss. For business combinations achieved in stages, any equity interest held in the acquiree is remeasured immediately before achieving control at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss.

Where the fair values are measured on a provisional basis they are finalised within one year from the acquisition date with consequent retrospective changes to the amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

There was no gain on bargain purchase during the reporting year.

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.

2. Summary of Significant Accounting Policies (Cont'd)

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition-date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with FRS 103 (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with this FRS 103.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Irrespective of whether there is any indication of impairment, goodwill and also any intangible asset with an indefinite useful life or any intangible asset not yet available for use are tested for impairment at least annually. Goodwill impairment is not reversed in any circumstances.

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

Impairment of Non-Financial Assets

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

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2. Summary of Significant Accounting Policies (Cont'd)

Inventories

Automobiles and watches held for sale are measured at the lower of cost (specific identification method) and net realisable value. Inventories other than automobiles and watches 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 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. Summary of Significant Accounting Policies (Cont'd)

Financial Assets (Cont'd)

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.

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

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the 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.

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2. Summary of Significant Accounting Policies (Cont'd)

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. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

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

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

2. Other financial liabilities: All liabilities, which have not been classified 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.

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.

2. Summary of Significant Accounting Policies (Cont'd)

Fair Value Measurement

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

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless stated 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.

NOTES TO THE FINANCIAL STATEMENTS

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2. Summary of Significant Accounting Policies (Cont'd)

Warranty Provisions

A provision is made for the estimated cost of product warranties at the time revenue is recognised. The warranty provision is established based upon best estimates of the amounts necessary to settle future and existing claims on products sold as of the end of each reporting year. As new products incorporating complex technologies are continuously introduced, and as regulations and practices may change, changes in these estimates could result in additional allowances or changes to recorded allowances being required in future periods.

Critical Judgements, Assumptions and Estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the 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:

The estimates for the useful lives and related depreciation charges for property, plant and equipment is based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset (or class of assets) at the end of the reporting year affected by the assumption is $6,571,000.

Impairment of property, plant and equipment:

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the reporting year affected by the assumption is $23,045,000.

Deposit payments made to automobile manufacturers:

The Group is required by automobile manufacturers to make deposit payments upon placement of orders for new automobiles from time to time. In the event that such automobile manufacturers are unable to deliver the orders and the deposit payments are not refunded, fully or partially, an impairment will be required. At the end of the reporting year, management is of the view that the deposit payment carrying amount approximates the fair value. The carrying amounts might change materially within the next reporting year but the changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount of deposits as discussed is disclosed in Note 16 on Other Assets.

2. Summary of Significant Accounting Policies (Cont'd)

Critical Judgements, Assumptions and Estimation Uncertainties (Cont'd)

Allowance for doubtful 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.

Net realisable value of inventories:

A review is made periodically on inventory for excess inventory and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. These reviews require management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the reporting year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in the Note on Inventories.

Assessment of impairment of goodwill:

An assessment is made annually whether goodwill has suffered any impairment loss. The assessment process is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions. Judgement is required in identifying the cash generating units ("**CGU**") and the use of estimates as disclosed in Note 22.

3. Related Party Relationships and Transactions

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

The ultimate controlling parties are Goh Kim San and Goh Kim Hup.

NOTES TO THE FINANCIAL STATEMENTS

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3. Related Party Relationships and Transactions (Cont'd)

3.1 Related Companies:

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

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

3.2 Related Parties other than Related Companies:

There are transactions and arrangements between the 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 are unsecured without fixed repayment terms and interest unless stated otherwise. For any non-current balances and financial guarantees no interest or charge is imposed unless stated otherwise.

Significant related party transactions:

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	Group	
	2015	**2014**
Directors	**$'000**	**$'000**
Sale of watches	–	8

3. Related Party Relationships and Transactions (Cont'd)

3.3 Key management compensation:

	Group	
	2015	2014
	$'000	$'000
Salaries and other short-term employee benefits	1,654	971

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

	Group	
	2015	2014
	$'000	$'000
Remuneration of Directors of the Company	1,237	847
Remuneration of a Director of a Subsidiary	208	–
Fees to Directors of the Company	120	41
Other Benefits	89	83

Key management personnel include the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company and Group, directly or indirectly. The above amounts for key management compensation are for all the Directors only.

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

3.4 Other Receivables from and Other Payables to Related Parties:

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 are as follows:

	Group	
	2015	2014
Related parties	$'000	$'000
Other receivables (other payables):		
Balance at beginning of the year	–	3,772
Amounts paid in and settlement of liabilities on behalf of the Company	–	(4,857)
Amounts paid out and settlement of liabilities on behalf of another party	–	1,085
Balance at end of the year	–	–

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4. Revenue

	Group	
	2015	**2014**
	$'000	**$'000**
Sales of automobiles	33,510	31,328
Sales of watches	1,365	3,182
Sales of parts and servicing	5,499	5,248
	40,374	39,758

5. Other Income

	Group	
	2015	**2014**
	$'000	**$'000**
Commission income	1,473	2,046
Rental income	1,236	729
Deferred income earned (Note 21A)	3,333	1,929
Other income	429	485
	6,471	5,189

6. Other Gains and (Other Losses)

	Group	
	2015	**2014**
	$'000	**$'000**
Allowance for impairment on trade receivables (Note 15)	(64)	(3)
Foreign exchange adjustments gains	33	50
Gain on disposal of property, plant and equipment	22	16,307
Impairment loss on goodwill (Note 22)	(1,970)	–
Other payables written back	512	–
Net	(1,467)	16,354
Presented in profit or loss as:		
Other gains	566	16,357
Other losses	(2,033)	(3)
Net	(1,467)	16,354

7. Marketing and Distribution Expenses, Administrative Expenses and Finance Costs

The major components include the following:

	Group	
	2015	2014
	$'000	$'000
Marketing and distribution expenses		
Advertising and promotions	2,493	1,627
Sales commission expense (Note 8)	339	416
Entertainment	353	636
Administrative expenses		
Rental expense	4,357	471
Depreciation expense (Note 12)	1,452	1,834
Employee benefits expense (Note 8)	4,739	3,764
Listing expenses	–	1,317

Finance costs
This is for interest expense.

8. Employee Benefits Expense

	Group	
	2015	2014
	$'000	$'000
Employee benefits expense	4,926	3,958
Contributions to defined contribution plan	402	347
Other benefits	246	172
Total employee benefits expense	5,574	4,477
Presented in profit or loss as:		
Cost of sales	496	297
Marketing and distribution expenses (Note 7)	339	416
Administrative expenses (Note 7)	4,739	3,764
	5,574	4,477

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9. Income Tax

9A. Components of income tax expense recognised in profit or loss include:

	Group	
	2015	2014
	$'000	$'000
Current tax expense	–	–
Under adjustments to tax in respect of prior periods	68	198
Total	68	198

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

	Group	
	2015	2014
	$'000	$'000
(Loss) Profit before tax	(4,841)	17,218
Income tax expense at the above rate	(823)	2,927
Income not subject to tax	(373)	(2,710)
Tax exemptions	–	(35)
Deferred tax not recognised (reversed)	1,249	(166)
Under adjustments to tax in respect of prior periods	68	198
Other items less than 3% each	(53)	(16)
Total income tax expense	68	198

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

The major (income) expense not subject to tax include the following:

	Group	
	2015	2014
	$'000	$'000
Depreciation on non-qualifying property, plant and equipment	623	1,632
Gain on disposal of property, plant and equipment	(22)	(16,307)
Deferred income earned	(3,333)	(1,929)

9. Income Tax (Cont'd)

9B. Deferred tax expense recognised in profit or loss includes:

	Group	
	2015	2014
	$'000	$'000
Excess of book value of plant and equipment over tax values	5	–
Excess of tax values over net book value of plant and equipment	(32)	(2)
Tax loss carryforwards	(1,222)	168
Deferred tax not recognised	1,249	(166)
Total deferred tax expense recognised in profit or loss	–	–

9C. Deferred tax balance in the statements of financial position:

	Group	
	2015	2014
	$'000	$'000
Deferred tax assets recognised in profit or loss:		
Excess of book value of plant and equipment over tax values	(5)	–
Excess of tax values over net book value of plant and equipment	76	44
Tax loss carryforwards	1,506	284
Deferred tax not recognised	(1,577)	(328)
Net	–	–

No deferred tax asset (on deductible temporary differences and unused tax losses) has been recognised in respect of the above balance.

The realisation of the future income tax benefits from tax loss carryforwards of approximately $8,418,000 (2014: $1,671,000) and temporary differences from capital allowances of $NIL (2014: $259,000) are available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

NOTES TO THE FINANCIAL STATEMENTS

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10. (Loss) / Earnings Per Share

Basic (loss) / earnings per share amount is calculated by dividing the (loss) profit attributable to ordinary equity holders of the Company by the weighted average number of equity shares of no par value as follows:

	Group	
	2015	**2014**
	$'000	**$'000**
Net (loss) profit attributable to ordinary equity holders of the Company	(4,020)	17,020
	'000	**'000**
Weighted average number of equity shares	265,000	233,110

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

The basic (loss) / earnings per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. Diluted (loss) / earnings per share is similar to basic (loss) / earnings per share as there were no potential dilutive ordinary shares existing during the relevant period.

11. Dividends on Equity Shares

	Group	
	2015	**2014**
	$'000	**$'000**
Tax-exempt (one-tier) dividend paid of $0.028 per share	7,420	–

12. Property, Plant and Equipment

Group	Construction in progress $'000	Plant and equipment $'000	Motor vehicles $'000	Renovations $'000	Leasehold property and improvements $'000	Total $'000
Cost:						
At 1 April 2013	16,297	734	2,240	914	7,451	27,636
Additions	1,715	397	1,466	52	54	3,684
Disposals	(1,765)	–	(135)	–	(7,505)	(9,405)
At 31 March 2014	16,247	1,131	3,571	966	–	21,915
Additions	227	318	4,201	327	–	5,073
Disposals	–	(22)	(225)	–	–	(247)
At 31 March 2015	16,474	1,427	7,547	1,293	–	26,741
Accumulated depreciation:						
At 1 April 2013	–	365	860	368	3,764	5,357
Depreciation for the year	–	182	574	182	896	1,834
Disposals	–	–	(133)	–	(4,660)	(4,793)
At 31 March 2014	–	547	1,301	550	–	2,398
Depreciation for the year	–	296	959	197	–	1,452
Disposals	–	(22)	(132)	–	–	(154)
At 31 March 2015	–	821	2,128	747	–	3,696
Net book value:						
At 1 April 2013	16,297	369	1,380	546	3,687	22,279
At 31 March 2014	16,247	584	2,270	416	–	19,517
At 31 March 2015	16,474	606	5,419	546	–	23,045

Notes:

(a) Depreciation expense is included under administrative expenses.

(b) Certain items are under finance lease agreements (see Note 20C).

(c) Construction in progress includes the acquisition costs of 7 and 9 Chang Charn Road of $16,474,000. The amount of accumulated interest capitalised is $402,003 (2014:$177,668).

(d) The leasehold property and leasehold properties under construction in progress are mortgaged as security for the bank facilities (see Note 20A).

(e) In 2014, EuroSports Auto Pte Ltd sold its leasehold interest in respect of 30 Teban Gardens Crescent Singapore 608927 on 17 March 2014 (see Note 21A).

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12. Property, Plant and Equipment (Cont'd)

Borrowing costs included in the cost of construction in progress are as follows:

	Group	
	2015	2014
	$'000	$'000
Capitalisation rates	1.58 – 2.68%	1.28 – 1.58%
Borrowing costs capitalised in additions during the year	224	178
Accumulated interest capitalised included in the total cost	402	178

13. Investments in Subsidiaries

	Company	
	2015	2014
	$'000	$'000
Movements during the year:		
Unquoted equity shares at cost:		
Balance at beginning of the year	7,953	7,953
Acquisitions	1,500	–
Allowance for impairment	(1,500)	–
Cost at end of the year	7,953	7,953
Net book value of subsidiaries	10,515	24,341

The following subsidiaries are incorporated and operate in Singapore:

Name of Subsidiaries	Principal Activities	Cost in books of Group		Effective percentage of equity held by Group	
		2015	2014	2015	2014
		$'000	$'000	%	%
EuroSports Auto Pte Ltd[(a)]	Distribution and retailing of imported automobiles, import of parts and accessories and repairs and servicing of automobile	7,953	7,953	100	100
EuroAutomobile Pte. Ltd.[(a)]	Distribution and retailing of imported automobiles, import of parts and accessories and repairs and servicing of automobile	–[(b)]	–[(b)]	100	100

13. Investments in Subsidiaries (Cont'd)

Name of Subsidiaries	Principal Activities	Cost in books of Group		Effective percentage of equity held by Group	
		2015	2014	2015	2014
		$'000	$'000	%	%
Spania GTA Asia Pacific Private Ltd.[(a)]	Dormant	–[(b)]	–[(b)]	100	100
deLaCour Asia Pacific Pte. Ltd.[(a)]	Trading and distribution of watches and related accessories	–[(b)]	–[(b)]	100	100
AutoInc EuroSports Pte. Ltd.[(a),(d)]	Trading of pre-owned automobiles and provision of maintenance and grooming services for luxury automobiles	–[(c)]	–	60	–

Notes:

(a) Audited by RSM Chio Lim LLP.

(b) The cost of investment is less than $1,000.

(c) The cost of investment has been fully impaired.

(d) See also Note 22.

14. Inventories

	Group	
	2015	2014
	$'000	$'000
Automobiles	28,271	14,851
Automobile parts and accessories	1,572	1,188
Watches	3,486	3,535
	33,329	19,574
Inventories are stated after allowance. Movements in allowance:		
Balance at beginning of the year	1,232	1,222
Charge to profit or loss included in cost of sales	1,270	724
Used	(960)	(714)
Balance at end of the year	1,542	1,232
Changes in inventories of finished goods	13,755	2,616
The amount of inventories included in cost of sales	32,024	30,060
The write-downs of inventories charged to profit or loss included in cost of sales	1,270	724

Certain inventories are pledged as security for the bank facilities and finance leases (Note 20).

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15. Trade and Other Receivables

	Group		Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Trade receivables:				
Outside parties	2,250	1,416	11	–
Less: allowance for impairment	(276)	(231)	–	–
Sub-total	1,974	1,185	11	–
Other receivables:				
Subsidiaries (Note 3)	–	–	11,374	8,866
Staff loans	2	3	–	–
Other receivables	5	191	–	–
Sub-total	7	194	11,374	8,866
Total trade and other receivables	1,981	1,379	11,385	8,866
Movements in above allowance:				
Balance at beginning of the year	231	228	–	–
Charge for trade receivables to profit or loss included in other charges	64	3	–	–
Bad debts written off	(19)	–	–	–
Balance at end of the year	276	231	–	–

16. Other Assets

	Group		Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Non-current:				
Land premium (Note 16A)	640	1,161	–	–
Non-current, total	640	1,161	–	–
Current:				
Deposits[a]	2,753	3,199	–	–
Land premium (Note 16A)	529	536	–	–
Prepayments	295	516	44	17
Current, total	3,577	4,251	44	17
Total	4,217	5,412	44	17

Notes:

(a) Pursuant to a heads of agreement between EuroAutomobile, a subsidiary, and Spania GTA Tecnomotive S.L. ("GTA Spain"), a company incorporated in Spain, dated 22 September 2012, EuroAutomobile will be granted the distributorship for GTA Spain's automobiles in the Asia Pacific region. GTA Spain will enter into an exclusive distributorship agreement with Spania GTA Asia Pacific Private Ltd. ("GTA Singapore"), a subsidiary, granting GTA Singapore the exclusive rights to distribute GTA automobiles in the designated territories, including mainly the Asia Pacific region. In addition, EuroAutomobile has been granted a call option by GTA Spain to subscribe for such shares representing 13.4% of the share capital of GTA Spain at a subscription consideration of EUR2 million. The fair value of the call option is not determinable. EuroAutomobile and/or its nominees are to purchase up to 8 units of GTA automobiles from GTA Spain and the Group has paid a refundable deposit of EUR1.2 million (S$1.9 million equivalent) to GTA Spain for the purchase of 5 units of GTA automobiles. The Executive Directors of the Company have on 18 November 2013 executed a deed of indemnity in favour of the Group, pursuant to which the Executive Directors have undertaken, inter alia, that they will indemnify the Group, on a joint and several basis, for the deposit payment made to GTA Spain in the event (i) GTA Spain fails to deliver the GTA automobiles by 31 March 2015 and fails to refund the deposit in full to the Group or, (ii) if GTA Spain is wound up or placed in judicial management, whichever is earlier. During the year, the deed of indemnity has been extended to 31 August 2015. The Board of Directors has agreed not to demand for the repayment of S$1.9 million till the end of August 2015 based on correspondences from GTA Spain on the expected delivery schedule. The Management continues to assess this delivery schedule.

16. Other Assets (Cont'd)

16A. Land Premium

	Group	
	2015	**2014**
	$'000	**$'000**
Balance at beginning of the year	1,719	–
Additions	–	1,719
Balance at end of the year	1,719	1,719
Accumulated amortisation:		
Balance at beginning of the year	22	–
Amortisation for the year included under administrative expenses	528	22
Balance at end of the year	550	22

	Group	
	2015	**2014**
	$'000	**$'000**
Balance to be amortised:		
Not later than one year	529	536
Later than one year and not later than five years	640	1,161
	1,169	1,697

The amount pertains to upfront land premium paid pursuant to the sale and leaseback of the property (Note 21A). The land premium is amortised on the straight line method over the period up to 31 May 2017, the original expiry of the land lease.

17. Cash and Cash Equivalents

	Group		Company	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Not restricted in use	9,221	33,794	191	–
Cash restricted in use over 3 months	360	360	–	–
	9,581	34,154	191	–

The interest earning balances are not significant.

17A. Cash and Cash Equivalents in the Statement of Cash Flows:

	Group	
	2015	**2014**
	$'000	**$'000**
Amount as shown above	9,581	34,154
Cash restricted in use over 3 months	(360)	(360)
Cash and cash equivalents for statement of cash flows purposes at end of the year	9,221	33,794

17B. Non-cash transactions:

There were acquisitions of plant and equipment and inventories with a total cost of $654,000 (2014: $665,000) and $565,000 (2014: $3,489,000) respectively acquired by means of finance leases.

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18. Share Capital

	Group and Company	
	Number of shares issued '000	Share capital $'000
Ordinary shares of no par value:		
Balance at date of incorporation	–[a]	–[a]
Issue of new shares pursuant to Restructuring Exercise[b]	225,000	7,953
Issued and paid-up shares immediately after the Restructuring Exercise	225,000	7,953
Issue of new shares pursuant to Listing[c]	40,000	11,200
Share issue expense[d]	–	(684)
Balance at 31 March 2014 and 31 March 2015	265,000	18,469

Notes:

(a) Share capital is less than $1,000.

(b) As part of the Restructuring Exercise on 29 November 2013 (Note 1.2), the Company increased its issued and paid-up share capital to $7,953,000 with the issue of 225,000,000 ordinary shares for the consideration of approximately $7,953,000 to Goh Kim Hup and Goh Kim San, the controlling shareholders of the Company.

(c) On 17 January 2014, 40,000,000 ordinary shares were issued to the public at $0.28 per share pursuant to the Company's listing on the Catalist Board of the SGX-ST, for an aggregate consideration of $10,516,000 net of listing expenses of approximately $684,000 for cash. All new ordinary shares were fully subscribed and paid.

(d) The listing expenses totalled approximately $2,714,000 of which approximately $684,000 has been charged to equity and approximately $2,030,000 has been charged to profit or loss. The listing expenses amount as disclosed in the Offer Document dated 7 January 2014 of approximately $2,739,000 was based on estimated costs and the difference is not significant.

In connection with the listing, the independent auditors were paid fees and expenses totalling $344,000 for their services as reporting accountants.

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

Capital management

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 (that is, share capital and reserves).

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.

18. Share Capital (Cont'd)

	Group	
	2015	**2014**
	$'000	**$'000**
Net debt:		
All current and non-current borrowings including finance leases	17,701	14,789
Less cash and cash equivalents	(9,581)	(34,154)
Net debt	8,120	(19,365)
Adjusted capital:		
Total equity	25,064	36,393
Adjusted capital	25,064	36,393
Debt-to-adjusted capital ratio	0.32	(*)

Note:

(*) Not meaningful

The unfavourable change as shown by the increase in the debt-to-adjusted capital ratio for the reporting year resulted primarily from the increase in new debt. There was an unfavourable change with decreased retained earnings.

In order to maintain its Listing on the Catalist Board of the SGX-ST, the Company 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 management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

19. Trade and Other Payables

	Group		Company	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Trade payables:				
Outside parties and accrued liabilities	1,447	3,329	347	100
Sub-total	1,447	3,329	347	100
Other payables:				
Other payables	–	125	–	–
Sub-total	–	125	–	–
Total trade and other payables	1,447	3,454	347	100

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20. Other Financial Liabilities

	Group 2015 $'000	Group 2014 $'000
Non-current:		
Financial instruments with floating interest rates		
Bank loans (secured) (Note 20A)	9,840	10,592
Financial instruments with fixed interest rates		
Finance leases (Note 20C)	467	1,557
Non-current, total	10,307	12,149
Current:		
Financial instruments with floating interest rates		
Bank loans (secured) (Note 20A)	1,378	773
Trust receipts and bills payables (secured) (Note 20B)	4,429	644
Financial instruments with fixed interest rates		
Finance leases (Note 20C)	1,587	1,223
Current, total	7,394	2,640
Total	17,701	14,789

The non-current portion is repayable as follows:

	Group 2015 $'000	Group 2014 $'000
Due within 2 to 5 years	3,707	4,843
After 5 years	6,600	7,306
Non-current, total	10,307	12,149

The range of floating rate interest rates paid was as follows:

	Group 2015 %	Group 2014 %
Bank overdrafts	–	5.00
Bank loans	1.58 – 2.68	1.28 – 1.58
Trust receipts and bills payables	2.00 – 5.00	4.00 – 7.25

20A. Bank Overdrafts and Bank Loans

The bank agreements for certain of the bank overdrafts and bank loans provide among other matters for the following:

(a) A legal mortgage over the leasehold properties under construction in progress;
(b) Joint and several guarantees from the Executive Directors of the Company; and
(c) Corporate guarantee by the Company.

The bank loan is repayable monthly from March 2013 by 180 instalments of approximately $76,000 per month.

20. Other Financial Liabilities (Cont'd)

20B. Trust Receipts and Bills Payables

The credit facilities for trust receipts and bills payables provide among other matters for the following:

(a) A fixed and floating charge over inventories and accounts receivables;
(b) Joint and several guarantees by the Executive Directors of the Company; and
(c) Corporate guarantee by the Company.

The period of financing under trust receipts is 120 days inclusive of suppliers' credit. The interest is payable up to 2.25% per annum over Singapore Inter Bank Offer Rate (SIBOR) prevailing from time to time.

20C. Finance Lease Payables

Group 2015:	**Minimum payments $'000**	**Finance charges $'000**	**Present value $'000**
Minimum lease payments payable:			
Due within one year	1,653	(66)	1,587
Due within 2 to 5 years	498	(31)	467
Total	2,151	(97)	2,054
Net book value of plant and equipment and inventories under finance leases			4,368

Group 2014:	**Minimum payments $'000**	**Finance charges $'000**	**Present value $'000**
Minimum lease payments payable:			
Due within one year	1,273	(50)	1,223
Due within 2 to 5 years	1,643	(86)	1,557
Total	2,916	(136)	2,780
Net book value of plant and equipment and inventories under finance leases			4,346

There are leases for certain of its plant and equipment and inventories under finance leases. The average lease term is 2 to 8 years. The average effective interest rate is about 1.38% to 1.88% (2014: 1.38% to 1.88%) per year. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The obligations under finance leases are secured by the lessor's charge over the leased assets and corporate guarantee by the Company.

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21. Other Liabilities

	Group 2015 $'000	Group 2014 $'000
Non-current:		
Deferred income (Note 21A)	13,199	16,532
Non-current, total	13,199	16,532
Current:		
Deferred income (Note 21A)	3,333	3,333
Deferred income – others	282	–
Warranty provision (Note 21B)	96	234
Deposits from customers	10,896	5,166
Current, total	14,607	8,733
Total	27,806	25,265

21A. Deferred Income

	Group 2015 $'000	Group 2014 $'000
Balance at beginning of the year	19,865	1,794
Additions [Note 12(e)]	–	20,000
Credit to profit or loss included in other income	(3,333)	(1,929)
Balance at end of the year	16,532	19,865
Presented in the statement of financial position as:		
Current	3,333	3,333
Non-current	13,199	16,532
	16,532	19,865

Pursuant to a conditional sale and purchase agreement dated 4 July 2012 between EuroSports Auto Pte Ltd and RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of Cambridge Industrial Trust) (the "**Purchaser**"), EuroSports Auto Pte Ltd agreed to sell its leasehold interest in respect of 30 Teban Gardens Crescent Singapore 608927, comprising the land, building and all mechanical and electrical equipment installed therein, to the Purchaser for a consideration of $41.0 million. On 17 March 2014, the sale of property was completed and EuroSports Auto Pte Ltd has leased the property from the Purchaser for six years commencing from 17 March 2014 at an average annual rent of $3,589,000 over the lease term, with an option to renew the lease for a further term of six years. Knight Frank Pte Ltd, a firm of independent professional valuers, valued the property as at 4 July 2012 at $21.0 million on the assumption that the 22 years lease extension from JTC has been or will be granted and the property is sold in the open market without the benefit of any leaseback agreement. The difference between the consideration of $41.0 million and fair value of $21.0 million is deferred and amortised over the leaseback period of six years or at an annual amount of $3,333,000.

21. Other Liabilities (Cont'd)

21B. Warranty Provision

	Group	
	2015	2014
	$'000	$'000
Balance at beginning of the year	234	419
Provision charged to profit or loss included in cost of sales	77	8
Used	(215)	(193)
Balance at end of the year	96	234

22. Acquisition of Subsidiary

On 15 August 2014, the Group incorporated a new subsidiary, AutoInc Eurosports Pte. Ltd. ("AE"). AE acquired the relevant assets and liabilities of Autoinc Sports Pte. Ltd., Birel Singapore Pte. Ltd. and Autoinc Lifestyle Pte. Ltd., entities that were owned by a common controlling shareholder.

The consideration paid by AE was $1,500,000 and the Group holds a shareholding interest of 60% in AE. The transaction was accounted for by the acquisition method of accounting.

Details of the assets and liabilities acquired and goodwill arising from the acquisition are as follows:

	2015
	$'000
Inventories	292
Other assets	122
Cash	144
Plant and equipment	116
Deferred income	(144)
	530

	2015
Net cash outflows on acquisition:	$'000
Cash consideration	1,500
Less: cash and cash equivalents acquired	(144)
Net cash outflow	1,356

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22. Acquisition of Subsidiary (Cont'd)

Goodwill arising on acquisition:

The goodwill arising on acquisition is as follows:

	2015 $'000
Consideration transferred	1,500
Non-controlling interest at fair value	1,000
Fair value of identifiable net assets acquired	(530)
Goodwill arising on acquisition	1,970

The non-controlling interest of 40% in the acquiree at the acquisition date was measured based on the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The results of AE for the period between the date of acquisition and the end of the reporting year were as follows:

	2015 $'000
Revenue	5,295
Loss before income tax	(1,222)

The goodwill was tested for impairment at the end of the reporting year. In view of the unfavourable market conditions for luxury cars and the challenging business environment, full impairment of the goodwill was made. The amount is charged to statement of profit and loss in other charges.

The value in use was measured by a firm of independent financial advisers. The key assumptions for the value in use calculations are as follows. The quantitative information about the value in use measurement using significant unobservable inputs (Level 3) for the cash generating unit are as follows:

Valuation techniques and Unobservable inputs **Discounted cash flow method**	**31 March 2015**
Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGU.	18.5%
Growth rates based on industry growth forecasts and not exceeding the average long-term growth rate for the relevant markets.	3%
Cash flow forecasts derived from the most recent financial budgets and plans approved by management.	5 years

The impairment test has been carried out using a discounted cash flow model covering a 5-year period. Cash flows projections are based on the next five year budgets and plans approved by management. The discount rate applied (weighted average cost of capital "WACC" gross of tax effect) is 18.5%.

23. Financial Instruments: Information on Financial Risks

23A. Classification of Financial Assets and Liabilities

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

	Group		Company	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets:				
Cash and cash equivalents	9,581	34,154	191	–
Loans and receivables	1,981	1,379	11,385	8,866
At end of the year	11,562	35,533	11,576	8,866
Financial liabilities:				
Other financial liabilities at amortised cost	17,701	14,789	–	–
Trade and other payables at amortised cost	1,447	3,454	347	100
At end of the year	19,148	18,243	347	100

Further quantitative disclosures are included throughout these financial statements.

There are no significant fair value measurements recognised in the statement of financial position.

23B. Financial Risk Management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following good market practices.

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

23C. Fair Value 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.

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23. Financial Instruments: Information on Financial Risks (Cont'd)

23D. Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are entities with acceptable credit ratings. For credit risk on receivables, an on-going 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.

Note 17 discloses the maturity of the cash and cash equivalents balances.

The Group generally does not grant credit terms except for distributors of watches where an average credit term of 30 days is granted. However, the Group may grant credit terms to customers on a case by case basis, depending on the contract value, relationship with the customer and payment track record of the customer. But some customers take a longer period to settle the amounts.

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

	Group	
	2015	**2014**
	$'000	**$'000**
Trade receivables:		
Less than 30 days	156	802
31 to 60 days	51	169
61 to 90 days	79	–
Over 90 days	1,318	328
Total	1,604	1,299

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

	Group	
	2015	**2014**
	$'000	**$'000**
Trade receivables:		
Over 90 days	276	231
Total	276	231

Other receivables are normally with no fixed terms and therefore there is no maturity. Trade receivable amounts that are over 365 days are fully provided as at 31 March 2015 and 31 March 2014.

23. Financial Instruments: Information on Financial Risks (Cont'd)

23E. Liquidity Risk – Financial Liabilities Maturity Analysis

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

	Less than 1 year $'000	2 – 5 years $'000	After 5 years $'000	Total $'000
Group				
2015:				
Non-derivative financial liabilities:				
Trade and other payables	1,447	–	–	1,447
Gross borrowing commitments	7,277	5,208	9,286	21,771
At end of the year	8,724	5,208	9,286	23,218
2014:				
Non-derivative financial liabilities:				
Trade and other payables	3,454	–	–	3,454
Gross borrowing commitments	2,834	6,163	10,467	19,464
At end of the year	6,288	6,163	10,467	22,918
Company				
2015:				
Non-derivative financial liabilities:				
Trade and other payables	347	–	–	347
Financial guarantee contracts – in favour of certain subsidiaries	65,377	–	–	65,377
At end of the year	65,724	–	–	65,724
2014:				
Non-derivative financial liabilities:				
Trade and other payables	100	–	–	100
Financial guarantee contracts – in favour of certain subsidiaries	40,751	–	–	40,751
At end of the year	40,851	–	–	40,851

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 counterparty 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. At the end of the reporting year no claims on the financial guarantees are expected.

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23. Financial Instruments: Information on Financial Risks (Cont'd)

23E. Liquidity Risk – Financial Liabilities Maturity Analysis (Cont'd)

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. Purchases of new automobiles are generally conducted on a cash on delivery basis and for purchase of new demo automobiles, a credit period of 90 days may be granted. The average credit period taken to settle purchases of automobile parts and accessories and other trade payables is about 30 days (2014: 30 days). The other payables are with short-term durations. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

Financial guarantee contracts - For financial guarantee contracts the maximum earliest period in which the guarantee amount can be claimed by the other party is used. At the end of the reporting year no claims on the financial guarantees are expected to be payable. The financial guarantee contracts relates to the corporate guarantees given by the Company on the banking facilities of certain subsidiaries (Note 20).

Bank facilities:

	Group	
	2015	**2014**
	$'000	**$'000**
Undrawn borrowing facilities	34,323	34,955

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations.

23F. Interest Rate Risk

The interest rate risk exposure is mainly from changes in floating interest rates and it mainly concerns financial liabilities. The interest income from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments (excluding derivatives) by type of interest rate:

	Group	
	2015	**2014**
	$'000	**$'000**
Financial liabilities with interest:		
Fixed rates	2,054	2,780
Floating rates	15,647	12,009
Total at end of the year	17,701	14,789
Financial assets with interest:		
Fixed rates	5,360	15,360

The interest rates are disclosed in the respective notes.

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

23. Financial Instruments: Information on Financial Risks (Cont'd)

23G. Foreign Currency Risks

Analysis of amounts denominated in non-functional currencies:

Group 2015:	Euro $'000	Swiss Francs $'000	Total $'000
Financial assets:			
Cash and bank balances	113	–	113
Trade and other receivables	–	20	20
Total financial assets	113	20	133
Financial liabilities:			
Trade and other payables	–	–	–
Total financial liabilities	–	–	–
Net financial assets at end of the year	113	20	133

2014:	Euro $'000	Swiss Francs $'000	Total $'000
Financial assets:			
Cash and bank balances	77	–	77
Trade and other receivables	–	20	20
Total financial assets	77	20	97
Financial liabilities:			
Trade and other payables	–	–	–
Total financial liabilities	–	–	–
Net financial assets at end of the year	77	20	97

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

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

24. Capital Commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2015 $'000	2014 $'000
Commitments for construction in progress	434	441

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015

25. Operating Lease Payment 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	
	2015	**2014**
	$'000	**$'000**
Not later than one year	4,258	3,415
Later than one year and not later than five years	15,706	17,979
	19,964	21,394
Rental expense for the year	4,321	453

Operating lease payments are for rentals payable for warehouses, office and showroom premises. The lease rental terms are negotiated for an average term of six years and rentals are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage.

26. Operating Lease Income Commitments – as Lessor

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

	Group	
	2015	**2014**
	$'000	**$'000**
Not later than one year	1,352	388
Later than one year and not later than five years	2,592	–
	3,944	388
Rental income for the year	1,236	729

Operating lease income commitments are for office premises and leasing of automobiles. The lease rental income terms are negotiated for an average term of five years.

27. Contingent Liabilities and Other Commitments

	Group	
	2015	**2014**
	$'000	**$'000**
Banker's guarantee in favour of suppliers of certain subsidiaries (secured)	4,253	4,228

28. Changes and Adoption of Financial Reporting Standards

For the current reporting year, the following new or revised Singapore Financial Reporting Standards were adopted. The 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 27	Consolidated and Separate Financial Statements (Amendments to)
FRS 27	Separate Financial Statements (Revised)
FRS 28	Investments in Associates and Joint Ventures (Revised) (*)
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill)
FRS 39	Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting
FRS 110	Consolidated Financial Statements
FRS 110	Amendments to FRS 110, FRS 111 and FRS 112
FRS 111	Joint Arrangements (*)
FRS 112	Disclosure of Interests in Other Entities
INT FRS 121	Levies (*)

(*) Not relevant to the entity.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2015

29. Future Changes in Financial Reporting Standards

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the 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 19	Amendments To FRS 19: Defined Benefit Plans: Employee Contributions	1 July 2014
Various	Improvements to FRSs (Issued in January 2014). Relating to FRS 102 Share-based Payment FRS 103 Business Combinations FRS 108 Operating Segments FRS 113 Fair Value Measurement FRS 16 Property, Plant and Equipment FRS 24 Related Party Disclosures FRS 38 Intangible Assets	1 July 2014
Various	Improvements to FRSs (Issued in February 2014). Relating to FRS 103 Business Combinations FRS 113 Fair Value Measurement FRS 40 Investment Property (*)	1 July 2014
FRS 1	Amendments to FRS 1: Disclosure Initiative	1 January 2016
FRS 16 and FRS 38	Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
FRS 16 and FRS 41	Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants (*)	1 January 2016
FRS 27	Amendments to FRS 27: Equity Method in Separate Financial Statements (*)	1 January 2016
FRS 110 and FRS 28	Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (*)	1 January 2016
FRS 110, FRS 112 and FRS 28	Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 111	Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations (*)	1 January 2016
FRS 114	Regulatory Deferral Accounts (*)	1 January 2016
Various	Improvements to FRSs (November 2014)	1 January 2016
FRS 115	Revenue from Contracts with Customers	1 January 2018
FRS 109	Financial Instruments	1 January 2018

(*) Not relevant to the entity.

STATISTICS OF SHAREHOLDINGS

AS AT 22 JUNE 2015

Share Capital

Number of issued shares	:	265,000,000
Class of shares	:	Ordinary shares fully paid
Voting rights	:	One vote for each ordinary shares
Treasury shares	:	Nil

Distribution of Shareholders

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	–	–	–	–
100 – 1,000	36	7.81	33,100	0.01
1,001 - 10,000	189	41.00	970,500	0.37
10,001 – 1,000,000	223	48.37	24,228,900	9.14
1,000,001 and above	13	2.82	239,767,500	90.48
Total	461	100.00	265,000,000	100.00

Twenty-Six Largest Shareholders

No.	Name	No. of Shares	%
1	GOH KIM SAN	113,209,200	42.72
2	GOH KIM HUP	66,000,000	24.91
3	BANK OF SINGAPORE NOMINEES PTE LTD	23,476,000	8.86
4	CITIBANK NOMINEES SINGAPORE PTE LTD	11,841,000	4.47
5	UOB KAY HIAN PTE LTD	4,704,100	1.78
6	LEO CHUN KONG	4,263,800	1.61
7	KWEK LENG JOO	4,000,000	1.51
8	BEN CHNG BENG BENG	2,800,000	1.06
9	OCBC SECURITIES PRIVATE LIMITED	2,294,400	0.87
10	HONG LEONG FINANCE NOMINEES PTE LTD	2,277,000	0.86
11	MAYBANK KIM ENG SECURITIES PTE LTD	1,882,000	0.71
12	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,520,000	0.57
13	YAP BOH SIM	1,500,000	0.57
14	FONG CHEE YAN	820,200	0.31
15	ONG TECK BENG	700,000	0.26
16	TAI KOK CHUAN	700,000	0.26
17	KEITH TAN JUNJIE	673,000	0.25
18	KAN CHEE GIN	622,000	0.23
19	TAN KAR ENG JOEL	605,000	0.23
20	LIM SEET HUAT (LIN SHIFA)	500,000	0.19
21	LIM YONG SIM	500,000	0.19
22	NG KIM SWEE	500,000	0.19
23	SIU YEUNG SAU	500,000	0.19
24	TEO PETER @ ZHANG QINGYING	500,000	0.19
25	WONG QUEE QUEE JEFFREY (HUANG GUIGUI JEFFREY)	500,000	0.19
26	YAN KAM MING	500,000	0.19
	TOTAL	**247,387,700**	**93.37**

STATISTICS OF SHAREHOLDINGS

AS AT 22 JUNE 2015

Substantial Shareholders

No.	Name	No. of Shares	%
1	GOH KIM SAN	113,209,200	42.72
2	GOH KIM HUP	66,000,000	24.91
3	EDWARD LEE EWE MING	15,114,000	5.70

Mr Goh Kim San and Mr Goh Kim Hup are siblings.

Public Float

Based on information available to the Company as at 22 June 2015, approximately 26.67% of the Company's issued ordinary shares are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Catalist Rule.

NOTICE OF ANNUAL GENERAL MEETING

EUROSPORTS GLOBAL LIMITED
(Incorporated in Singapore)
(Registration No. 201230284Z)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of EuroSports Global Limited (the "**Company**") will be held at Goodwood Park Hotel Singapore, Arundel & Dover Rooms, 22 Scotts Road, Singapore 228221 on Tuesday, 28 July 2015 at 2.00 p.m. for the following purposes:

AS ROUTINE BUSINESS:

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

2. To re-elect Mr Goh Kim Hup, being a Director retiring by rotation pursuant to Article 113 of the Articles of Association of the Company. [See Explanatory Note (i)] **(Resolution 2)**

3. To re-elect Mr Tan Siok Sing, being a Director retiring pursuant to Article 113 of the Articles of Association of the Company. [See Explanatory Note (ii)] **(Resolution 3)**

4. To approve the payment of Directors' fees of S$120,000 for the financial year ending 31 March 2016, to be paid quarterly in arrears. **(Resolution 4)**

5. To re-appoint Messrs RSM Chio Lim LLP as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 5)**

6. To transact any other routine business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS:

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

7. **SHARE ISSUE MANDATE**

That pursuant to Section 161 of the Companies Act, Cap. 50 (the "**Companies Act**") and Rule 806 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Rules of Catalist**") and notwithstanding the provisions of the Articles of Association of the Company, authority be and is hereby given to the Directors of the Company (the "**Directors**") to:

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

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

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

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

(i) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed one hundred percent (100%) of the total number of issued shares excluding treasury shares of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be granted other than on a pro-rata basis to shareholders of the Company with registered addresses in Singapore (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty percent (50%) of the total number of issued shares excluding treasury shares of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of the total number of issued shares excluding treasury shares of the Company shall be calculated based on the total number of issued shares excluding treasury shares of the Company at the time of the passing of this Resolution, after adjusting for:

(1) new shares arising from the conversion or exercise of any convertible securities;

(2) new shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist; and

(3) any subsequent bonus issue, consolidation or subdivision of shares;

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

(iv) unless revoked or varied by the Company in general meeting, the authority conferred by 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 the earlier.
[See Explanatory Note (iii)] **(Resolution 6)**

8. **PROPOSED RENEWAL OF SHARE PURCHASE MANDATE**

That:-

(a) for the purposes of Section 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) on-market purchase(s) on the SGX-ST; and/or

(ii) off-market purchase(s) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company ("**AGM**") is held or required by law to be held;

(ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by Shareholders in a general meeting;

(c) in this Resolution:

"**Maximum Percentage**" means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date);

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) In the case of a market purchase of a Share, 105% of the Average Closing Price of the Shares; and

(ii) In the case of an off-market purchase of a Share, 120% of the Average Closing Price of the Shares;

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on Catalist immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporation action that occurs after the relevant five-day period; and

"**date of the making of the offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the off-market purchase;

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution. [See Explanatory Note (iv)] **(Resolution 7)**

NOTICE OF ANNUAL GENERAL MEETING

9. **EUROSPORTS PERFORMANCE SHARE PLAN**

That the Directors of the Company be and are hereby authorised to offer and grant awards in accordance with the provisions of the EuroSports Performance Share Plan (the "**Performance Share Plan**") and pursuant to Section 161 of the Companies Act, to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the Performance Share Plan, provided that the aggregate number of shares to be issued pursuant to the Performance Share Plan and any other share based incentive schemes of the Company shall not exceed fifteen percent (15%) of the total number of shares excluding treasury shares of the Company from time to time.
[See Explanatory Note (v)] **(Resolution 8)**

10. **EUROSPORTS EMPLOYEE SHARE OPTION SCHEME**

That the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the EuroSports Employee Share Option Scheme (the "**Scheme**") and pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the Scheme, provided that the aggregate number of shares to be issued pursuant to the Scheme and any other share-based incentive schemes of the Company shall not exceed fifteen percent (15%) of the total number of issued shares excluding treasury shares of the Company from time to time.
[See Explanatory Note (vi)] **(Resolution 9)**

By Order of the Board

Siu Yeung Sau
Joint Company Secretary
10 July 2015

Notes:

1. Save as provided in the Articles of Association, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

2. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) 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.

3. The instrument appointing a proxy or proxies, duly executed must be deposited at the Registered Office of the Company at 30 Teban Gardens Crescent, Singapore 608927 not less than 48 hours before the time appointed for holding the Annual General Meeting.

4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney duly authorised.

EXPLANATORY NOTES:

(i) Mr Goh Kim Hup, upon re-election as a Director of the Company, will remain as an Executive Director and the Deputy Chief Executive Officer of the Company.

(ii) Mr Tan Siok Sing, upon re-election as a Director of the Company, will remain as the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr Tan is an Independent Director.

(iii) **Resolution 6** proposed in item 7. above, if passed, is to empower the Directors to allot and issue shares in the capital of the Company and/or Instruments (as defined above). The aggregate number of shares to be issued pursuant to Resolution 6 (including shares to be issued in pursuance of Instruments made or granted) shall not exceed one hundred percent (100%) of the total number of issued shares excluding treasury shares of the Company, with a sub-limit of fifty percent (50%) for shares issued other than on a pro-rata basis (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to shareholders with registered addresses in Singapore. For the purpose of determining the aggregate number of shares that may be issued, the percentage of the total number of issued shares excluding treasury shares of the Company will be calculated based on the total number of issued shares excluding treasury shares of the Company at the time of the passing of Resolution 6, after adjusting for (i) new shares arising from the conversion or exercise of any convertible securities; (ii) new shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of Resolution 6, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist; and (iii) any subsequent bonus issue, consolidation or subdivision of shares.

(iv) **Resolution 7** is to empower the Directors from the date of the above Meeting until the next Annual General Meeting to purchase or otherwise acquire issued ordinary Shares by way of market purchases or off-market purchases of up to ten percent (10%) of the total number of issued Shares (excluding treasury shares) at the Maximum Price in accordance with the terms and conditions set out in the Appendix dated 10 July 2015 to this Notice of Annual General Meeting, the Companies Act and the Rules of Catalist. Please refer to the Appendix dated 10 July 2015 circulated together with the Company's Annual Report for details.

(v) **Resolution 8** proposed in item 9. above, if passed, is to authorise the Directors to offer and grant awards in accordance with the provisions of the Performance Share Plan and to allot and issue shares thereunder.

(vi) **Resolution 9** proposed in item 10. above, if passed, is to authorise the Directors to offer and grant options in accordance with the provisions of the Scheme and pursuant to Section 161 of the Companies Act, to allot and issue shares under the Scheme. The size of the Scheme is limited to fifteen percent (15%) of the total number of issued shares excluding treasury shares of the Company for the time being.

NOTICE OF ANNUAL GENERAL MEETING

Personal data privacy:

By submitting an instrument 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.

This Notice of Annual General Meeting ("Notice") has been prepared by the Company and its contents have been reviewed by the Sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") for compliance with the relevant rules of the Singapre Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this Notice.

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

The contact person for the Sponsor is Mr Eric Wong, Director, Investment Banking, Singapore. The contact particulars are 50 Raffles Place, #09-01, Singapore Land Tower, Singapore 048623, telephone: +65 6337 5115.

PROXY FORM

(Please see notes overleaf before completing this Form)

EUROSPORTS GLOBAL LIMITED

(Incorporated in Singapore)
(Registration No. 201230284Z)

I/We, ______________________ NRIC/Passport/Company Registration No. ______________________

of ____

being a member/members of EuroSports Global Limited (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or failing him/her (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company to be held at Goodwood Park Hotel Singapore, Arundel & Dover Rooms, 22 Scotts Road, Singapore 228221 on Tuesday, 28 July 2015 at 2.00 p.m. and at any adjournment thereof.

The proxy/proxies shall vote on the Resolutions set out in the notice of Meeting in accordance with my/our directions as indicated with an "x" in the appropriate space below. Where no such direction is given, the proxy/proxies may vote or abstain from voting at his/their discretion, on any matter at the Meeting or at any adjournment thereof.

No.	Resolutions relating to:	For	Against
	ROUTINE BUSINESS		
1	Adoption of the Directors' Report and the Audited Financial Statements for the financial year ended 31 March 2015 and the Auditors' Report thereon **(Resolution 1)**		
2	Re-election of Mr Goh Kim Hup as a Director **(Resolution 2)**		
3	Re-election of Mr Tan Siok Sing as a Director **(Resolution 3)**		
4	Approval of Directors' fees amounting to S$120,000 for the financial year ending 31 March 2016, to be paid quarterly in arrears **(Resolution 4)**		
5	Re-appointment of Messrs RSM Chio Lim LLP as Auditors **(Resolution 5)**		
6	Any other business		
	SPECIAL BUSINESS		
7	Authority for Directors to allot and issue new shares **(Resolution 6)**		
8	Approval of the renewal of the Share Purchase Mandate **(Resolution 7)**		
9	Authority for Directors to offer and grant awards and to allot and issue shares in accordance with the provisions of the EuroSports Performance Share Plan **(Resolution 8)**		
10	Authority for Directors to offer and grant options and to allot and issue shares in accordance with the provisions of the EuroSports Employee Share Option Scheme **(Resolution 9)**		

* Please indicate your vote "For" or "Against" with a tick (x) within the box provided.

Dated this ____________ day of ________________ 2015

Total Number of Shares held in:	
CDP Register	
Register of Members	

____

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

IMPORTANT: PLEASE READ NOTES OVERLEAF.

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 130A of the Companies Act, Cap. 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.

2. Save as provided in the Articles of Association, a member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his stead. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

3. The instrument appointing a proxy or proxies must be deposited at the Company's Registered Office at 30 Teban Gardens Crescent, Singapore 608927 not less than 48 hours before the time set for holding the meeting.

4. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney duly authorised.

6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 10 July 2015.

EUROSPORTS GLOBAL

(Incorporated in the Republic of Singapore on 12 December 2012)
(Company Registration No.: 201230284Z)

EUROSPORTS GLOBAL LIMITED
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