ACCRELIST LTD.
亚联盛控股公司
UNEARTHING TOMORROW'S GEM
发掘光辉　开创未来

Unlocking **New Opportunities**

ANNUAL REPORT 2018

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

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

The contact person for the Sponsor is Mr Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd.

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Corporate Profile

Formerly known as WE Holdings Ltd., Accrelist Ltd. ("Accrelist") underwent a name change in 2016, in tandem with its strategic shift into Corporate Accretion Services. In view of the constant demand for corporate financing, Accrelist sees potential and opportunities in Corporate Accretion Services especially in the Financial Technology (Fintech) sector in which Accrelist has a diversified focus.

We seek to create long-term value for our investors and business partners by unlocking and adding value to companies we invest in. We remain committed to exploring new business opportunities for synergistic growth within the Asia-Pacific region.

MISSION STATEMENT

At Accrelist, our mission is to uncover new business opportunities and build sustainable businesses by developing creative strategies for unlocking value and maximising long-term shareholder returns.

BUSINESS PHILOSOPHY

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

VISION

Our vision is to deliver long-term shareholder value through:

> Focused management expertise
> Excellent market knowledge
> An entrepreneurial spirit

Chairman's Message

Dear Shareholders,

On behalf of Accrelist Ltd. the "Company" or "Accrelist" and together with its subsidiary corporations the "Group", I am pleased to present the Group's Annual Report for the financial year ended 31 March 2018 "FY2018".

Unlocking New Opportunities

Building on Accrelist's change and revitalisation in the previous financial year, FY2018 was a significant year of continued progress towards pursuing new opportunities. Following the Group's transformation into the provision of Corporate Accretion Services with a key focus in Financial Technology (Fintech), Accrelist has been actively pursuing new growth opportunities in the Fintech sector through its subsidiary corporations, namely, WE Crowdfunding Pte. Ltd. ("WE Crowdfunding") and WE9 Pay Pte. Ltd. ("WE9Pay").

WE Crowdfunding is a securities-based crowdfunding platform where both the Group and third-party investors can participate in potential investment opportunities, with a focus on the medical aesthetics arena in the near term. Also in the Fintech space, WE9Pay is a mobile payment solutions provider that integrates physical retailers with consumers by leveraging on Tencent Holdings' mobile payment platform, WeChat Pay.

We remain firm in our belief that Corporate Accretion Services is a strong and sustainable business model for Accrelist in the long term given the constant need for corporate financing. At the same time, the Group will strive to increase its value and competitiveness by maximising the potential of its current resources, expanding its business lines and capitalising on growth opportunities.

Amidst these potential opportunities, we remain selective and cautious in our approach as we seek to create long-term value by unlocking potential and adding value to the companies we invest in. Our management experience across a wide range of businesses over the years further adds to our quiet confidence in the long-term value and sustainable returns of Corporate Accretion Services in the years ahead.

In FY2018, we continued to advance and focus on the Group's key business segments through its subsidiary corporations, comprising WE Crowdfunding, WE9Pay and Jubilee Industries Holdings Ltd. ("Jubilee"). In addition, the Group also explored new business opportunities for synergistic growth, increased shareholder value in the future and a broader revenue stream.

Brief Overview of FY2018

Despite external headwinds and global economic uncertainties, the Group demonstrated its resilience and returned to profitability, bouncing back from a net loss of S$8.3 million in FY2017 to a net profit of S$0.2 million in FY2018. The increase in net profit was mainly due to the consolidation of Jubilee into the Group, resulting in the former to be accounted for as a subsidiary corporation with effect from FY2018 and further contributing positively to the Group's bottom line. The Company increased its stake in Jubilee from 29.10% in FY2017 to 71.89% in FY2018 due to the conversion of convertible loan into shares in Jubilee. In FY2018, the Group achieved a more than hundred-fold increase in revenue which stood at S$112.5 million as compared to S$0.9 million in FY2017.

In the financial year under review, the Group set out to focus on stability and sustainable returns through its strategic involvement and turnaround plans for Jubilee to enhance the Group's performance. Following the consolidation of Jubilee as a subsidiary corporation, we are pleased that our vision for Jubilee to become a significant contributor to the performance of Accrelist in the years ahead is coming to fruition. This is clearly reflected in Jubilee's continued improvement and turnaround in FY2018.

Jubilee staged a full year turnaround, posting a net profit of S$0.9 million in FY2018 as compared to a net loss of S$7.5 million in FY2017. Revenue rose $51.2 million or 47.1% from S$108.8 million in FY2017 to S$160.0 million in FY2018. This growth was mainly driven by Jubilee's Electronics Business Unit ("EBU") which recorded an admirable 51.2% improvement in revenue to S$151.8 million as compared to S$100.4 million in FY2017.

Underpinning the contribution to the EBU was the Electronic Components Distribution business held under Jubilee's wholly-owned subsidiary corporation WE Components Pte. Ltd., which saw healthy sales of product lines from SK Hynix, Samsung Electro-Mechanics Co. Ltd. and NeoPhotonics Corporation.

Outlook and Future Plans

The Group has been actively seeking new opportunities and synergistic growth, culminating in several ongoing projects and plans which are at various stages of development. The progress of these key initiatives throughout the next 12 months will potentially enable the Group to achieve new milestones following its strategic shift into a provider of Corporate Accretion Services.

The Group's mobile payment subsidiary corporation, WE9Pay, which now holds a remittance license from the Monetary Authority of Singapore, has set up an Apps team and begun production of point-of-sale terminals for its mobile payment system. In May 2018, WE9Pay successfully formalised merchant agreements to offer Accrelist-owned point-of-sale terminals at the merchants' outlets. In partnership with Tencent Holdings' WeChat Pay, WE9Pay's innovative mobile payment system is set to be installed at WE9GO, an unmanned store currently under development which will offer advanced "grab-and-go" technology. The technology combines radio-frequency identification (RFID) tags, QR codes and facial recognition capabilities to eliminate the need for traditional checkout counters altogether for the convenience of shoppers.

Accrelist remains focused on leveraging its crowdfunding platform, WE Crowdfunding, to reach out to potential investors for the Group's proposed expansion into the medical aesthetic services sector via the Refresh Laser Clinics ("RLC") network that it is in the midst of acquiring. Through WE Crowdfunding, the Group intends to seek future growth funding, via the participation of third-party investors, to add more medical aesthetic clinics.

In May 2018, Accrelist also made further inroads into Fintech with the proposed acquisition of AmazingTech Pte. Ltd., a blockchain IT solutions provider and an online platform developer.

In line with the Group's plans to expand its Corporate Accretion Services, Accrelist entered into a non-binding memorandum of understanding with Liaoning Meal Plus Technology Ltd. ("Liaoning Meal Plus") in April 2018 for a proposed acquisition of the company. Liaoning Meal Plus develops software and machinery for the food and beverage industry.

These proposed acquisitions and plans are in line with the Group's strategic plans to increase shareholder value in the future and broaden the Group's revenue stream.

Going forward, we expect the operating environment to remain challenging. The Group will continue to work and devote its resources to unlock new opportunities in new business segments. The Group remains vigilant on costs, credit and cash management to mitigate the challenges posed by the volatile operating environment as we pursue our expansion strategy.

A Note of Appreciation

In closing, I would like to thank all our valued shareholders, business partners and colleagues who continue to be firm in their support for Accrelist amidst a challenging operating environment. Accrelist remains focused and committed to unlocking new business opportunities which will deliver long term benefits to the Group and build sustainable value for our shareholders.

Last but not least, on behalf of the Board of Directors and management of Accrelist, I would like to welcome and congratulate Mr Liu Song ("Mr Liu") who was appointed as a Non-Executive Director of the Group, as well as Mr Lim Yeow Hua @ Lim You Qin ("Mr Lim") who was appointed as a Non-Executive and Independent Director of the Group. The appointment of Mr Liu and Mr Lim further strengthens the Board of Directors, as their guidance and wisdom will help maintain the Group's steady path forward as we continue to unlock new opportunities.

Thank you.

Mr Terence Tea
Executive Chairman and Managing Director
Accrelist

主席献词

各位股东:

本人谨代表亚联盛控股公司及其子公司（合称“本集团”）为股东奉上本集团截至2018年3月31日财政年（“FY2018”）的年度报告。

发掘新商机

FY2018对亚联盛来说是重要的一年，在上个财政年推动变革并重振业务后，本集团在FY2018继续发掘新商机，并取得了进展。在转型为提供企业扩增服务（Corporate Accretion Services）并着重于金融科技（Fintech）的企业后，本集团就持续通过WE Crowdfunding和WE9Pay这两家负责新业务的子公司，积极地在金融科技领域中大展拳脚，以把握新的增长机会。

WE Crowdfunding是一个以证券作为基础（securities-based）的众筹平台，本集团和第三方投资者可通过此平台进行投资，其近期内的主要目标是医学美容领域。WE9Pay则是一家提供手机付款方案的公司，其业务是令实体店零售商和消费者能够利用腾讯控股的手机支付平台（微信支付）收取和支付款项。

我们坚信，长期而言，企业扩增服务对亚联盛来说将是一个强大且可持续发展的业务模式，因为企业总需要融资。与此同时，本集团将尽力发挥现有资源的潜力、扩增业务和把握增长机会，从而提高企业价值和竞争力。

在投资之前，我们都会慎重地评估和筛选，因为我们投资于一家公司的目的在于发挥和增添其价值，进而创造长期价值。我们的管理层在不同的商业领域中累积了多年经验，我们因此颇具信心，并预计企业扩增服务这个发展策略能带来长期价值，并能在将来持续带来回报。

我们在FY2018持续推动主要业务部门的发展，包括WE Crowdfunding、WE9Pay和千禧业工艺控股公司。此外，本集团也探寻了能够推动业务增长、增加股东价值和增添收入来源的新商机。

FY2018整体表现

尽管全球经济状况不明朗，同时受到外在不利因素影响，但本集团在截至2018年3月31日的财政年中表现稳定，同时转亏为盈，与FY17蒙受830万元净亏损相比，本财年取得20万元净利。净利增加主要是因为并入千禧业工艺的业绩。在将债务转换为股票之后，本公司在千禧业工艺的股份从FY17的29.10%增加至71.89%，使其自FY2018起成为旗下的子公司。

本集团在FY2018参与并推行了千禧业工艺的振兴计划，确保其业务表现稳定且能持续带来回报，从而使集团的整体表现进步。管理层一直以来的计划，就是令千禧业工艺成为亚联盛的

一大收入来源，随着千禧业工艺成为其子公司，此计划的目标正逐渐达成。千禧业工艺的表现在FY2018持续改善，就充份反映了这一点。

千禧业工艺的全年表现改善，与FY2017蒙受750万元净亏损相比，它在本财年取得90万元净利。其FY2018收入则从FY2017的1亿零880万元增加47.1%或5,120万元至1亿6,000万元，这主要是因为其电子业务部门（EBU）的收入从FY2017的1亿零40万元增加51.2%至1亿5,180万元。

EBU的收入来源是千禧业工艺旗下负责经营电子元件分销业务的全资子公司威新电子有限公司，其客户SK海力士（SKHynix）、三星电机（Semco）和新飞通光电子技术公司（NeoPhotonics Corporation）带来的销售额都不错。

展望及未来计划

本集团一直积极地探寻新商机和谋求增长，目前正在进行的项目和计划都处在不同的发展阶段。随着本公司转型并采取提供企业扩增服务的策略，这些主要发展计划在接下来12个月所取得的进展，将有望令公司达到新里程碑。

负责经营手机付款业务的WE9Pay已获得新加坡金融管理局所发出的汇款执照，而它也建立了一支应用程式团队，并开始为其手机付款系统生产销售点系统（point-of-sale terminal）。在2018年5月WE9Pay已经与一些商家签署正式协议，将在这些商家的门市设置亚联盛所拥有的销售点系统。WE9Pay接下来的其中一个计划是在WE9GO这家商店设置其手机付款系统。WE9GO将是新加坡第一间“无店员”商店，公司将与腾讯控股的微信支付合作，顾客可在店内取货后就离开，无需到柜台付款。

亚联盛也将通过其众筹平台WE Crowdfunding，为其医学美容业务招揽投资者。本公司计划收购Refresh Laser Clinics（简称“RLC”）这家连锁医美诊所业者，以进军医学美容行业。本集团希望能通过WE Crowdfunding吸引第三方投资者，从而筹措资金谋求未来发展，开设更多医美诊所。

在2018年5月，为了在金融科技领域大展拳脚，亚联盛也计划收购AmazingTech私人有限公司，它是一家提供区块链资讯科技方案和开发网络平台的企业。

为了配合本集团提供企业扩增服务的策略，亚联盛也签署了一份谅解备忘录，以收购辽宁餐加科技科有限公司，后者的业务是为食品和饮料领域开发软件和机器。

这些收购计划都符合公司的发展策略，即增加股东价值，而公司的收入来源也将随之增加。

展望未来，我们预计业界仍将充满挑战。本集团将继续努力，妥善运用资源，以把握住新商业领域中的新商机。管理层也将继续谨慎地管理业务，控制好成本、信贷和现金，在拓展业务的同时，妥善地应对起伏不定的市场所带来的挑战。

鸣谢

本人要衷心感谢一直以来支持亚联盛的股东、商业伙伴和同事。亚联盛将继续发掘能带来长期益处、持续为股东创造价值的新商机。

最后，本人谨代表亚联盛的董事局和管理层欢迎和祝贺刘嵩先生和林祐嶔先生，他们分别受委为本集团的非执行董事和非执行及独立董事。他们将增强本集团董事局的实力，凭借他们的指引和智慧，本集团的前路将更为平顺。

谢谢

鄭耀楗
亚联盛控股公司
执行主席及董事经理

Financial and Operations Review

Financial Performance

In the financial year ended 31 March 2018 ("FY2018"), Accrelist Ltd. ("Accrelist" and together with its subsidiary corporations, the "Group") registered a turnover of S$112.5 million. This represents a more than hundred-fold increase of S$111.6 million as compared to S$0.9 million in FY2017. The surge was mainly due to the increase in shareholdings in Jubilee Industries Holdings Ltd. ("Jubilee") which resulted in Jubilee being accounted for as a subsidiary corporation of Accrelist with effect from 29 June 2017 rather than an associated company. This accounting treatment is the result of converting the outstanding convertible loan into shares in Jubilee. Gross profit for FY2018 increased by S$4.6 million to S$4.7 million as compared to S$0.1 million in FY2017.

Other gains amounted to S$5.5 million for FY2018 as compared to other losses of S$3.7 million in FY2017. The increase of S$9.2 million in FY2018 was mainly due to net gain on bargain purchase of Jubilee amounting to S$5.6 million. Furthermore, there was an impairment of associated company of S$5.0 million in FY2017 which was not present in FY2018. The increase was offset by a one-off rise in bad debts written off which amounted to S$0.9 million. Excluding the one-off rise in bad debts written off, the Group would have achieved a higher net profit of $1.1 million in FY2018.

The Group's operating expenses rose to S$10.8 million in FY2018 from S$2.8 million in the previous corresponding year. Marketing and distribution expenses increased by S$1.0 million from S$0.08 million in FY2017 to S$1.0 million in FY2018. Administrative expenses increased by S$6.3 million from S$2.6 million in FY2017 to S$8.9 million in FY2018. This was due to increased staff cost incurred with Jubilee being accounted for as a subsidiary corporation of the Group. Finance costs increased from S$0.1 million in FY2017 to S$0.9 million in FY2018 mainly due to interest incurred by Jubilee. Share of profit of associated company was S$0.3 million in FY2018 as compared to a share of loss of associated company which amounted to S$2.1 million in FY2017.

Balance Sheet

The Group's non-current assets increased by 46% from S$20.4 million as at 31 March 2017 to S$29.8 million as at 31 March 2018. As mentioned above, the rise was mainly due to the increase in shareholdings in Jubilee, resulting in Jubilee being a subsidiary corporation rather than an associated company.

Current assets, which comprised of inventories, trade and other receivables, other assets, financial assets at fair value through profit or loss, available-for-sale financial assets and cash and cash equivalents, amounted to a total of S$59.9 million as at 31 March 2018. This represents an increase of S$29.7 million as compared to total current assets of S$30.2 million as at 31 March 2017. The rise in total current assets was mainly attributable to the increase in inventories of S$15.0 million, increase in trade and other receivables of S$18.6 million, increase in financial assets at fair value through profit or loss of S$1.1 million and increase in cash and cash equivalents of S$7.2 million. Overall, the increase was due to accounting for Jubilee as a subsidiary corporation rather than an associated company.

Current liabilities, which consisted of income tax payable, trade and other payables as well as other financial liabilities, amounted to S$35.7 million as at 31 March 2018 as compared to S$4.8 million as at 31 March 2017. The increase of S$30.9 million was mainly due to an increase in trade and other payables as well as

Financial and Operations Review

other financial liabilities which grew by S$25.9 million and S$5.0 million respectively due to accounting for Jubilee as a subsidiary corporation rather than an associated company.

Non-current liabilities, which comprised of deferred tax liabilities, convertible loan and other financial liabilities, amounted to S$5.0 million as at 31 March 2018 as compared to S$4.5 million as at 31 March 2017. The increase of S$0.5 million was mainly due to deferred tax of S$1.4 million recognised in relation to the gain on bargain purchase of Jubilee. This was offset by the fair value gain of the convertible loan amounting to S$0.8 million.

The Group’s working capital was S$24.3 million as at 31 March 2018 as compared to S$25.5 million as at 31 March 2017. The decrease was due to the trade and other payables increasing at a greater rate than trade and other receivables, in line with the increase in cash and cash equivalents.

Cash Flow Statement

Net cash flow generated from operating activities for the financial year under review was S$4.4 million, comprising operating loss before working capital changes of S$2.8 million and working capital changes of S$7.2 million.

The working capital outflow was mainly due to the increase in inventories and other assets of S$2.1 million and S$0.2 million respectively, and the decrease in trade and other payables of S$16.0 million. This decline was offset by the decrease of trade and other receivables of S$25.6 million.

Net cash generated from investing activities for FY2018 of S$2.9 million was mainly due to net cash inflow on the acquisition of a subsidiary corporation which amounted to S$4.1 million and the subscription of rights shares of Jubilee by non-controlling interest which stood at S$1.1 million. This increase was offset by the addition of available-for-sale financial assets of S$2.3 million. Cash used in financing activities of S$2.8 million in FY2018 was mainly due to S$2.2 million in bank deposits pledged, S$0.4 million of interest paid and repayment of other financial liabilities which amounted to S$0.2 million.The Group’s cash and cash equivalents were S$7.7 million as at 31 March 2018 as compared to S$3.2 million as of 31 March 2017, a net increase of S$4.5 million.

Board of Directors

MR TERENCE TEA YEOK KIAN, 50

Executive Chairman and Managing Director

Academic and professional qualifications:
Ph.D. in Business Administration (Honorary) from Honolulu University
Diploma in Electronics and Electrical Engineering from Singapore Polytechnic

Date of first appointment as director: 11 March 2013
Date of last re-election as director: 25 July 2013
Length of service: 3 years 11 months
(as at 31 March 2017)

Served on the following Board Committee:
- Nominating Committee – Member

Present Directorships in other listed companies
Jubilee Industries Holdings Ltd. (Listed on SGX, Singapore)
EG Industries Berhad (Listed on Bursa Malaysia, Malaysia)

Present Principal Commitments
Executive Chairman and Managing Director – Accrelist Ltd.

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
Mr Terence Tea Yeok Kian ("Mr Tea") is responsible for the strategic positioning, business expansion, planning and development of the Group.

Most importantly, he has been credited with rescuing the Group from the brink of liquidation by raising S$7.5 million that helped fend off creditor banks.

His main role in the Group is to develop the strategic direction of the Group, acquiring and building new businesses with a view to taking them to greater heights. FY2018 has been an eventful year as Mr Tea saw the potential in the digital economy. As such, he positioned the Group as a Fintech company with forays into mobile payment solutions through WE9Pay Pte. Ltd., WE Crowdfunding Pte. Ltd. through medical aesthetics chain Refresh Laser Clinic and Blockchain technology through an investment in AmazingTech Pte. Ltd.

In 2004, Mr Tea led the listing of a PCB testing company on the former SES-SESDAQ. In a mere three years, he successfully raised the company to transfer its listing to the mainboard. His ability to turnaround loss-making companies is evident in the manner that Accrelist Ltd. achieved profit in FY2018. Mr Tea is also an honorary patron of the Singapore Productivity Association and Sembawang Citizens' Consultative Committee, a member of River Valley School Advisory Committee, and Chairman of Eng Yong Tong Tay Si Association. He was awarded the Public Service Medal (PBM) by the President of the Republic of Singapore, as well as the Long Service Award (MOE) by Singapore's Ministry of Education. He is also the Singapore Small Medium Business Association TOP Entrepreneur of 2015.

MR NG LI YONG, 45

Lead Independent Director

Academic and professional qualifications:
Postgraduate Diploma in Singapore Law from National University of Singapore
Bachelor of Law from the University of Kent
Member of Law Society of Singapore
Member of Singapore Academy of Law

Date of first appointment as director: 11 June 2013
Date of last re-election as director: 14 August 2015
Length of service: 3 year 3 months
(as at 31 March 2017)

Served on the following Board Committees:
- Chairman - Nominating Committee
- Member - Audit Committee
- Member - Remuneration Committee

Present Directorships in other listed companies
Director - C&G Environmental Protection Holdings Limited

Present Principal Commitments
Director - WNLEX LLC

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
Mr Ng Li Yong is a lawyer with more than 15 years of experience and is currently a Director of WNLEX LLC, a full-service law firm. His area of practice includes corporate, commercial and intellectual property. Mr Ng sits on the board C&G Environmental Protection Holdings Limited, a public listed company in Singapore and various private companies.

Board of Directors

MR LIU SONG, 32

Non-Independent and Non-Executive Director

Academic and professional qualifications:
Bachelor of Business, University of Bridgeport, USA

Date of first appointment as director: 8 September 2017
Date of last re-election as director: N/A
Length of service: 7 months (as at 31 March 2018)

Served on the following Board Committees:
- Member - Audit Committee
- Member - Remuneration Committee

Present Directorships in other listed companies
Nil

Present Principal Commitments
Managing Director - Yunnan Tongde Industry Group Co., Ltd

Directorships in other listed companies held over the preceding three years
Nil

Background and experience:
Mr Liu Song is currently the General Manager of Yunnan Tongde Industry Group Co., Ltd., a company that is based in the People's Republic of China. Yunnan Tongde Industry Group Co., Ltd., is a diversified operating company that is engaged in real estate development, mining, financial business, non-ferrous metals smelting and processing, domestic and international trade, and the health care business. Mr Liu has 10 years of experience in running the various businesses and specialises in real estate development.

MR LIM YEOW HUA, 56

Independent and Non-Executive Director

Academic and professional qualifications:
Master of Business Administration, National University of Singapore
Bachelor of Accountancy, National University of Singapore
Fellow Member of Institute of Singapore Chartered Accountants
Accredited Tax Advisor of Singapore Institute of Accredited Tax Professionals
Member of Singapore Institute of Directors

Date of first appointment as director: 11 October 2017
Date of last re-election as director: N/A
Length of service: 5.5 months (as at 31 March 2018)

Served on the following Board Committees:
- Chairman - Audit Committee
- Member - Nominating Committee
- Member - Remuneration Committee

Present Directorships in other listed companies
Director - KSH Holdings Limited
Director - KTL Global Limited
Director - Oxley Holdings Limited

Present Principal Commitments
Director - Asia Pacific Business Consultants Pte. Ltd.

Directorships in other listed companies held over the preceding three years
Director - Advanced Integrated Manufacturing Limited
Director - China Minzhong Food Corporation Limited
Director - Eratat Lifestyle Limited
Director - Ying Li International Real Estate Limited

Background and experience:
Mr Lim Yeow Hua is a chartered accountant and accredited tax advisor with more than 28 years of experience in taxation and business advisory. He is currently a Director of Asia Pacific Business Consultants Pte. Ltd., a firm specialising in accounting, tax and business advisory services.

Corporate Management

MR LOH ENG LOCK KELVIN

Chief Financial Officer, Accrelist Ltd.

Mr Loh is the Chief Financial Officer ("CFO") of the Company and is overall responsible for the finance department of the Group. He is also responsible for management reporting and oversees the financial and internal controls of the Group.

Mr Loh joined the Company, previously known as WesTech Group, in November 2008 as the Finance Manager and assisted the then CFO in the overall direction and control of the Group, including the financial and management of accounts, legal matters, credit control, internal and external auditing and financial planning and analysis. He was then promoted to Vice President of Finance on 2011 and subsequently to CFO on 2013 to oversee the Group's finance department. In October 2014, Mr Loh was appointed as CFO to Jubilee Industries Holdings Ltd. ("Jubilee"), a subsidiary listed company of Accrelist Ltd. Following the Company and Group's new plans for expansion and expertise required in November 2016, he was transferred back to Accrelist Ltd.

Mr Loh has more than 10 years of experience in audit and accounting and holds a Bachelor of Business (Accounting) from the Queensland University of Technology and is a member of CPA Australia.

MS HAN XIAO FANG

General Manager, WE9 Pay Pte. Ltd.

Ms Han joined WE9 Pay Pte. Ltd. ("WE9Pay"), a wholly owned subsidiary of the Company, in March 2018. She is responsible for implementing strategic goals for WE9Pay and providing the direction and leadership to achieve them.

Ms Han has 13 years of business management experience. In 2005, she was engaged in the construction of e-government projects. During this time, she was appointed as a senior engineer involved in project management where she focused on hardware and software products for mobile payments, artificial intelligence and the establishment of a retail chain ecosystem.

Ms Han holds a Master of Business Administration from Northeastern University, China and is the Vice President of the YingKou E-commerce Association.

MR TONG FOO CHEONG

Management Representative,
WE Crowdfunding Pte. Ltd.

Mr Tong Foo Cheong is the Management Representative at WE Crowdfunding Pte. Ltd. ("WE Crowdfunding"). He joined WE Crowdfunding in May 2018 and is responsible for the operations of the crowdfunding subsidiary.

Mr Tong has more than 30 years of experience in financial services and has held senior management positions in regulated financial institutions over the past 15 years.

Mr Tong holds a Master of Applied Finance from Macquarie University (Australia); a Bachelor of Business Administration from the National University of Singapore; and obtained his Chartered Financial Analyst charter from the CFA Institute.

MS SNG EE LIAN

Group Financial Controller,
Jubilee Industries Holdings Ltd.

Ms Sng Ee Lian is Jubilee's Group Financial Controller and heads the finance department for the daily finance functions of the Group. Ms Sng is a senior executive with 17 years of work experience in finance, public accounting, administration and costing in electronics contract manufacturing and wholesale electronics distribution industries. She held the position of Group Finance Manager of the Plexus Group and was a Senior Corporate Finance Controller with ACT Manufacturing Inc, a company then listed on NASDAQ.

Ms Sng holds a Bachelor of Accountancy from Bentley College, USA and LLB from University of London.

MR LEE SANG SUP

Senior Vice President,
Jubilee Industries Holdings Ltd.

Mr Lee Sang Sup joined Jubilee as Senior Vice President of WE Components Pte. Ltd. on 1 March 2018. He heads the Electronics Business Unit (EBU) and is responsible for business operations including, but not limited to, sales and marketing activities of the unit.

Mr Lee has more than 20 years of experience in the semiconductor industry in Asia, holding key positions in sales and marketing roles with organisations such as SK Hynix, a global leader in the semiconductor industry. Mr Lee holds a Bachelor's degree in International Economics Law & English from Hankuk University of Foreign Studies, Korea.

MR KIM JIN GEON, REX

Vice President, Sales & Marketing,
Jubilee Industries Holdings Ltd.

Mr Kim Jin Geon, Rex, is the Vice President of Sales & Marketing helming the team at WE Components Pte. Ltd. He joined WE Components Pte. Ltd. in January 2016 as a Product Manager and was promoted to Vice President of Sales and Marketing in November 2017. He is responsible for the full spectrum of sales and marketing, managing our sales offices locally as well as overseas.

He holds a Bachelor's degree in Business Administration from Kyongju University, Korea.

MS NATASHA NADIA TEH

Business Development Director,
Jubilee Industries Holdings Ltd.

Ms Nadia Teh joined Jubilee as a Business Development Director with WE Total Engineering Sdn. Bhd. in August 2017.

She is responsible for implementing strategic directions for Jubilee's business development and is responsible for the expansion of the Mechanical Business Unit (MBU). Ms Teh has more than 13 years of business experience in the plastic moulding industry, including 8 years in senior management positions with various companies.

She holds a Bachelor's degree in Business Administration from RMIT University, Australia.

MR KWEK SWEE LENG, JONATHAN

Vice President, Business Development
Jubilee Industries Holdings Ltd.

Mr Kwek joined Jubilee in June 2013 as the General Manager. He was promoted to Vice President of Business Development in November 2017. He is responsible for the implementation of strategic goals as well as providing the direction and leadership to achieving these targets.

Prior to joining us, Mr Kwek held senior positions in both listed and private companies in the electronic components industry with an accumulated experience of more than two decades under his belt.

He holds a Bachelor's degree in Business Administration from the National University of Singapore as well as a Graduate Diploma in Marketing from the Marketing Institute of Singapore.

MR QUEK SER CHEW, RANDALL

Vice President, Products & Operations,
Jubilee Industries Holdings Ltd.

Mr Randall Quek was appointed as Jubilee's Vice President of Products and Operations in November 2017.

Mr Quek began his career as a Field Application Engineer in a semiconductor distribution company. He has served in a wide variety of positions with leading semiconductor organisations over the past 20 years, including Samsung.

Mr Quek holds a Bachelor's degree in Electrical & Electronic Engineering from Nanyang Technological University, Singapore.

Milestones

FY2018

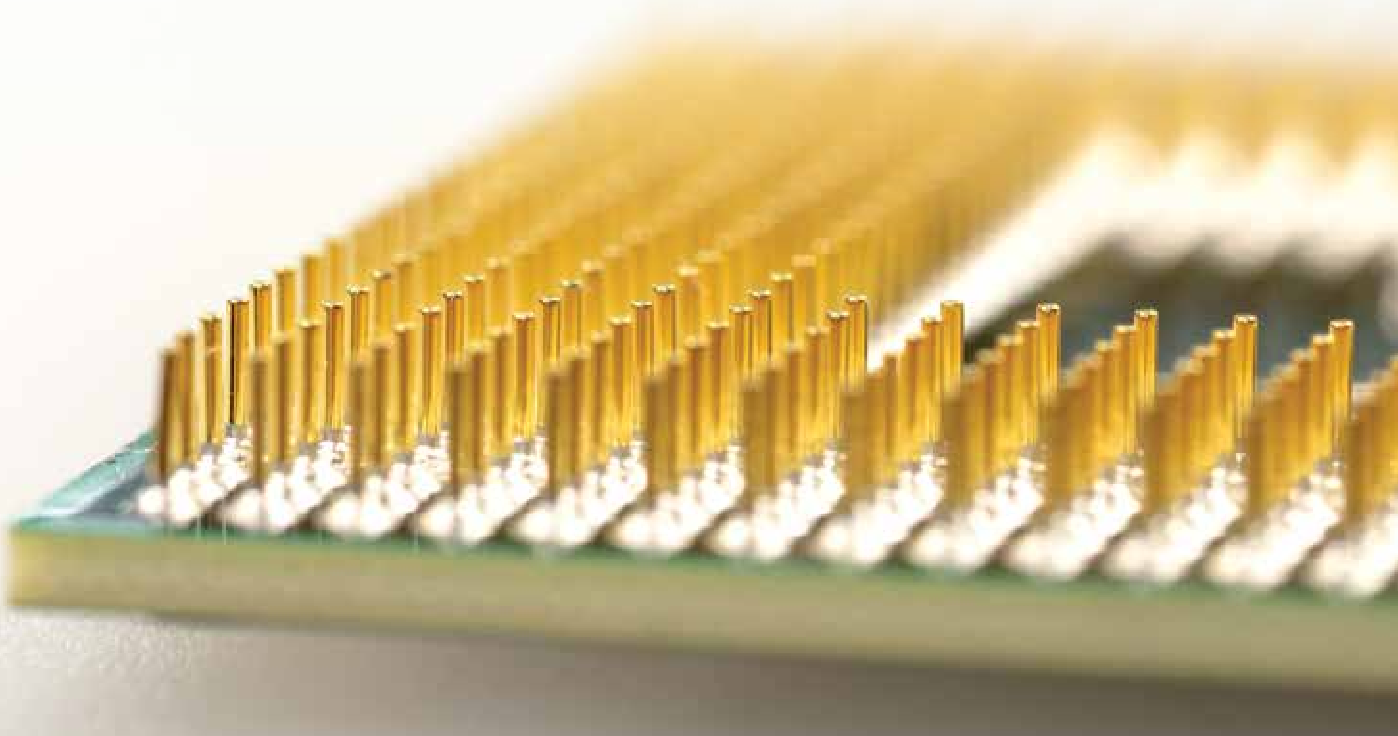
- Terence Tea identified new area of growth for Accrelist - Fintech
- Jubilee made a turnaround in FY2018 with a net profit of $0.9 million
- WE9Pay obtained Remittance Licence from the Monetary Authority of Singapore
- Plans to launch first unmanned store in Singapore which is currently under renovation
- WE9Pay launched its own mobile payment services on WeChat Pay platform
- WE Crowdfunding announced plans to acquire Refresh Laser Clinics as the Group ventures into medical aesthetics
- Accrelist announced plans to subscribe for shares in AmazingTech Pte. Ltd., a Blockchain IT company

FY2017

- Completed the conversion of the US$16 million loan into shares of Jubilee and consequently increased its stake in Jubilee

FY2016

- Accrelist provided an aggregate of US$16 million in convertible loan and direct loan to Jubilee to fund its acquisition of WE Components Pte. Ltd. and for working capital needs
- The Company, formerly known as WE Holdings Ltd., was renamed as Accrelist Ltd.



Corporate Directory

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PEOPLE'S REPUBLIC OF CHINA

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Corporate Governance Report

The Board of Directors (the "**Board**" or "**Directors**") of Accrelist Ltd. (the "**Company**" and together with its subsidiary corporations, the "**Group**") are committed to maintaining a high standard of corporate governance to protect the interests of all shareholders, employees and customers, and to promote investors' confidence. This report sets out the Group's corporate governance practices.

The Board confirms that, for the financial year ended 31 March 2018 ("**FY2018**"), the Company has largely complied with the spirit and intent of the Code of Corporate Governance 2012 (the "**Code**"). Where there are deviations from the Code, appropriate rationale is provided.

The Company will continue to enhance its corporate governance practices in line with the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

BOARD MATTERS

THE BOARD'S CONDUCT OF 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 the management of the Company (the "Management") to achieve this objective and the Management remains accountable to the Board.

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

In addition to statutory duties and responsibilities, the Board's principal functions include the following:

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

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

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

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

5. Reviewing and approving major transactions including investments, divestments, acquisitions and capital expenditure;

6. Reviewing and approving corporate and/or financial restructuring and share issuance; and

7. Assuming responsibility for the corporate governance of the Group.

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

The Board meets on a regular basis or when necessary to address any specific matter. The Company's Constitution provides for the meetings to be convened via teleconferencing or videoconferencing.

Corporate Governance Report

The number of Board and Board Committee meetings held during FY2018 and the attendance of each Director, where relevant, are as follows:

	Board	AC	RC	NC
No. of meetings held	5	4	4	5

Name of Director	**No. of meetings attended**			
Mr Terence Tea Yeok Kian	5	NA	NA	5
Mr Ng Li Yong	5	4	4	5
Mr Wan Tai Foong[1]	1	1	1	NA
Mr Oh Choon Gan[2]	2	2	2	2
Mr Lim Yeow Hua @ Lim You Qin[3]	3	3	3	3
Mr Liu Song[4]	0	0	0	NA

NA: Not Applicable

Notes:

1. Mr Wan Tai Foong retired as an Independent and Non-Executive Director and member of AC and RC on 28 July 2017.

2. Mr Oh Choon Gan retired as an Independent and Non-Executive Director and Chairman of AC and RC and member of NC on 28 July 2017.

3. Mr Lim Yeow Hua @ Lim You Qin was appointed as an Independent and Non-Executive Director and Chairman of AC and member of RC and NC on 11 October 2017.

4. Mr Liu Song was appointed as a Non-Independent and Non-Executive Director and member of AC and RC on 8 September 2017. He has been kept updated with the Company's business operations via minutes or emails.

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

All newly appointed Directors are given briefings by the Management on the history, business operations and corporate governance practices of the Group. Newly appointed Directors also attend courses, seminars and trainings which may have a bearing on their duties and contributions to the Board, organised by the professional bodies, regulatory institutions, to keep themselves updated on the latest developments concerning the Group. Directors who have no prior experience as a director of a listed company will be provided training in areas such as accounting, legal and industry-specific knowledge as may be appropriate. To keep pace with regulatory changes, the Directors attend sponsored seminars conducted by external professionals, including any changes in legislation and financial reporting standards, government policies, and regulations and guidelines from SGX-ST that affect the Company and/or the directors in discharging their duties. The Directors are informed of developments relevant to the Group, including changes in laws, regulations and risks that may impact the Group. Directors can apply to the Company for funding for any such courses, conferences and seminars that they wish to attend.

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.

The Board comprises one (1) Executive Director, two (2) Independent and Non-Executive Directors and one (1) Non-Independent and Non-Executive Director, who as a group, provides core competencies and diversity of experience which enable them to effectively contribute to the Company. The current number of Independent Directors constituting at least half of the Board complies with the Code's requirement.

As at the date of this Report, the Board of Directors comprises the following members:

Name of Directors	Designation	AC	RC	NC
Mr Terence Tea Yeok Kian	Executive Chairman and Managing Director	–	–	Member
Mr Ng Li Yong	Lead Independent Director	Member	Chairman	Chairman
Mr Lim Yeow Hua @ Lim You Qin	Independent and Non-Executive Director	Chairman	Member	Member
Mr Liu Song	Non-Independent and Non-Executive Director	Member	Member	–

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

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

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

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

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

The Board constantly examines its size and, with a view to determining the impact of the number upon effectiveness, decide what is considered an appropriate size for the Board, which facilitates effective decision-making. The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board, is appropriate for effective decision making. The Board noted that gender diversity on the Board of Directors is also one of the recommendations under the Code to provide an appropriate balance and diversity. Although there is currently no female Director appointed to the Board, the Board does not rule out the possibility of appointing a female Director if a suitable candidate is nominated for the Board's consideration.

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

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

CHAIRMAN AND CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR

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 Terence Tea Yeok Kian is the Executive Chairman and Managing Director of the Company. As the Executive Chairman, Mr Terence Tea Yeok Kian:

– leads the Board to ensure its effectiveness on all aspects of its role;

– sets the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;

Corporate Governance Report

– promotes a culture of openness and debate at the Board;

– ensures effective communication with Shareholders;

– ensures constructive relations within the Board and between the Board and Management; and

– facilitates the effective contribution of Non-Executive Directors in particular.

As a Managing Director, Mr Terence Tea Yeok Kian has full responsibilities over the business directions and operational decisions of the Group.

Although the roles of the Chairman and Managing Director are not separated, the AC, RC and NC are chaired by an Independent Director and mostly comprise of Independent Directors. Mr Terence Tea Yeok Kian's performance and remuneration are reviewed periodically by the NC and RC respectively. In addition, Mr Ng Li Yong has been appointed as the Lead Independent Director of the Company and is available to Shareholders should their concerns cannot be resolved through the normal channel of the Chairman or where such contact is inappropriate. As such, the Board believes that there are adequate safeguards and checks in place to ensure that the process of decision-making is independent and based on the collective decision-making of the Board without Mr Terence Tea Yeok Kian being able to exercise considerable concentration of power or influence.

BOARD MEMBERSHIP AND BOARD PERFORMANCE

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

Principle 5: There should be a formal annual 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.

Nominating Committee

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

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

Mr Ng Li Yong	(Chairman)
Mr Terence Tea Yeok Kian	(Member)
Mr Lim Yeow Hua @ Lim You Qin	(Member)

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

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

The NC is responsible for:

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

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

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

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

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

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

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

8. Reviewing board succession plans for Directors.

The independence of each Director is reviewed annually by the NC based on the Code's definition of what constitutes an independent director. Following its annual review, the NC has endorsed the independence status of Mr Ng Li Yong and Mr Lim Yeow Hua @ Lim You Qin.

New Directors are presently appointed by way of Board resolutions after the NC has reviewed and nominated them for appointment.

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

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

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

The NC has assessed the current Board's performance and is of the view that the performance of the Board as a whole has been satisfactory. Although some of the Directors have other Board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. The NC has noted that the respective Board Committee members have contributed significantly in terms of time, effort and commitment during FY2018.

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

The NC sets objective performance criteria for evaluating the Board's performance annually for evaluation of the Board as a whole. The Boards' performance is a function of the experience and expertise that each of the Directors brings with them. The NC has implemented a Board Evaluation Form which consists of board assessment checklist which takes into consideration factors such as the Board's understanding of its role and responsibilities, the Board's composition, clear goals and actions, and proceedings to assess and enhance the overall effectiveness of the Board. Board Committees' assessment is incorporated into board assessment as a whole. All Directors will assess the effectiveness of the Board as a whole by completing a Board Evaluation Form. The NC has decided unanimously, that the Directors shall not be evaluated individually, as each member of the Board contributes in different areas to the success of the Company, and therefore, it would be more appropriate to assess the Board as a whole. Although the Directors are not evaluated individually, the factors taken into consideration for the re-nomination of the Directors for the current year include the contribution of such Directors to the effectiveness of the Board, the Directors' participation and involvement in Board meetings and Board Committee meetings and the qualification and experience of such Directors. The results of the evaluation for the Board's performance are considered by the NC, which is responsible for setting the performance criteria to assess the effectiveness of the Board, and used constructively to identify areas for improvements and recommend the necessary action to be taken by the Board.

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

Currently, there is no alternate director on the Board.

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

Corporate Governance Report

Pursuant to the Constitution of the Company:

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

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

Mr Ng Li Yong will retire by rotation at the forthcoming AGM according to Article 91 of the Company's Constitution. Mr Liu Song and Mr Lim Yeow Hua @ Lim You Qin, who were appointed on 8 September 2017 and 11 October 2017 respectively, will retire at the forthcoming AGM according to Article 97 of the Company's Constitution.

The NC recommended to the Board that Mr Ng Li Yong, Mr Liu Song and Mr Lim Yeow Hua @ Lim You Qin be nominated for re-election at the forthcoming AGM. In making the recommendation, the NC has considered the Directors' overall contribution and performance.

Mr Ng Li Yong will upon re-election as a Director, remain as Lead Independent Director of the Company, the Chairman of NC and RC and a member of the AC. Mr Liu Song will upon re-election as a Director, remain as a Non-Independent and Non-Executive Director of the Company, and a member of AC and RC. Mr Lim Yeow Hua @ Lim You Qin will upon re-election as a Director, remain as an Independent and Non-Executive Director of the Company, the Chairman of AC and a member of NC and RC.

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

Name of Director	Appointment	Date of initial appointment/last re-election	Directorships in other listed companies	
			Current	Past 3 Years
Mr Terence Tea Yeok Kian	Executive Chairman and Managing Director	11 March 2013 & 1 December 2013/25 July 2013	Jubilee Industries Holdings Ltd. EG Industries Berhad	–
Mr Ng Li Yong	Lead Independent Director*	11 June 2013 & 11 October 2017*/14 August 2015	C&G Environmental Protection Holdings Limited	–
Mr Lim Yeow Hua @ Lim You Qin	Independent and Non-Executive Director	11 October 2017	KSH Holdings Limited KTL Global Limited Oxley Holdings Limited	Advanced Integrated Manufacturing Corp Ltd China Minzhong Food Corporation Limited Eratat Lifestyle Limited Ying Li International Real Estate Limited
Mr Liu Song	Non-Independent and Non-Executive Director	8 September 2017	–	–

*Mr Ng Li Yong was appointed as the Lead Independent Director of the Company with effect from 11 October 2017.

ACCESS TO INFORMATION

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

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

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

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

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.

As at the date of this Report, the RC comprises three (3) members, the majority of whom, including the Chairman, are Independent and Non-Executive Directors, save for Mr Liu Song who is a Non-Independent and Non-Executive Director:

Mr Ng Li Yong	(Chairman)
Mr Lim Yeow Hua @ Lim You Qin	(Member)
Mr Liu Song	(Member)

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

The RC is responsible for:

1. Reviewing and recommending to the Board in consultation with the Management and the Managing Director, a framework for remuneration and determine the specific remuneration packages and terms of employment for each of the Executive Director and Senior Executive/Divisional Directors of the Group including those employees related to the Executive Directors and/or Controlling Shareholders of the Group and to ensure that it is appropriate to attract, retain and motivate them to run the Group successfully. The RC may engage experts in the field of executive compensation whenever required;

2. Reviewing the fairness and reasonableness of the termination clauses of the service agreements of each Executive Director and Senior Executive/Divisional Directors of the Group to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance;

3. Reviewing on a yearly basis, the remuneration packages for each Executive Director, which covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share based incentives and awards, and benefits in kind;

4. Recommending the payment of fees to Non-Executive Director and to ensure, as far as is possible, that the quantum commensurate with the Non-Executive Directors' contribution to the Board and the Company; and

5. Overseeing and administering the Accrelist Share Award Scheme.

No remuneration consultants were engaged by the Company in FY2018.

Corporate Governance Report

LEVEL AND MIX OF 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.

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

The Executive Chairman of the Company, Mr Terence Tea Yeok Kian, has entered into a service agreement on 1 November 2016 with the Company for an initial period of three (3) years (unless otherwise terminated by either party giving not less than six (6) months' notice to the other). The service agreement covers the terms of employments and specifically, the salaries and bonuses. Non-Executive Directors and Independent Directors do not enter into such service agreements or contracts.

The RC administers the Accrelist Share Awards Scheme ("**ASAS**"), which was approved and adopted pursuant to approval from Shareholders at the Extraordinary General Meeting held on 25 May 2010. The performance-related elements of remuneration are designed to align the interests of Directors, Management and employees with those of Shareholders and to link their rewards to corporate and individual performance. The share awards granted to the employees and Directors vest over a period of one (1) to two (2) years. The ASAS is also extended to the Group's Independent and Non-Executive Directors so as to better align the interests of such Independent and Non-Executive Directors with the interest of Shareholders. The RC will reclaim the share awards granted to the Directors and employees who left the Company prior to the end of the vesting period of share awards.

The purpose of the ASAS is to provide an opportunity for the Group's Directors and employees who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company.

The Directors do not participate in any discussion concerning their own remuneration.

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.

The remuneration of the Directors and the Key Executives for FY2018 are disclosed to enable Shareholders to understand the link between remuneration paid to the Directors and Key Executives and their performance.

Corporate Governance Report

In view of the competitive pressures in the talent market, the remuneration paid to Directors of the Company and top management executives are not fully disclosed. The total remuneration, in aggregate, paid to the top key management executives for FY2018 is approximately S$587,117.

The breakdown (in percentage terms) of each Director's and key executive's remuneration for FY2018 are as follows:

Remuneration for the Directors

Name	Salary	Bonus	Fringe Benefits	Directors' Fees	Total
	%	%	%	%	%
Between S$500,000 and S$1,000,000					
Mr Terence Tea Yeok Kian	81	7	12	0	100
Below S$250,000					
Mr Ng Li Yong	0	0	0	100	100
Mr Wan Tai Foong[1]	0	0	0	100	100
Mr Oh Choon Gan[2]	0	0	0	100	100
Mr Liu Song[3]	0	0	0	100	100
Mr Lim Yeow Hua @ Lim You Qin[4]	0	0	0	100	100

Notes:

1. Mr Wan Tai Foong retired as an Independent and Non-Executive Director and member of AC and RC on 28 July 2017.
2. Mr Oh Choon Gan retired as an Independent and Non-Executive Director and Chairman of AC and RC and member of NC on 28 July 2017.
3. Mr Liu Song was appointed as a Non-Independent and Non-Executive Director and member of AC and RC on 8 September 2017.
4. Mr Lim Yeow Hua @ Lim You Qin was appointed as an Independent and Non-Executive Director and Chairman of AC and member of RC and NC on 11 October 2017.

Remuneration of the top key executive

Name	Salary	Bonus	Fringe Benefits	Total
	%	%	%	%
Below S$250,000				
Mr Loh Eng Lock, Kelvin (Chief Financial Officer and Joint Company Secretary)	83	5	12	100

The Company does not have any employee who is an immediate family member of a Director or the Executive Chairman and Managing Director, and whose remuneration for FY2018 exceeds S$50,000.

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

During the reporting year, there was no ASAS granted to Directors, Key Executive and employees of the Group.

Corporate Governance Report

Further details of the ASAS are set out in the Directors' Statement on page 40 of this Annual Report.

The remuneration package of Executive Director and the compensation structure of the key management personnel comprise a fixed salary, bonus and other benefits. The bonus component is based on the performance of the Group as a whole and their individual performance. This is designed to align remuneration with the interests of the Shareholders and link rewards to corporate and individual performance so as to promote long-term sustainability of the Group.

ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

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

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

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

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that 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 Directors recognise that they have overall responsibility to ensure proper financial reporting for the Group and effectiveness of the Group's system of internal controls, including financial, operational, compliance and IT controls, and risk management policies and systems. The AC assists the Board in providing oversight of risk management in the Company. It is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls, including financial, operational, compliance and IT controls and reporting to the Board annually its observations on any matters under its purview including risk management, internal controls or financial and management matters as it considers necessary and makes recommendations to the Board as it thinks fit.

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

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

The Board has received assurance from the Managing Director and Chief Financial Officer:

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

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

Based on the internal audit by the internal auditor during the financial year, as well as the statutory audit by the independent auditor, and the assurance from Management, the Board, with the concurrence of the AC, is of the opinion that the system of internal controls and risk management in place as at 31 March 2018 is adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations. The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no form of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

The Board understands that it may establish a separate board risk committee or otherwise assess appropriate means to assist it in carrying out its responsibility of overseeing the Company's risk management framework and policies. The Company does not have a separate board risk committee and will look into the need for establishment for a separate board risk committee at a relevant time.

AUDIT COMMITTEE

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

As at the date of this Report, the AC comprises three (3) members, the majority of whom, including the Chairman, are Independent and Non-Executive Directors, save for Mr Liu Song who is a Non-Independent and Non-Executive Director:

Mr Lim Yeow Hua @ Lim You Qin	(Chairman)
Mr Ng Li Yong	(Member)
Mr Liu Song	(Member)

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

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

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

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

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

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

(e) review interested person transactions, if any, in accordance with the Catalist Rules;

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

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

(h) review the independence of independent auditor on an annual basis;

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

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

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

Corporate Governance Report

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

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

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

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

The AC is also authorised to investigate any matter within its terms of reference and obtain independent professional advice if it deems necessary to discharge its responsibilities. Such expenses are to be borne by the Company. It has full access to and the co-operation of the Management and the full discretion to invite any Director or Key Executive to attend its meetings as well as reasonable resources to enable it to discharge its functions properly. During FY2018, the AC has met with the independent auditor and internal auditors separately without the presence of the Management to review any area of concerns for FY2018. Ad-hoc AC meetings may be conducted from time to time when necessary.

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

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

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

The aggregate amount of fees paid to the independent auditor, Nexia TS Public Accounting Corporation, for FY2018 amounted to approximately S$220,000 for audit payable services and S$33,000 for non-audit services.

Corporate Governance Report

The significant matters considered by AC during the financial year ended 31 March 2018 are detailed below, alongside the actions taken by the AC to address these matters.

Significant Matters	Action
Business combination – Purchase Price Allocation (Refer to Note 32 to the financial statements) On 29 June 2017, the Company has exercised its conversion rights of US$8 million convertible loan issued by Jubilee Industries Holdings Limited ("Jubilee") on 7 October 2016 into ordinary shares. This has resulted in the Company's shareholding interest to increase from 29.1% to 64.7%, which resulted in the Company obtaining control over Jubilee Industries Holdings Limited and its subsidiary corporations ("Jubilee Group") and accordingly accounted for it as subsidiary corporations. FRS 103 Business Combinations requires the Group to recognise the Jubilee Group's identifiable assets acquired and liabilities and contingent liabilities assumed at fair values at the date of business combination. Any difference between the cost of the business combination and the Group's interest in the net fair values of the identifiable assets acquired and liabilities and contingent liabilities assumed at the acquisition date is recorded either as goodwill or a gain from bargain purchase. Significant judgement is applied in the identification of any intangible assets acquired and contingent liabilities assumed in the transactions. Significant assumptions and estimates are also used in the determination of the fair values of the identified assets acquired and liabilities assumed in the transactions. Thus, we considered this area to be a key audit matter. As a result of the acquisition accounting, the Group recognised a gain from bargain purchase of S$5.6 million in its consolidated statement of comprehensive income.	The AC considered the approach and methodology used in performing the purchase price allocation ("PPA") in connection with its step investment in Jubilee pursuant the exercise of the convertible loan, and this was conducted by Crowe Horwath First Trust Appraisal Pte Limited. The AC reviewed the reasonableness of the assumptions made in the PPA. The PPA was also an area of focus by the independent auditor. The independent auditor have included this item as a key audit matter in its audit report for the financial year ended 31 March 2018, as referred to page 44 of this Annual Report.
Revenue recognition (Refer to Note 2.4 and 6 to the financial statements) The Group's revenue is primarily generated from sale of electronic components and provision of precision plastic injection moulding services which is recognised when the Group has delivered the products to the customer, customer has accepted the products and the collectability of the related receivables is reasonably assured, and provision of design, fabrication and sale of precision plastic injection moulds which is recognised as work progresses and approved by customer. During the financial year ended 31 March 2018, the Group recognised revenue of S$112,491,000. The independent auditor focused on this area as a key audit matter as there is a presumed fraud risk with regards to revenue recognition and revenue is one of the key performance indicators of the Group. In addition, there is inherent risk that revenue could be misstated and recorded in the incorrect accounting period.	The AC considered the approach used in determining the reliability of the key controls over revenue recognition are in place designed by the Group to prevent and detect fraud and errors in revenue recognition. Proper revenue recognition was also an area of focus by the external auditors. The independent auditors have included this item as a key audit matter in its audit report for the financial year ended 31 March 2018, as referred to page 45 of this Annual Report.

Corporate Governance Report

Whistle-blowing Policy

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

The AC exercises the overseeing function over the administration of the Policy. On a case-by-case basis and upon the receipt of complaints, an email would directly send to the AC members. The AC Members would discuss the number and nature of complaints received, the results of the investigation, follow-up actions and the unresolved complaints.

INTERNAL AUDIT

Principle 13: The Board 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 control within the Group to safeguard Shareholders' investments and the Company's assets. Regular reviews of these controls are conducted by the Company's internal and independent auditors and any recommendations for improvement are reported to the AC.

The role of the internal auditor is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC and to conduct internal audit review of areas assessed as higher risk.

The Company outsources its internal audit functions to a Certified Public Accounting firm, Deloitte Enterprise Risk Services Sdn. Bhd. which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

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

The AC has reviewed the internal audit plan and the internal auditor's evaluation of the system of internal controls, their audit findings and management's processes to those findings. The AC is satisfied that the internal audit is adequately resourced and has the appropriate standing within the Group. The AC will also approve the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to.

SHAREHOLDER RIGHTS AND COMMUNICATION WITH SHAREHOLDERS AND CONDUCT OF SHAREHOLDER MEETINGS

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

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.

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

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

Corporate Governance Report

Information is disseminated to Shareholders on a timely basis through:

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

Half year and full year results as well as Annual Reports are announced and issued within the mandatory period via SGX-ST website. All Shareholders will receive the Annual Report of the Company and Notice of AGM by post and through notice published in the newspapers within the mandatory period.

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

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

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

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

The Company will put all resolution to vote by poll at general meetings and the detailed results of the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNET.

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

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

The Company does not have a policy on payment of dividend. The form, frequency and amount of dividends will depend on the Company's earning, general financial condition, results of operations, capital requirements, cash flow, general business conditions, development plans and other factors as the Director may deem appropriate. The Board would consider a dividend policy at an appropriate time.

The Company did not engage a dedicated investor relations team but has personnel to handle investor queries and deal with all matters related to investor relations. The Company will review the need for a dedicated investor relations team, if necessary.

Non-Sponsor Fees

In accordance with Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid to the Sponsor, RHT Capital Pte. Ltd., by the Company for FY2018.

Corporate Governance Report

Dealings in Securities

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

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

Interested Person Transactions

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

Pursuant to Rule 907 of the Catalist Rules, the Company had entered into an IPT greater than S$100,000 on 10 October 2017 with Mr Liu Song, Non-Independent and Non-Executive Director of the Company, for a proposed placement of S$2,000,000. This IPT is still subject to shareholder's approval. As at the date of this Report, the Company is currently in discussion with the relevant parties to move the transaction forward.

Material Contracts

Save for the Interested Person Transactions disclosed above, there were no material contracts of the Company or its subsidiaries involving the interest of the Managing Director, CEO, any Director or Controlling Shareholder either still subsisting as at 31 March 2018 or if not then subsisting, entered into since the end of the previous financial year.

Utilisation of Proceeds

Issue of 2,370,630,317 Renounceable Non-underwritten Rights Warrants ("**FY2015 Rights Warrants**")

The details of the use of proceeds from the issue of FY2015 Rights Warrants and issue of 2,370,630,317 new shares at the issue price S$0.004 per share as at the date of this report are as follows:

	Amount allocated (S$ million)	Reallocated amount[1] (S$ million)	Amount utilised (S$ million)	Balance as at 31 March 2018 (S$ million)
Working capital	–	2.46	2.46	–
Potential acquisition, joint ventures, and/or strategic alliances	3.46	1.00	–	1.00
Total	**3.46**	**3.46**	**2.46**	**1.00**

Note:

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

ACCRELIST LTD.
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2018 Sustainability Report

Sustainability Report

BOARD STATEMENT ON SUSTAINABILITY

This is our first year releasing this report and we are pleased to do so. As a Group, we are always finding ways to ensure that there is a sustainable long term growth and have explored several avenues in which we can do so.

We conducted our first materiality assessment with our stakeholders, including the management team. With the new decision to enter the digital economy, we expect to face several challenges ahead. As such, it is crucial for us to identify and address any issues deemed to be material to our stakeholders. In addition, this served as a great opportunity for us to take a step back and reflect on our progress thus far.

As we see more players in the Fintech industry, we recognise the importance of differentiating ourselves and at the same time, integrate sustainability in our decisions. Following the positive economic outlook, we aim to continue engaging our stakeholders actively so we can be more responsive to any hurdles we might face.

We strive to continue to align with our vision and mission by ensuring our employees are up to date with market knowledge and able to identify any macroeconomic trends that require immediate response. We hope this section may allow stakeholders to glean an insight as to our business decisions allow us to be sustainable in the long run and understand our priorities behind each approach.

ABOUT SUSTAINABILITY REPORT

This report has been prepared in accordance with the Global Reporting Initiative ("**GRI**") Standards: Core Option and the requirements of Rules 711A and 711B of the SGX-ST Listing Manual Section B: Rules of the Catalist. Accrelist Ltd. ("Accrelist" or the "Company", and together with its subsidiary corporations, the "Group") recognises that sustainability reporting is critical to our business and long-term value creation.

We adopted the principles of stakeholder inclusiveness, sustainability context, materiality and completeness to put together a comprehensive report. And for its quality, we have applied the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness. We have not sought external assurance for this sustainability report.

Reporting Boundaries and Standards	• **Materiality**: focusing on issues that (i) impact business growth; and (ii) are of utmost importance to stakeholders; • **Stakeholder Inclusiveness**: responding to stakeholders' expectations and interests; • **Sustainability Context**: presenting performance in the wider context of sustainability; and • **Completeness**: including all information that is of significant economic, environmental and social impact to enable stakeholders to assess the Group's performance.
Report Period and Scope	This sustainability report covers data and information from 1 April 2017 to 31 March 2018 across the Group's operations. For details of Group's principal activities, please refer to page 1.
Accessibility & Feedback	We are committed to listening to our stakeholders and we welcome all feedback. Current electronic editions of the Annual Report is available at: *http://accrelist.listedcompany.com/ar.html.*

Sustainability Report

SUSTAINABILITY APPROACH

Our Board of Directors oversees sustainability issues and key governance processes across the Group, including policies, procedures and engagement activities for material environmental, social and governance factors. Senior Management will coordinate and implement strategies to tackle the respective factors. This also includes coordination and communication with our Board.

Sustainability has been the key word in our discussions for navigating into the new industry and it is crucial if we intend to see our efforts bear fruit. By referencing to sustainability for guidance, we take care into ensuring that our business operations and processes are managed in a way that the impact on our environment is kept to a minimum. In pursuit of economic developments, we also understand the need to keep a fine balance with our social and environmental influence as well.

STAKEHOLDER ENGAGEMENT

The feedback arising from our stakeholder engagements, which includes inputs on our sustainability reporting and materiality of topics, has helped strengthen the relevance of our reporting and approach to managing the Group's material issues. We understood the need to maintain close relationships with our stakeholders to support us in addressing sustainability challenges. Hence, we regularly engage with and consult our diverse groups of stakeholders. We seek to understand more on our stakeholders' expectations to uncover areas which could be improved on.

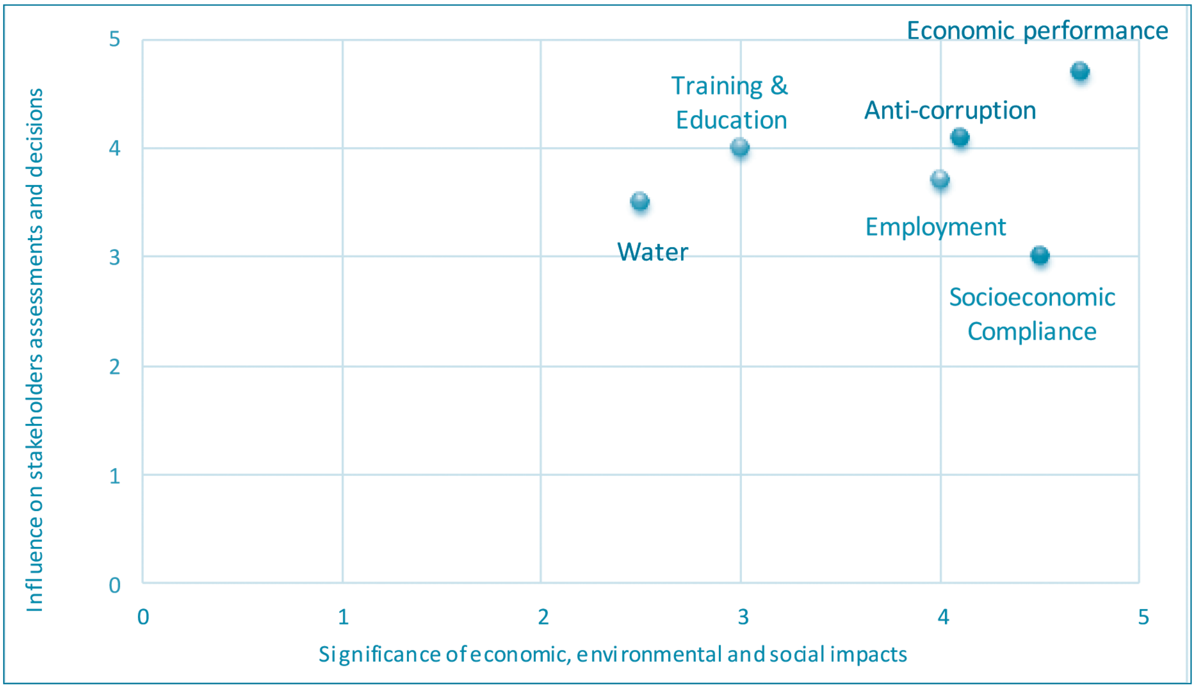
Stakeholders	Stakeholders Engagement	Stakeholders Expectations
Vendors	Enquiry and feedback channel	Minimise downtime of technological and structural support
Employees	Induction and orientation program, staff appraisal, internal memo, training	Staff rights and welfare, personal development, good working environment
Investees	Frequent discussions and meetings	Adequate support from funding throughout infancy stage
Investors	Annual meetings, circulars to shareholders	Profitability, transparency, timely reporting
Business Partners	Frequent discussions and meetings	Partnership for opportunities and growth
Government and Regulators	Discussions with government agencies and regulators	Environmental-friendly business approach, compliance with regulations, timely reporting and resolution of issues

Sustainability Report

MATERIAL TOPICS

For our first sustainability report, we took an in-depth look into the various issues and deemed those that are material based on the economic impacts and degree of influence they have on stakeholder assessments and decisions. We take into account stakeholder feedback, new trends in sustainability, challenges facing the industry, experts' views and our own business goals. As such, we focus our sustainability efforts on these issues identified.

The following table summarises our list of relevant sustainability topics and ranking results. The topics are ranked and assessed through our engagement process with respective stakeholder groups.



Sustainability Topics

1. Economic performance
2. Anti-corruption
3. Employment
4. Socioeconomic compliance

Sustainability Report

ECONOMIC PERFORMANCE

At Accrelist, we constantly seek ways to create value for shareholders and stakeholders through sustainable business growth strategies which we formulate from market surveys and feasibility studies. We ensure that our strategies are in line with our vision, which is to deliver long-term shareholders' value through management's expertise. As such, we constantly seek to update ourselves with current market trends and have risk management policies in place for any potential challenges ahead.

Most notably, we grabbed at the opportunity to branch into the provision of Corporate Accretion Services with additional diversified focus in Financial Technology ("Fintech"). The demand for corporate financing will not run out and we will secure our foothold by tapping on this demand while using our experience in managing diversified businesses over the years.

In the areas of Fintech, we have been engaged in mobile payment services under WE9 Pay Pte. Ltd. ("WE9Pay"), which uses WeChat Pay's platform to introduce mobile payment services to Singapore. Looking at the market's reception to going cashless, as well as standpoint of Singapore government, we are confident of the sustainability of this business unit. This is because Tencent, which developed WeChat Pay, has plans to push for global adoption of WeChat Pay. Despite that WeChat Pay can only target Chinese tourists currently, we noted that Chinese tourists spent an estimated of S$4.2 billion in the last year.

For FY2017, our economic performance was challenged due to impairment on an associated company. However, we are pleased to report that for FY2018, we have performed better economically. This serves as an encouragement to our business decisions made in the past year. Please refer to pages 6 and 7 for the financial highlights and review of the Group.

Subsequent reporting for FY2019

For FY2019, we hope to maintain and ensure our financial stability and generate positive returns to its stakeholders by exploring our options and viability in related fields.

Another avenue we are looking at is blockchain technology. As the cryptocurrency craze lead to an increase in awareness of such technology, more opportunities also started to present itself in the form of applications and usage. At Accrelist, we recognise its capability to synergise with our existing Fintech business. Hence, in June 2018, we acquired a 10% stake in AmazingTech Pte Ltd.

ANTI-CORRUPTION

We believe that good corporate governance establishes and maintains an ethical environment within the Group, which serves the interests of all shareholders and stakeholders. We have adopted a Code of Business Conduct to regulate the standards of ethical conduct of the Group, which provides that our Directors, officers and employees are required to observe and maintain high standards of integrity in compliance with the law, regulations and Group policies. There was no reported incident of corruption in the reporting period.

In order to operate securities-based crowdfunding in Singapore, we have obtained the Capital Markets Services License from MAS.

Accrelist adopts a strong stand against bribery and corruption. Additionally, we also adopt a preventive approach to corruption. As such, we have in place a whistle blowing policy for employees, who are usually the first to discover any irregularities within a company. This provides proper avenues for employees to raise concerns about actual or suspected improprieties in matters of financial reporting or other matters and receive feedback on any action taken. We are also working towards to enhance our policies and procedures on compliance with regulations on anti-money laundering and countering the financing of terrorism and conflict of interest management. This is to strengthen our stand on corruption and by doing so, we can present ourselves reliably as a crowdfunding facilitator.

The possibility of corruption not happening can never be ruled out and the journey to stamp out corruption is a long tedious process. In the early stage of establishing a code of conduct among employees, we distribute handbooks on work behavior standard that we expect employees to conform to. As the Group develops, we constantly revise the employee manual and ensure its relevance in today's world.

Subsequent Reporting for FY 2019

We hope to maintain our zero record in corruption cases, continues to cultivate anti-corruption environment and training for our employees.

Sustainability Report

EMPLOYMENT

Our business philosophy is that people are an integral part of our business and they are at the core of our business policy.

As such, it is imperative of us to work on providing equal opportunities and ensure that all our employees are given equal access to such opportunities. With our shifting of focus to corporate accretion services and financial technology, we also aim to equip our employees with the necessary skills to face head-on the challenges ahead.

New Employee Hires sorted by Age Groups	FY2018	FY2017
Age 21 -30	20	5
Age 31-45	17	1
Age 46-60	3	Nil
Above 60	40	Nil

	FY2018		FY2017	
	Female	Male	Female	Male
Number of Employees*	280	424	2	9
Number of New Employees	15	25	1	5
Number of Resigned Employees	15	29	Nil	Nil
Turn Over Rate	5.4%	6.8%	0.0%	0.0%

* The number of employees has increased substantially in FY2018 due to the acquisition of Jubilee Industries Holdings Ltd as a subsidiary corporation.

Our benefits for full-time employees include basic life insurance and health care which covers disability and invalidity. All employees are entitled to parental leave as well as annual leave.

Subsequent Reporting for FY 2019

Gender equality remains one of our key focus and we want to champion a fairer representation of women employees in our industry. We intend to constantly review our employment policies and works towards a more inclusive workforce.

SOCIOECONOMIC COMPLIANCE

As of our first sustainability report, we are pleased to disclose that we did not identify any non-compliance with laws or regulations.

At Accrelist, it is imperative that our employees are on the same page and aware of their roles and responsibilities. As such, we have drafted policies and procedures for our current operations which can minimise the possibility of legal non-compliance. This includes measures to protect our consumers' personal data and periodic monitoring to detect any key indicators of compromise.

Socioeconomic compliance is our highest priority that we identified when we decided to be new players in the Fintech field. We looked into any potential non-compliance and the necessary permits and licenses to ensure a smooth sailing venture. We have come up with due diligence processes and procedures for both our current operations as well as potential acquisitions of businesses that would be beneficial.

We have done our due diligence upon moving into e-Commerce as we will be assisting and facilitating transactions between businesses and customers. On that note, we review through any potential non-compliance with local and foreign laws or regulations. The Group has obtained the Remittance License from the Monetary Authority of Singapore to provide the e-wallet service.

We are in the process of setting up a crowdfunding platform that will match sophisticated investors with companies that need funding. This platform will be operated by the Group's subsidiary WE Crowdfunding. The company is seeking the necessary candidate, on top of a qualified person who is currently under our employment, to fulfil regulatory requirements specified by MAS. Once the candidate has been found, we will approach potential investors and investee companies. We will look for investee companies with our focus being in the aesthetic medicine industry where we have identified as a growth area.

Subsequent Reporting for FY 2019

We strive to be vigilant in ensuring compliance with laws and/or regulations. We are confident that this will provide potential clients with a sense of security and trust to work with us.

Sustainability Report

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

GRI Standards (2016)	Notes/Page Reference
GENERAL DISCLOSURE	
Organizational Profile	
102-1 Name of the organisation	Accrelist Ltd.
102-2 Activities, brands, products, and services	Corporate Profile, page 1
102-3 Location of headquarters	Corporate Directory, page 12
102-4 Location of operations	Corporate Directory, page 12
102-5 Ownership and legal form	Notes to Financial Statements, page 54
102-6 Markets served	Notes to Financial Statements, page 75
102-7 Scale of the organisation	Financial and Operations Review, page 6-7 Corporate Directory, page 12 Employment, page 34
102-8 Information on employees and other workers	Employment, page 34
102-9 Supply chain	Economic Performance, page 33
102-10 Significant changes to the organisation and its supply chain	No significant changes
102-11 Precautionary principle or approach	Accrelist Ltd. does not specifically refer to the precautionary principle
102-12 External initiatives	Accrelist Ltd. does not subscribe to any significant external initiatives
102-13 Membership of associations	No main memberships of industry or other associations, and national or international advocacy organisations maintained at organisaitonal level
Strategy	
102-14 Statement from senior decision maker	Board statement on sustainability, page 30
Ethics and Integrity	
102-16 Values, principles, standards, and norms of behaviour	Corporate Profile, page 1
Governance	
102-18 Governance structure	Board of Directors, page 8-9 Corporate Management, page 10
Stakeholder Engagement	
102-40 List of stakeholder groups	Stakeholder Engagement, page 31
102-41 Collective bargaining agreements	Nil
102-42 Identifying and selecting stakeholders	Stakeholder Engagement, page 31
102-43 Approach to stakeholder engagement	Stakeholder Engagement, page 31
102-44 Key topics and concerns raised	Material Topics, page 32
Reporting Practice	
102-45 Entities included in the consolidated financial statements	Notes to Financial Statements, page 84-93
102-46 Defining report content and topic boundaries	About Sustainability Report, page 30
102-47 List of material topics	Material Topics, page 32
102-48 Restatements of information	No restatements as this is an inaugural report
102-49 Changes in reporting	No changes as this is an inaugural report
102-50 Reporting period	1 April 2017 to 31 March 2018
102-51 Date of most recent report	Not applicable
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding the report	About Sustainability Report, page 30
102-54 Claims of reporting in accordance with the GRI Standards	About Sustainability Report, page 30
102-55 GRI content index	GRI Content Index, page 36-37
102-56 External assurance	About Sustainability Report, page 30

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

GRI Standards (2016)	Notes/ Page Reference
MATERIAL TOPICS	
Economic Performance	
103-1 Explanation of the material topic and its boundaries	Financial and Operations Review, page 6-7 Economic Performance, page 33
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
201-1 Direct Economic value generated and distributed	
201-2 Financial implications and other risk and opportunities due to climate change	
201-3 Defined benefit plan obligations and other retirement plans	
201-4 Financial assistance received from government	
Anti-Corruption	
103-1 Explanation of the material topic and its boundaries	Anti-Corruption, page 33
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
205-1 Operations assessed for risks related to corruption	
205-2 Communication and training about anti-corruption policies and procedures	
205-3 Confirmed incidents of corruption and actions taken	
Employment	
103-1 Explanation of the material topic and its boundaries	Employment, page 34
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
401-1 New employee hires and employee turnover	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
401-3 Parental leave	
Socioeconomic compliance	
103-1 Explanation of the material topic and its boundaries	Socioeconomic compliance, page 35
103-2 The management approach and its components	
103-3 Evaluation of the management approach	
419-1 Non-compliance with laws and regulations in the social and economic area	

Financial Contents

Directors' Statement

The directors present their statement to the members together with the audited consolidated financial statements of Accrelist Ltd. (the "Company") and its subsidiary corporations (the "Group") for the financial year ended 31 March 2018 and the balance sheet of the Company as at 31 March 2018.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 48 to 119 are drawn up so as to give a true and fair view of the financial positions of the Company and of the Group as at 31 March 2018 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

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

Directors

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

Mr Terence Tea Yeok Kian	
Mr Lim Yeow Hua @ Lim You Qin	(Appointed on 11 October 2017)
Mr Ng Li Yong	
Mr Liu Song	(Appointed on 8 September 2017)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Performance shares" in this statement.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
Company	**At 31 March 2018**	At 1 April 2017	**At 31 March 2018**	At 1 April 2017
(No. of ordinary shares)				
Mr Terence Tea Yeok Kian	**1,264,756,029**	1,093,853,829	**30,062,000**	26,762,000

Mr Terence Tea Yeok Kian's deemed interest at 31 March 2018 is derived through shares held by his wife, Ms Sim Aileen.

By virtue of Section 7 of the Singapore Companies Act Cap. 50, Mr Terence Tea Yeok Kian is deemed to have an interest in all the related corporations of the Group.

As at 21 April 2018, Mr Terence Tea Yeok Kian's direct and deemed interests of the Company was 1,264,756,029 and 30,062,000 shares respectively.

Directors' Statement

Performance shares

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

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

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

There were no performance shares awarded and issued during the financial year.

Share options

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

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

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

Audit committee

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

Mr Lim Yeow Hua @ Lim You Qin	(Independent Director, Chairman of Audit Committee)
Mr Ng Li Yong	(Independent Director)
Mr Liu Song	(Independent Director)

The AC performs the functions specified by section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2018 before their submission to the Board of Directors.

Audit committee (continued)

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

The Audit Committee has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Internal controls

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

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

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

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

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

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

Based on the discussion with and the reports submitted by the internal auditor, the various management controls put in place, the discussion and representation from the management, the board, with concurrence of the audit committee, is of the opinion that the internal controls of the Group, key areas of which are subject to ongoing independent reviews by the various parties such as the internal auditor, are adequate to safeguard the assets of the Group and address the financial, operational and compliance risks of the Group as at 31 March 2018.

The board also notes that all internal control systems and risk management systems contain inherent limitations and a cost effective system of internal controls or risk management could only provide reasonable and not absolute assurance against the occurrence of material errors, financial misstatement, poor judgement in decision making, human error, losses and/or other irregularities.

Directors' Statement

Independent auditor

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

On behalf of the directors

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Terence Tea Yeok Kian
Director

....

Ng Li Yong
Director

9 July 2018

Independent Auditor's Report

To the Members of ACCRELIST LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Accrelist Ltd. (the "Company") and its subsidiary corporations (the "Group") which comprise the balance sheets of the Group and the Company as at 31 March 2018, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 48 to 119.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

To the Members of ACCRELIST LTD.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the matter
Business combination – Purchase price allocation (Refer to Note 32 to the financial statements) On 29 June 2017, the Company has exercised its conversion rights of US$8 million convertible loan issued by Jubilee Industries Holdings Ltd. ("Jubilee") on 7 October 2016 into ordinary shares. This has resulted in the Company's shareholding interest to increase from 29.1% to 64.7%, which resulted in the Company obtaining control over Jubilee Industries Holdings Ltd. and its subsidiary corporations ("Jubilee Group") and accordingly accounted for it as subsidiary corporations. FRS 103 Business Combinations requires the Group to recognise the Jubilee Group's identifiable assets acquired and liabilities and contingent liabilities assumed at fair values at the date of business combination. Any difference between the cost of the business combination and the Group's interest in the net fair values of the identifiable assets acquired and liabilities and contingent liabilities assumed at the acquisition date is recorded either as goodwill or a gain from bargain purchase. Significant judgement is applied in the identification of any intangible assets acquired and contingent liabilities assumed in the transactions. Significant assumptions and estimates are also used in the determination of the fair values of the identified assets acquired and liabilities assumed in the transactions. Thus, we considered this area to be a key audit matter. As a result of the acquisition accounting, the Group recognised a gain from bargain purchase of S$5.6 million in its consolidated statement of comprehensive income.	Our audit focused on evaluating the professional qualifications of the independent external valuer ("valuer") and the key assumptions used in performing the purchase price allocation ("PPA") in relation to business combination including the following procedures: • reviewed the engagement terms entered into with the valuer to ascertain if there were any matters that may have affected the independent valuation specialist's objectivity or placed limitations in the scope of their work; • evaluated the qualifications and competence of the valuer; • involved our valuation specialists to review key assumptions and valuation methodologies used in the PPA in determining the fair values of the assets acquired and liabilities assumed and identifying intangible assets acquired, their respective values and useful lives assigned to the intangible assets identified; and • challenged the assumptions used by management with comparison to recent information, historical trend analysis as well as taking into consideration the general market outlook for the relevant industry.

Independent Auditor's Report

To the Members of ACCRELIST LTD.

Key Audit Matters (continued)

Key audit matter	How our audit addressed the matter
Revenue recognition (Refer to Note 2.4 and 6 to the financial statements) The Group's revenue is primarily generated from sale of electronic components and provision of precision plastic injection moulding services which is recognised when the Group has delivered the products to the customer, customer has accepted the products and the collectability of the related receivables is reasonably assured, and provision of design, fabrication and sale of precision plastic injection moulds which is recognised as work progresses and approved by customer. During the financial year ended 31 March 2018, the Group recognised revenue of S$112,491,000. We focused on this area as a key audit matter as there is a presumed fraud risk with regards to revenue recognition and revenue is one of the key performance indicators of the Group. In addition, there is inherent risk that revenue could be misstated and recorded in the incorrect accounting period.	Our audit focused on: • discussion with management on the processes involved in the sales cycle for each revenue stream; and • reviewing the component auditor's working papers in respect of: – walkthrough tests and tests of controls performed to ascertain the reliability of the key controls over revenue recognition which have been designed by the Group to prevent and detect fraud and errors in revenue recognition. – detailed testing of the samples of revenue transactions, including sales cut-off tests to ascertain that the sales have been accurately taken up in the correct financial year.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Independent Auditor's Report

To the Members of ACCRELIST LTD.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report

To the Members of ACCRELIST LTD.

Report on Other Legal and Regulatory Requirements

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

The engagement director on the audit resulting in this independent auditor's report is Mr Loh Ji Kin.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore

9 July 2018

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2018

	Note	2018 S$'000	2017 S$'000 (restated)
Revenue	6	**112,491**	870
Cost of sales		**(107,826)**	(729)
Gross profit		**4,665**	141
Other gains/(losses), net	7	**5,493**	(3,665)
Expenses			
- Marketing and distribution		**(1,029)**	(75)
- Administrative		**(8,909)**	(2,560)
- Finance	10	**(871)**	(119)
Share of profit/(loss) of associated companies	16	**298**	(2,068)
Loss before tax		**(353)**	(8,346)
Income tax credit	11(a)	**539**	34
Net profit/(loss)		**186**	(8,312)
Other comprehensive (loss)/income after tax:			
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive (loss)/income of associated companies	26(b)	**(156)**	249
Exchange differences on translating foreign operations	26(a)	**(1,700)**	504
Fair value loss on available-for-sale financial assets	26(c)	**(900)**	–
Other comprehensive (loss)/income, net of tax		**(2,756)**	753
Total comprehensive loss		**(2,570)**	(7,559)
Net (loss)/profit attributable to:			
Equity holders of the Company		**(310)**	(8,312)
Non-controlling interests		**496**	*
		186	(8,312)
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		**(2,701)**	(7,565)
Non-controlling interests		**131**	6
		(2,570)	(7,559)
Loss per share for loss attributable to equity holders of the Company			
Basic and diluted loss per share (SGD cents)	12	**(0.006)**	(0.16)

*Amount less than S$1,000.

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

Balance Sheets

As at 31 March 2018

	Note	Group 31-Mar-18 S$'000	31-Mar-17 S$'000 (restated)	1-Apr-16 S$'000
ASSETS				
Non-current assets				
Property, plant and equipment	13	**7,220**	601	667
Intangible assets	14	**13,649**	18	33
Investments in associated companies	16	**8,242**	8,267	15,896
Other assets	17	**20**	20	20
Trade and other receivables	18	**396**	11,539	–
Available-for-sale financial assets	23	**286**	–	–
Total non-current assets		**29,813**	20,445	16,616
Current assets				
Other assets	17	**972**	6	102
Trade and other receivables	18	**31,222**	12,597	25,515
Inventories	19	**14,977**	1	–
Convertible loan	20	**–**	8,631	–
Derivative financial instrument	21	**–**	4,631	–
Financial assets, at fair value through profit or loss	22	**33**	–	–
Available-for-sale financial assets	23	**1,116**	–	–
Cash and cash equivalents	24	**11,597**	4,375	13,406
Income tax recoverable		**–**	8	38
Total current assets		**59,917**	30,249	39,061
Total assets		**89,730**	50,694	55,677
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	25	**71,081**	70,761	70,754
Accumulated losses		**(33,827)**	(33,517)	(25,205)
Other reserves	26	**1,037**	4,121	3,374
		38,291	41,365	48,923
Non-controlling interests		**10,713**	34	28
Total equity		**49,004**	41,399	48,951
Non-current liabilities				
Deferred income tax liabilities	11(c)	**1,424**	–	34
Convertible loan	20	**2,382**	3,186	–
Other financial liabilities	28	**1,260**	1,336	1,413
Total non-current liabilities		**5,066**	4,522	1,447
Current liabilities				
Other financial liabilities	28	**5,052**	72	68
Trade and other payables	30	**30,607**	4,701	5,198
Income tax payable		**1**	–	13
Total current liabilities		**35,660**	4,773	5,279
Total liabilities		**40,726**	9,295	6,726
Total equity and liabilities		**89,730**	50,694	55,677

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

Balance Sheets

As at 31 March 2018

	Note	31-Mar-18 S$'000	Company 31-Mar-17 S$'000 (restated)	1-Apr-16 S$'000
ASSETS				
Non-current assets				
Property, plant and equipment	13	**37**	91	139
Intangible assets	14	**–**	16	33
Investments in subsidiary corporations	15	**28,812**	355	5,057
Investments in associated companies	16	**–**	8,267	18,113
Other assets	17	**20**	20	20
Trade and other receivables	18	**896**	11,539	–
Total non-current assets		**29,765**	20,288	23,362
Current assets				
Other assets	17	**2**	1	–
Trade and other receivables	18	**14,826**	13,442	27,943
Convertible loan	20	**–**	8,631	–
Derivative financial instrument	21	**–**	4,631	–
Cash and cash equivalents	24	**1,639**	3,616	4,975
Income tax recoverable		**–**	8	8
Total current assets		**16,467**	30,329	32,926
Total assets		**46,232**	50,617	56,288
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the Company				
Share capital	25	**111,772**	111,452	111,445
Accumulated losses		**(73,814)**	(69,324)	(58,585)
Other reserves	26	**3,213**	4,799	3,078
Total equity		**41,171**	46,927	55,938
Non-current liability				
Convertible loan	20	**2,382**	3,186	–
Current liability				
Trade and other payables	30	**2,679**	504	350
Total liabilities		**5,061**	3,690	350
Total equity and liabilities		**46,232**	50,617	56,288

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2018

	Share capital S$'000	Accumulated losses S$'000	Other reserves S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
2018						
Beginning of financial year	**70,761**	**(33,517)**	**4,121**	**41,365**	**34**	**41,399**
(Loss)/profit for the financial year	**–**	**(310)**	**–**	**(310)**	**496**	**186**
Other comprehensive loss for the financial year	**–**	**–**	**(2,391)**	**(2,391)**	**(365)**	**(2,756)**
Total comprehensive (loss)/income for the financial year	**–**	**(310)**	**(2,391)**	**(2,701)**	**131**	**(2,570)**
Acquisition of a subsidiary corporation (Note 32)	**–**	**–**	**–**	**–**	**9,481**	**9,481**
Subscription of right shares of a subsidiary corporation	**–**	**–**	**–**	**–**	**1,067**	**1,067**
Deemed disposal of associated company (Note 26)			**(693)**	**(693)**	**–**	**(693)**
Issue of new shares (Note 25)	**320**	**–**	**–**	**320**	**–**	**320**
End of financial year	**71,081**	**(33,827)**	**1,037**	**38,291**	**10,713**	**49,004**
2017 (restated)						
Beginning of financial year, as previously stated	70,754	(29,833)	7,231	48,152	28	48,180
Prior year adjustments (Note 33)	–	4,628	(3,857)	771	–	771
Beginning of financial year, as restated	70,754	(25,205)	3,374	48,923	28	48,951
Loss for the financial year	–	(8,312)	–	(8,312)	*	(8,312)
Other comprehensive income for the financial year	–	–	747	747	6	753
Total comprehensive (loss)/income for the financial year	–	(8,312)	747	(7,565)	6	(7,559)
Issue of new shares (Note 25)	7	–	–	7	–	7
End of financial year (restated)	70,761	(33,517)	4,121	41,365	34	41,399

*Amount less than S$1,000.

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

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2018

	Note	2018 S$'000	2017 S$'000 (restated)
Cash Flows From Operating Activities			
Net proft/(loss)		**186**	(8,312)
Adjustments for:			
Dividend income	7	**(17)**	–
Interest income		**(85)**	(268)
Fair value gain on a derivative financial instrument	7	**(258)**	(2,706)
Fair value loss on a financial asset through profit and loss	7	**–**	617
Fair value gain on a financial liability carried at fair value	7	**(804)**	(810)
Gain from bargain purchase	7	**(5,550)**	–
Gain on disposal of property, plant and equipment	7	**(237)**	–
Remeasurement loss on deemed disposal of associated company	7	**3,581**	–
Impairment loss on investment in associated company	7	**–**	4,983
Amortisation of intangible assets	8	**1,980**	19
Depreciation of property, plant and equipment	8	**496**	84
Employee share award expense		**–**	7
Interest expense	10	**871**	119
Income tax credit	11(a)	**(539)**	(34)
Share of (profit)/loss of associated companies	16	**(298)**	2,068
Unrealised currency translation differences		**(2,142)**	1,274
Operating cash flows before working capital changes		**(2,816)**	(2,959)
Change in working capital, net of effects from acquisition of subsidiary corporations:			
Inventories		**(2,119)**	(1)
Trade and other receivables		**25,566**	12,746
Other assets		**(210)**	96
Trade and other payables		**(16,041)**	(610)
Cash generated from operations		**4,380**	9,272
Interest received		**69**	3
Income tax (paid)/refunded		**(28)**	17
Net cash flows provided by operating activities		**4,421**	9,292
Cash Flows From Investing Activities			
Additions to plant and equipment	13	**(495)**	–
Additions to intangible assets	14	**(25)**	(3)
Additions to investments in associated companies	16	**(870)**	–
Additions to available-for-sale financial assets	23	**(2,302)**	–
Dividend received		**17**	–
Proceeds from disposal of property, plant and equipment		**1,440**	–
Loan granted to an associated company		**–**	(11,102)
Subscription of a convertible loan issued by an associated company		**–**	(11,102)
Subscription of rights shares of a subsidiary corporation by non-controlling interest		**1,067**	–
Net cash flow on acquisition of a subsidiary corporation	32	**4,094**	–
Net cash flows provided by/(used in) investing activities		**2,926**	(22,207)

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2018

	Note	2018 S$'000	2017 S$'000 (restated)
Cash Flows From Financing Activities			
Repayment of finance lease		**–**	(121)
Repayment of other financial liabilities		**(150)**	–
Issuance of convertible loan		**–**	4,000
Drawdown of cash restricted in use over 3 months		**–**	1,787
Bank deposits pledged		**(2,212)**	(1,102)
Interest paid		**(427)**	(6)
Net cash flows (used in)/provided by financing activities		**(2,789)**	4,558
Net increase/(decrease) in cash and cash equivalents		**4,558**	(8,357)
Cash and cash equivalents			
Beginning of financial year		**3,178**	11,524
Effects of exchange rate changes on cash and cash equivalents		**10**	11
End of financial year	24	**7,746**	3,178

Reconciliation of liabilities arising from financing activities:

	1 April 2017	Principal and interest repayments	Non-cash changes S$'000				31 March 2018
	S$'000	S$'000	Acquisition	Equity conversion	Fair value changes	Interest expense	S$'000
Convertible loan	3,186	–	–	(320)	(804)	320	2,382
Other financial liabilities	1,408	(103)	4,612	–	–	395	6,312

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

Notes to the Financial Statements

For the financial year ended 31 March 2018

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore Dollars (SGD or S$) and they cover the Company (referred to as "parent") and the subsidiary corporations. The Company is listed on the Catalist which is a shares market on the Singapore Exchange Securities Trading Limited ("SGX-ST").

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

The principal activities of the Company during the financial year was as distributor and manufacturers' representative of test equipment for the disk drive industry, acting as commission agents, system integration and commodities resources trading.

The principal activities of the subsidiary corporations and associated companies are described in Note 15 and Note 16 to these financial statements.

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

2. Summary of Significant Accounting Policies

2.1. Accounting Convention

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act Cap. 50. The financial statements are prepared on a going concern basis under the historical cost convention except where a FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. Other comprehensive income comprises items of income and expenses that are not recognised in the income statement, as required or permitted by FRS.

2.2. Basis of Preparation of the Financial Statements

The preparation of the financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed at Note 3 to the financial statements.

Interpretations and amendments to published standards effective in 2018

On 1 April 2017, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

FRS 7 Statement of cash flows

The amendments to FRS 7 Statement of cash flows (Disclosure initiative) sets out required disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has included the additional required disclosures in Consolidated Statement of Cash Flows to the Financial Statement.

2. Summary of Significant Accounting Policies (continued)

2.2. Basis of Preparation of the Financial Statements (continued)

Change in Accounting Policy

With effect from 1 July 2017, the Group and the Company enacted to change the presentation currency from United States Dollar ("US$") to Singapore Dollar ("S$") in conjunction with the change of functional currency as disclosed in Note 2.8 to the financial statements.

The change in presentation currency has been applied retrospectively in accordance with FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Prior period comparative numbers for the Group and the Company in these financial statements have been restated in Singapore Dollars in order to provide meaningful comparable information.

In accordance with FRS 21 The Effects of Changes in Foreign Exchange Rates, the following methodology was followed in restating historical financial statements from US$ into S$:

(i) all assets and liabilities are translated from their functional currency into the new presentation currency at the beginning of the comparative period using the opening exchange rate and retranslated at the closing rate;

(ii) profit and loss items are translated at average exchange rate;

(iii) share capital, other reserves and accumulated losses are restated into the new presentation currency as if it had always been the presentation currency; and

(iv) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

2.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.4 Revenue Recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Sale of goods

Revenue from the sale of goods is recognised when the Group has delivered the goods to locations specified by its customers and the customers have accepted the goods and the collectability of the related receivables is reasonably assured.

(b) Revenue from fabrication of moulds and tools

Revenue from the fabrication of moulds and tools is recognised as work progresses and approved by customer. Material, labour and overhead cost incurred relating to the fabrication of moulds and tools which are recognised as work progresses are deferred and classified as "work-in-progress" in "inventories" until the revenue is recognised.

2. Summary of Significant Accounting Policies (continued)

2.4 Revenue Recognition (continued)

(c) *Commission income*

Commission income is recognised when services are rendered.

(d) *Rental income*

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(e) *Rendering of services*

Revenue is recognised when the services are rendered.

(f) *Interest income*

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

(g) *Dividend income*

Dividend income is recognised when the right to receive payment is established.

2.5 Government Grants

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

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

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

2.6 Employee Compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) *Pension benefits*

The Group is required to provide certain staff pension benefits to their employees under existing People's Republic of China ("PRC") regulations. Pension contributions are provided at rates stipulated by PRC regulations and are contributed to a pension fund managed by government agencies, which are responsible for administering these amounts for the subsidiary corporations' employees. The Group has no further payment obligations once the contributions have been paid. Pension contributions are recognised as expenses in the period in which the related services are performed.

2. Summary of Significant Accounting Policies (continued)

2.6 Employee Compensation (continued)

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2.7 Income Tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. Summary of Significant Accounting Policies (continued)

2.8 Currency Translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency").

The Company reassessed its functional currency after the completion of its acquisition of Jubilee Industries Holdings Ltd. and its subsidiary corporations ("Jubilee Group"), which operates mainly in Singapore and contributes substantially to the business of the Group. As a result of a change in underlying transactions, events and conditions relevant to the Company, the functional currency of the Company was changed from United States dollars (US$) to Singapore dollars ("S$") with effect from 1 July 2017 prospectively.

The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

The change in functional currency had been applied prospectively from 1 July 2017.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains/(losses) - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

2. Summary of Significant Accounting Policies (continued)

2.9 Property, plant and Equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Plant and machinery	2 - 10 years
Motor vehicles	5 years
Office equipment and tools	5 years
Furniture and electrical fittings	5 years
Renovations	5 years
Leasehold property	Over the lease term

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the 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 repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other gains/(losses) - net”.

2.10 Leases

(a) When the Group is the lessee:

Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

2. Summary of Significant Accounting Policies (continued)

2.10 Leases (continued)

(a) *When the Group is the lessee* (continued)*:*

Lessee – Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the statements of financial position as property, plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(b) *When the Group is the lessor:*

Lessor – Operating leases

Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2.11 Intangible Assets

(a) *Goodwill*

Goodwill on acquisitions of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisition of associated company represents the excess of the cost of the acquisition over the share of the fair value of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated company is included in the carrying amount of the investments.

Gain and losses on the disposal of subsidiary corporations and associated company include the carrying amount of goodwill relating to the entity sold.

2. Summary of Significant Accounting Policies (continued)

2.11 Intangible Assets (continued)

(b) Other intangible assets

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 2 years.

Distribution rights acquired are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 2 years and 8 years, which is the shorter of their estimated useful lives and period of contractual rights.

Customer relationships are amortised to profit or loss using the straight-line method over their estimated useful lives of 8 years.

The amortisation period and amortisation method of intangible assets, other than goodwill, are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Intangible assets from a business acquisition are capitalised at fair value at the date of acquisition. After initial recognition, an intangible asset is carried at cost less accumulated amortisation and any accumulated impairment losses.

2.12 Group Accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. Summary of Significant Accounting Policies (continued)

2.12 Group Accounting (continued)

(a) *Subsidiary corporations* (continued)

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired, is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill. If those amounts are less than the fair value of the identifiable net assets of the subsidiary corporation acquired and the measurement of all amounts has been reviewed, the differences is recognised in profit or loss as a gain from bargain purchase.

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

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

2. Summary of Significant Accounting Policies (continued)

2.12 Group Accounting (continued)

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associated companies' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies are derecognised when the Group loses significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost, and its fair value and any proceeds in partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in associated companies in the separate financial statements of the Company.

2. Summary of Significant Accounting Policies (continued)

2.13 Club Memberships

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

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

2.14 Investments in Subsidiary Corporations and Associated Companies

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

2.15 Impairment of Non-Financial Assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Other intangible assets
Property, plant and equipment
Investments in subsidiary corporations and associated companies

Other intangible assets, property, plant and equipment and investments in subsidiary corporations and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

2. Summary of Significant Accounting Policies (continued)

2.15 Impairment of Non-Financial Assets (continued)

(b) *Other intangible assets*
Property, plant and equipment
Investments in subsidiary corporations and associated companies (continued)

An impairment loss for an asset other than goodwill 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 amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.16 Inventories

Inventories are carried at the lower of cost and net realisable value.

(i) Cost of raw materials and trading goods are determined using the weighted average basis; and

(ii) Cost of finished goods and work-in-progress are determined on a specific identification basis. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and applicable variable selling expenses.

2.17 Financial Assets

(a) *Classification*

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for sale financial assets. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Financial assets at fair value through profit or loss*

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "Trade and other receivables" and "Cash and cash equivalents" on the balance sheet.

Notes to the Financial Statements

For the financial year ended 31 March 2018

2. Summary of Significant Accounting Policies (continued)

2.17 Financial Assets (continued)

(a) Classification (continued)

(iii) Available-for sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the balance sheet date.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

(d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

2. Summary of Significant Accounting Policies (continued)

2.17 Financial Assets (continued)

(e) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.17(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired. If there is objective evidence of impairment, the cumulative loss that had been recognised in other comprehensive income is reclassified from equity to profit or loss. The amount of cumulative loss that is reclassified is measured as the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss. The impairment losses recognised as an expense for an equity security are not reversed through profit or loss in subsequent period.

2.18 Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.19 Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.20 Fair Value Measurement

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2. Summary of Significant Accounting Policies (continued)

2.21 Share Capital and Treasury Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.22 Borrowing Costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.23 Financial Guarantees

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

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

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

Intra-group transactions are eliminated on consolidation.

2.24 Provisions for Other Liabilities and Charges

Provisions for other liabilities and charges are recognised when the Group has 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. Provisions are not recognised for future operating losses.

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 in the statement of comprehensive income as finance expense.

Changes in estimates are reflected in profit or loss in the financial year they occur.

2.25 Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2. Summary of Significant Accounting Policies (continued)

2.26 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

(a) *Borrowings*

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(b) *Convertible loans*

Convertible loans issued by the Company is classified entirely as financial liabilities designated at fair value through profit or loss as the convertible loan is a hybrid contract carried at fair value. All transaction costs related to financial instruments designated as fair value through profit or loss are expensed as incurred.

Any changes of the fair value as at balance sheet date are recognised in profit and loss.

2.27 Derivative Financial Instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

3. Critical Accounting Estimates, Assumptions and Judgements

Estimates, assumptions and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) *Impairment of loans and receivables*

An impairment allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses trade receivables and historical bad debts, customer concentrations, and customer creditworthiness when evaluating the adequacy of the allowance for doubtful trade receivables. To the extent that it is feasible, impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. The carrying amount is disclosed in Note 18 to the financial statements.

If the net present values of estimated cash flows had been lower by 10% from management's estimates for all past due loans and receivables, the allowance for impairment of the Group would have been higher by S$1,304,000 (2017: S$402,000).

(b) *Valuation of intangible assets and tangible assets/liabilities through business combination*

Business combination is accounted for by applying the acquisition method. Purchase price allocation exercise requires a significant amount of management estimation, particularly in relation to the identification and valuation of intangible assets and assignment of their useful lives. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The fair value of such assets and liabilities are estimated by management and independent professional valuer where significant, or using the discounted cash flow method, which requires the Group to make an estimate of the expected future cash flows of the acquired business and choosing a suitable discount rate. The Group completed the business combination of Jubilee Industries Holdings Ltd. on 29 June 2017 as disclosed in Note 32 to the financial statements.

3. **Critical Accounting Estimates, Assumptions and Judgements** (continued)

(b) *Valuation of intangible assets and tangible assets/liabilities through business combination* (continued)

The sensitivity analysis has been prepared to illustrate the effect of the hypothetical variation in the discount rate on the fair value of the distribution rights and customer relationships.

If discount rate had been 1% higher or lower and all other variables were held constant, the fair value of the distribution rights and customer relationships would be lower by S$427,000 or higher by S$446,000 respectively.

If the fair value of the distribution rights and customer relationships had been higher or lower by 10%, net profit would have been higher by S$1,383,000 and lower by S$1,257,000 respectively.

(c) *Uncertain tax positions*

The Group is subject to income taxes in numerous jurisdictions. In determining the income tax liabilities, management is required to estimate the amount of capital allowances and the deductibility of certain expenses ("uncertain tax positions") at each tax jurisdiction. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred income tax provisions in the financial period in which such determination is made. The carrying amounts of the Group's and the Company's current income tax liabilities at reporting date are S$1,000 and Nil (2017: Nil and Nil) respectively.

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The Group has tax losses, capital allowances and donations carried forward amounting to S$58,765,000 (2017: S$41,206,000), S$3,269,000 (2017: S$2,244,000) and S$121,000 (2017: S$141,000) respectively at the reporting date. These losses and capital allowances relate to subsidiary corporations that have a history of losses and may not be used to offset taxable income elsewhere in the Group. The subsidiary corporations have neither temporary taxable differences nor any tax planning opportunities available that could support the recognition of any of these losses and capital allowances as deferred tax assets. If the Group was able to recognise all unrecognised deferred income tax assets, profit would increase by S$10,567,000 (2017: S$7,410,000).

(d) *Useful lives of property, plant and equipment*

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The net book value of the Group's property, plant and equipment as at 31 March 2018 is S$7,220,000 (2017: S$601,000) and annual depreciation charge for the financial year ended 31 March 2018 is S$496,000 (2017: S$86,000). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

If the actual useful lives of the property, plant and equipment are longer or shorter than the management's estimate by one year on average, the Group's annual depreciation charge will be reduced by S$20,000 (2017: S$5,000) or increased by S$26,000 (2017: S$7,000) respectively.

(e) *Classification of associated company*

Judgement is required to determine when the Group establishes significant influence over an investee. Management reviews the classification of EG Industries Bhd. ("EG") as an associated company at least annually and also whenever there are any changes to the percentage of shareholdings. The Group is presumed to not have significant influence if they hold, directly or indirectly, less than 20% of the voting power of the investee. The Group currently holds 9.6% of the ordinary shares of EG which is less than 20%. Management has assessed that the Group still has significant influence over EG due to the Group's voting power (both through its equity holding and its representation on the Board of EG).

4. 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 associated company 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 associated company 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.

(a) Related companies

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

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

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

(b) Related parties other than related companies

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

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Sale of goods to related parties	**1,095**	–	**–**	–
Interest charged to a former associated company	**27**	266	**27**	375
Interest charged by an associated company	**32**	–	**–**	–
Rental charged to a former associated company	**–**	351	**–**	495
Expenses repaid on behalf by a former associated company	**–**	42	**–**	–

Notes to the Financial Statements

For the financial year ended 31 March 2018

4. Related Party Relationships and Transactions (continued)

(c) *Key management compensation*

	Group		Company	
	2018	2017	**2018**	2017
	S$'000	S$'000	**S$'000**	S$'000
		(restated)		(restated)
Key management compensation including:				
Salaries, bonuses and other short-term benefits	**1,186**	772	**805**	734
Contributions to defined contribution plan	**63**	15	**31**	12
Share-based compensation	**–**	7	**–**	7
Total key management compensation	**1,249**	794	**836**	753

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

	Group		Company	
	2018	2017	**2018**	2017
	S$'000	S$'000	**S$'000**	S$'000
		(restated)		(restated)
Remuneration of directors of the Company	**662**	647	**662**	647

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

5. Financial Information by Segments

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

The Group has organised into three major operating segments for the financial year: financial technology, electronic components distribution business unit (“EBU”) and mechanical business unit (“MBU”). Such structural organisation is determined by the nature of risks and returns associated to each business segment and define the management structure as well as the internal reporting system.

The segments are as follows:

The financial technology segment provides financial services such as crowdfunding to enable users to raise funds for their projects and electronic wallet services granting users on an alternate mode of payment.

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

The MBU segment provides mould design and fabrication services for consumer electronics, household appliances, automotive and computer peripherals, as well as precision plastic injection moulding services for their customers’ finished products.

The system and equipment distribution segment provide engineering support services ranging from installation, calibration, integration and testing of systems, applications training to maintenance of systems. This business segment was dormant in the financial year ended 31 March 2018 and the segment has been restated into others.

The commodities and resources segment provides supply chain management for natural materials and will be the driver for the Group’s forward growth through its integrated sourcing, marketing and transportation operations. This business segment was dormant in the financial year ended 31 March 2018 and the segment has been restated into others.

5. Financial Information by Segments (continued)

Segmental Information:

The following table provides the information about the reportable segments:

	Financial technology		EBU		MBU		Others		Total	
	2018	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017
	S$'000	S$'000 (restated)	**S$'000**	S$'000 (restated)	**S$'000**	S$'000 (restated)	**S$'000**	S$'000 (restated)	**S$'000**	S$'000 (restated)
Segment revenue										
Sales of goods	**–**	–	**106,295**	–	**6,196**	–	**–**	826	**112,491**	826
Service and maintenance income	**–**	–	**–**	–	**–**	–	**–**	44	**–**	44
Inter-segment sales	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
Sales to external parties	**–**	–	**106,295**	–	**6,196**	–	**–**	870	**112,491**	870
Gross profit	**–**	–	**4,019**	–	**646**	–	**–**	141	**4,665**	141
Other gains/(losses) - net									**5,493**	(3,665)
Other items of expenses										
- Marketing and distribution									**(1,029)**	(75)
- Administrative									**(8,909)**	(2,560)
- Finance									**(871)**	(119)
- Share of loss of associated company									**298**	(2,068)
Loss before income tax									**(353)**	(8,346)
Income tax credit									**539**	34
Net profit/(loss)									**186**	(8,312)
Segment assets	**665**	102	**49,342**	–	**17,780**	–	**21,943**	50,592	**89,730**	50,694
Segment liabilities	**(29)**	(18)	**(27,313)**	–	**(5,547)**	–	**(7,837)**	(9,277)	**(40,726)**	(9,295)

5. **Financial Information by Segments** (continued)

Geographical Information:

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

	Group	
	2018 S$'000	2017 S$'000 (restated)
Revenue:		
Singapore	**22,739**	–
Malaysia	**11,135**	7
People's Republic of China and Hong Kong	**41,991**	580
India	**13,340**	–
Indonesia	**3,009**	–
Thailand	**5,663**	–
Vietnam	**5,046**	–
United States of America	**4,779**	–
Other countries	**4,789**	283
	112,491	870

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

	Group	
	2018 S$'000	2017 S$'000 (restated)
Non-Current Assets:		
Singapore	**28,709**	20,444
Malaysia	**1,091**	1
Other countries	**13**	–
	29,813	20,445
Capital Expenditure:		
Singapore	**110**	3
Malaysia	**441**	–
	551	3

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

Revenue of approximately S$12,247,000 (2017: S$573,000) is derived from a single customer. These revenue are attributable to the EBU (2017: systems and equipment distribution) segment.

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6. Revenue

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Sale of goods	**105,283**	778
Commission income	**1,012**	–
Revenue from fabrication of moulds and tools	**6,196**	–
Service and maintenance income	**–**	92
	112,491	870

7. Other Gains/(Losses), net

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Allowance for impairment – trade receivables (Note 18)	**(445)**	(729)
Allowance for impairment – other receivables (Note 18)	**–**	(1,369)
Bad debts written off – trade and other receivables	**(910)**	(22)
Gain from bargain purchase (Note 32(c))	**5,550**	–
Dividend income	**17**	–
Foreign exchange adjustments gains/(losses) – net	**3,313**	(291)
Gain on disposal of property, plant and equipment	**237**	–
Fair value loss on a financial asset through profit and loss	**–**	(617)
Fair value gain on a derivative financial instruments	**258**	2,706
Fair value gain on a financial liability carried at fair value	**804**	810
Government grants		
- PIC bonus [(1)]	**–**	22
- WCS [(2)]	**19**	3
- SEC [(3)]	**1**	1
- TEC [(4)]	**6**	3
Impairment loss on an associated company (Note 16)	**–**	(4,983)
Interest income - loan granted to an associated company	**–**	189
Interest income - convertible loan issued by an associated company	**27**	76
Interest income from bank deposits	**42**	3
Interest income from other receivables	**16**	–
Other payables written back	**55**	–
Loss on remeasurement of previously held interest in associated company	**(3,581)**	–
Rental income on operating lease	**–**	351
Miscellaneous income	**84**	182
Total	**5,493**	(3,665)

(1) As announced in Budget 2014, businesses that invest in qualifying activities under the Productivity and Innovation Credit (PIC) scheme will receive a PIC Bonus in order to help businesses defray rising operating costs such as wages and rentals and encourages businesses to undertake improvements in productivity and innovation.

(2) As announced in Budget 2013, businesses will receive wage credit payouts under the Wage Credit Scheme (WCS) to free up resources to make investments in productivity and to share the productivity gains with their employees.

7. Other Gains/(Losses), net (continued)

[(3)] As announced in Budget 2011, businesses which provide continuing support to hire older Singaporean workers and Persons with Disabilities (PWDs) will receive payouts under the Special Employment Credit (SEC) to support employers, and to raise the employability of older low-wage Singaporeans.

[(4)] As announced in Budget 2015, businesses will receive a one-year offset of 0.5% of wages for its Singaporean and Singapore Permanent Resident (PR) employees in 2015 under the Temporary Employment Credit (TEC) as a Budget 2014 initiative to help businesses for adjustment of 1 percentage point increase in Medisave contribution rates, which took effect in January 2015.

8. Expenses by Nature

	Group	
	2018	2017
	S$'000	S$'000 (restated)
Purchase of inventories	**106,833**	709
Amortisation of intangible assets (Note 14)	**1,980**	19
Depreciation of plant and equipment (Note 13)	**496**	86
Directors' fee: - directors of the company	**153**	169
- directors of subsidiary corporation	**142**	–
Commission expense	**314**	–
Donations	**8**	90
Employee compensation (Note 9)	**5,473**	1,236
Fees on audit services paid/payable to:		
- Auditor of the company	**101**	82
- Other auditors*	**154**	–
Fees on non-audit services paid/payable to auditor of the company	**33**	10
Freight charges	**623**	–
Inventories written off	**279**	–
Packing materials	**113**	–
Professional fees	**552**	644
Rental of office equipment on operating lease	**109**	25
Subcontractor cost	**612**	–
Travelling, transportation and equipment	**811**	–
Utilities	**444**	–
Workshop repairs and maintenance	**292**	–
Other expenses	**969**	295
Changes in inventories	**(2,727)**	(1)
Total cost of sales, marketing and distribution and administrative expenses	**117,764**	3,364

* Includes the network of member firms of Nexia International

Notes to the Financial Statements

For the financial year ended 31 March 2018

9. Employee Compensation

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Employee compensation including directors:		
- Salaries, bonuses and other short-term benefits	**4,575**	1,125
- Employer's contributions to defined contribution plan including Central Provident Fund	**515**	57
- Share-based payment expenses	**–**	7
- Other benefits	**383**	47
	5,473	1,236

10. Finance Costs

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Accretion of interest-free other receivables (Note 18)	**124**	–
Interest expense – convertible loan	**320**	114
Interest expense – bank	**395**	5
Interest expense – related party	**32**	–
	871	119

11. Income Taxes

(a) Income tax credit

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Tax credit attributable to profit/(loss) is made up of:		
Profit/(loss) for the financial year:		
- Deferred income tax	**(543)**	–
Under/(over) provision in prior years:		
- Current income tax	**4**	–
- Deferred income tax	**–**	(34)
	(539)	(34)

11. Income Taxes (continued)

(a) Income tax expense/(credit) (continued)

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2017: 17%) to loss before tax as a result of the following differences:

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Loss before tax	**(353)**	(8,346)
Share of (loss)/profit of associated companies, net of tax	**(298)**	2,068
Profit/(loss) before tax and share of loss of an associated companies	**(651)**	(6,278)
Income tax expense at the statutory rate	**(111)**	(1,067)
Expenses not deductible for tax purposes	**1,073**	1,206
Income not subjected to tax	**(1,352)**	(730)
Effect of different tax rates in different countries	**(15)**	(6)
Deferred tax assets not recognised	**107**	1,092
Utilisation of previously unrecognised:		
- tax losses	**(67)**	(495)
- capital allowances	**(183)**	–
Under/(over) provisions of prior years tax	**4**	(34)
Others	**5**	–
Tax credit	**(539)**	(34)

(b) Deferred tax income recognised in profit or loss includes:

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Fair value adjustments on acquisition of subsidiary corporation	**(543)**	–
Excess of tax values over net book value of plant and equipment	**–**	(34)
Total deferred tax income recognised in profit or loss	**(543)**	(34)

Notes to the Financial Statements

For the financial year ended 31 March 2018

11. Income Taxes (continued)

(c) Deferred tax balance in the balance sheet:

	Group		Company	
	2018 **S$'000**	2017 S$'000 (restated)	**2018** **S$'000**	2017 S$'000 (restated)
Deferred tax liabilities:				
Excess of net book value of plant and equipment over tax values	**–**	–	**–**	–
Fair value adjustments on acquisition of subsidiary corporation	**(1,424)**	–	**–**	–
Total deferred tax liabilities	**(1,424)**	–	**–**	–
Unrecognised deferred tax assets:				
Tax losses	**9,990**	7,005	**5,749**	5,704
Capital allowances	**556**	381	**119**	119
Donations	**21**	24	**21**	21
Total unrecognised deferred tax assets	**10,567**	7,410	**5,889**	5,844

It is impracticable to estimate the amount expected to be settled or used within the near future.

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

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

12. Loss Per Share

Basic and diluted loss per share

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

	2018	2017 (restated)
Net loss for the year attributable to the equity holders of the Company (S$'000)	**(310)**	(8,312)
Weighted average number of equity shares issued ('000)	**5,272,848**	5,242,960
Basic and diluted loss per share (in SGD cents)	**(0.006)**	(0.16)

There were no potential dilutive ordinary shares for the financial years ended 31 March 2018 and 2017.

13. Property, Plant and Equipment

Group	Plant and machinery S$'000	Motor vehicle S$'000	Office equipment and tools S$'000	Furniture and electrical fittings S$'000	Renovations S$'000	Leasehold property S$'000	Total S$'000
Cost:							
At 1 April 2016	976	–	–	–	–	–	976
Currency translation differences	14	–	–	–	–	–	14
Written off	(26)	–	–	–	–	–	(26)
At 31 March 2017 (restated)	**964**	**–**	**–**	**–**	**–**	**–**	**964**
Currency translation differences	**414**	**(12)**	**47**	**21**	**91**	**–**	**561**
Additions	**379**	**1**	**24**	**–**	**91**	**–**	**495**
Acquisition of subsidiary corporation (Note 32(c))	**1,055**	**97**	**151**	**96**	**10**	**6,395**	**7,804**
Disposals	**(1,095)**	**(10)**	**(26)**	**(85)**	**–**	**–**	**(1,216)**
Reclassification	**(445)**	**261**	**140**	**–**	**44**	**–**	**–**
At 31 March 2018	**1,272**	**337**	**336**	**32**	**236**	**6,395**	**8,608**
Accumulated depreciation:							
At 1 April 2016	309	–	–	–	–	–	309
Currency translation differences	(6)	–	–	–	–	–	(6)
Depreciation charge (Note 8)	86	–	–	–	–	–	86
Disposals	(26)	–	–	–	–	–	(26)
At 31 March 2017 (restated)	**363**	**–**	**–**	**–**	**–**	**–**	**363**
Currency translation differences	**404**	**(9)**	**45**	**20**	**82**	**–**	**542**
Depreciation charge (Note 8)	**241**	**92**	**42**	**4**	*****	**117**	**496**
Disposals	**(13)**	**–**	**–**	**–**	**–**	**–**	**(13)**
Reclassification	**(354)**	**170**	**140**	**–**	**44**	**–**	**–**
At 31 March 2018	**641**	**253**	**227**	**24**	**126**	**117**	**1,388**
Net book value:							
At 31 March 2017 (restated)	601	–	–	–	–	–	601
At 31 March 2018	**631**	**84**	**109**	**8**	**110**	**6,278**	**7,220**

* Amount less than S$1,000.

Bank loans are secured on leasehold property of the Group with carrying amount of S$6,278,000 (Note 28(a)).

Notes to the Financial Statements
For the financial year ended 31 March 2018

13. Property, Plant and Equipment (continued)

Company	**Plant and machinery S$'000**
Cost:	
At 1 April 2016	253
Currency translation differences	8
At 31 March 2017 (restated)	**261**
Currency translation differences	**(16)**
At 31 March 2018	**245**
Accumulated amortisation:	
At 1 April 2016	114
Currency translation differences	4
Depreciation charge	52
At 31 March 2017 (restated)	**170**
Currency translation differences	**(12)**
Depreciation charge	**50**
At 31 March 2018	**208**
Net book value:	
At 31 March 2017 (restated)	91
At 31 March 2018	**37**

As at 31 March 2018 and 2017, there are no items that are under finance lease agreements.

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

14. Intangible Assets

	Group		**Company**	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Computer software	**90**	18	**–**	16
Distribution rights	**5,525**	–	**–**	–
Customer relationships	**8,034**	–	**–**	–
	13,649	18	**–**	16

14. Intangible Assets (continued)

Group	**Computer software S$'000**	**Distribution rights S$'000**	**Customer relationships S$'000**	**Total S$'000**
Cost:				
At 1 April 2016	68	–	–	68
Currency translation differences	2	–	–	2
Additions	3	–	–	3
At 31 March 2017	**73**	**–**	**–**	**73**
Currency translation differences	**(3)**	**–**	**–**	**(3)**
Additions	**25**	**–**	**–**	**25**
Acquisition of subsidiary corporation (Note 32(c))	**134**	**6,587**	**8,865**	**15,586**
At 31 March 2018	**229**	**6,587**	**8,865**	**15,681**
Accumulated amortisation:				
At 1 April 2016	35	–	–	35
Currency translation differences	1	–	–	1
Amortisation charge (Note 8)	19	–	–	19
At 31 March 2017	**55**	**–**	**–**	**55**
Currency translation differences	**(3)**	**–**	**–**	**(3)**
Amortisation charge (Note 8)	**87**	**1,062**	**831**	**1,980**
At 31 March 2018	**139**	**1,062**	**831**	**2,032**
Net book value:				
At 31 March 2017	18	–	–	18
At 31 March 2018	**90**	**5,525**	**8,034**	**13,649**

Company	**Computer software S$'000**
Cost:	
At 1 April 2016	33
Currency translation differences	1
At 31 March 2017 (restated)	**34**
Currency translation differences	**(2)**
At 31 March 2018	**32**
Accumulated amortisation:	
At 1 April 2016	–
Amortisation charge	18
At 31 March 2017 (restated)	**18**
Currency translation differences	**(1)**
Amortisation charge	**15**
At 31 March 2018	**32**
Net book value:	
At 31 March 2017 (restated)	16
At 31 March 2018	**–**

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

15. Investments in Subsidiary Corporations

	Company	
	2018	2017
	S$'000	S$'000 (restated)
Cost	**34,635**	6,178
Allowance for impairment	**(5,823)**	(5,823)
Net book value	**28,812**	355
Movements during the financial year:		
- Beginning of financial year	**355**	5,057
- Additions (Note (a))	**28,457**	102
- Impairment charge (Note (b))	**–**	(4,804)
- End of financial year	**28,812**	355
Movements in allowance for impairment loss:		
- Beginning of financial year	**5,823**	1,019
- Impairment charge	**–**	4,804
- At end of the financial year	**5,823**	5,823

Notes:

(a) On 23 August 2016, the Company incorporated a newly owned subsidiary corporation, WE Resources (Cambodia) Co. Ltd., with a paid-up share capital of US$1,000 (S$1,395).

On 12 October 2016, the Company incorporated a newly owned subsidiary corporation, WE9 Pay Pte. Ltd. (fka WE Pay Pte. Ltd.) with a paid-up share capital of S$100,000.

On 20 December 2016, the Company incorporated a newly owned subsidiary corporation, WE Crowdfunding Pte. Ltd. with a paid-up share capital of US$1 (S$1).

On 29 June 2017, the Company exercised its conversion rights of US$8 million convertible loan issued by Jubilee Industries Holdings Ltd. ("Jubilee") on 7 October 2016 into ordinary shares ("**loan conversion**"). This has resulted in the Company's shareholding interest to increase from 29.1% to 64.7%, which resulted in the Company obtaining control over Jubilee and its subsidiary corporations ("Jubilee Group") and therefore the Company accordingly accounted for it as a subsidiary corporation. The additions to the cost of investment relating to the loan conversion amounted to S$17,421,000 comprising of the fair value of the convertible loan (Note 20) and the related derivative financial instrument (Note 21) as at 29 June 2017 totalling S$13,520,000 and the fair value of the previously held interests of S$3,901,000 (Note 16) as at 29 June 2017 representing the cost of investment in Jubilee, then classified as an associated company.

On 21 December 2017, the Company acquired additional 100,000 shares in its wholly owned subsidiary corporation, WE9 Pay Pte. Ltd for consideration of S$100,000.

On 5 March 2018, the Company subscribed to the rights cum warrants issued by Jubilee and was allotted 231,914,929 ordinary shares for a consideration of S$10,436,000. Consequently, the shareholding interest increased from 64.7% to 71.9%.

On 27 March 2018, the Company acquired additional 500,000 shares in its wholly owned subsidiary corporation, WE Crowdfunding Pte. Ltd. for consideration of S$500,000.

15. Investments in Subsidiary Corporations (continued)

(b) During the financial year ended 31 March 2017, the Company has fully impaired the investment in WE Resources Pte. Ltd. amounting to S$4,804,000 as the management has determined the recoverable amount to be Nil.

The subsidiary corporations held by the Company and its subsidiary corporations are listed below:

Name of Subsidiary Corporations, Country of Incorporation, Place of Operations and Principal Activities	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2018	2017	**2018**	2017	**2018**	2017
	%	%	**%**	%	**%**	%
Held by the Company						
WE Components Sdn Bhd [b] (Audited by Crowe Horwath Malaysia) Malaysia Distributor and representative of electronic components and systems and equipment	**85**	85	**85**	85	**15**	15
WE Systems Pte Ltd [a] Singapore Engineering support service, application training and system maintenance	**100**	100	**100**	100	**–**	–
WesCal Electronics Trading (Shanghai) Co., Ltd [f] People's Republic of China Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**–**	–
WE Electronics Co., Ltd [f] Thailand Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**–**	–
WE Dragon Resources Pte Ltd [a] Singapore Petroleum, mining and prospecting services	**100**	100	**100**	100	**–**	–
WE Resources Pte Ltd [a] Singapore Iron ore and coal trading	**100**	100	**100**	100	**–**	–
WE Resources Sdn. Bhd. [b] (Audited by Crowe Horwath Malaysia) Malaysia Iron ore and coal trading	**100**	100	**100**	100	**–**	–
Plexus Electronics Inc. [f] United States of America Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**–**	–

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15. Investments in Subsidiary Corporations (continued)

Name of Subsidiary Corporations, Country of Incorporation, Place of Operations and Principal Activities	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2018	2017	2018	2017	2018	2017
	%	%	%	%	%	%
WE Technology (HK) Ltd [f] Hong Kong Distributor and representative of electronic components and systems and equipment	**100**	100	**100**	100	**–**	–
WE Resources (Cambodia) Co. Ltd. [f] Cambodia Iron ore and coal trading	**100**	100	**100**	100	**–**	–
WE Crowdfunding Pte. Ltd. [a] Singapore Financial services	**100**	100	**100**	100	**–**	–
WE9 Pay Pte. Ltd. [a] Singapore E-wallet services	**100**	100	**100**	100	**–**	–
Jubilee Industries Holdings Ltd ("Jubilee") [a], [g] Singapore Investment holding	**–**	–	**71.9**	–	**28.1**	–
Held through Jubilee						
Jubilee Industries (S) Pte Ltd [a] Singapore Manufacturer and dealer precision plastic and metal mould	**–**	–	**71.9**	–	**28.1**	–
E'mold Holding Pte Ltd [a] Singapore Investment holding	**–**	–	**71.9**	–	**28.1**	–
J Capital Pte Ltd [a] Singapore Investment holding	**–**	–	**71.9**	–	**28.1**	–
WE Components Pte Ltd [a] Singapore Trading in electronic components	**–**	–	**71.9**	–	**28.1**	–
WE Total Engineering Sdn Bhd (fka Jubilee Manufacturing Sdn Bhd)[d] Malaysia Manufacturer and dealer of precision plastic and metal mould	**–**	–	**71.9**	–	**28.1**	–
E'Mold Manufacturing (Kunshan) Co. Ltd [b], [c] (Audited by Suzhou Jing An Certified Public Accountants Co., Ltd) People's Republic of China Manufacturer and dealer of precision plastic and metal mould	**–**	–	**71.9**	–	**28.1**	–

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For the financial year ended 31 March 2018

15. Investments in Subsidiary Corporations (continued)

Name of Subsidiary Corporations, Country of Incorporation, Place of Operations and Principal Activities	Proportion of ordinary shares directly held by parent		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
	2018	2017	2018	2017	2018	2017
	%	%	%	%	%	%
WE Components (Shanghai) Co Ltd [b] (Audited by Shangzi Certified Public Accountants Co., Ltd) People's Republic of China Trading in electronic components	–	–	71.9	–	28.1	–
WE Components Co Ltd [b] (Audited by BZY Audit (Thailand) Limited) Thailand Trading in electronic components	–	–	71.9	–	28.1	–
WE Components (Hong Kong) Limited [e] Hong Kong Trading in electronic components	–	–	71.9	–	28.1	–
WE Components (Shenzhen) Co Ltd [f] People's Republic of China Trading in electronic components	–	–	71.9	–	28.1	–
Kin Wai Technology Ltd [e] British Virgin Islands Trading in electronic components	–	–	71.9	–	28.1	–
WE Microelectronics Pte Ltd [a] Singapore Trading in electronic components	–	–	71.9	–	28.1	–
WE Components (Penang) Sdn Bhd [b] (Audited by Crowe Horwath Malaysia) Malaysia Trading in electronic components	–	–	71.9	–	28.1	–
WE Components India Pvt Ltd [b] (Audited by Vasanth & Co) India Trading in electronic components	–	–	71.9	–	28.1	–

[a] Audited by Nexia TS Public Accounting Corporation, Singapore, a member firm of Nexia International.

[b] Audited by other independent auditors other than member firms of Nexia International. Their names are indicated as above.

[c] Audited by Nexia TS Public Accounting Corporation, Singapore for consolidation purposes.

[d] Audited by SSY Partners Chartered Accountants, Malaysia, a member firm of Nexia International. For the purpose of preparing consolidated financial statements, financial statements of WE Total Engineering Sdn Bhd have been audited by Nexia TS Public Accounting Corporation.

[e] Audited by Fan Chan & Co, a member firm of Nexia International.

[f] The subsidiary corporation is dormant and is not significant to the Group.

[g] Became a subsidiary corporation of the Company following the business combination during the financial year as disclosed in Note 32. Consequently, all the subsidiary corporations of Jubilee became subsidiary corporations of the Company.

15. Investments in Subsidiary Corporations (continued)

As required by Rule 715 of the Listing Manual of The Singapore Exchange Securities Trading Limited, the audit committee and the board of directors of the Company have satisfied themselves that the appointment of different auditors for certain of its overseas subsidiary corporations would not compromise the standard and effectiveness of the audit of the consolidated financial statements.

Significant Restrictions

Cash and short-term deposits of S$640,934 (2017: S$5,276) are held in the People's Republic of China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

Carrying value of non-controlling interest

	2018 **S$'000**	2017 S$'000
Jubilee Industries Holdings Ltd. ("Jubilee")	**10,686**	–
WE Components Sdn. Bhd. (with immaterial non-controlling interests)	**27**	34
	10,713	34

Summarised financial information of subsidiary corporations with material non-controlling interests

Set out below are the summarised financial information for each subsidiary corporation that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

There were no transactions with non-controlling interests for the financial years ended 31 March 2018 and 2017.

Summarised balance sheet

	Jubilee Group **2018** **$'000**
Current	
Assets	**60,495**
Liabilities	**(39,080)**
Total current net assets	**21,415**
Non-current	
Assets	**13,984**
Liabilities	**(896)**
Total non-current net assets	**13,088**
Net assets	**34,503**

15. **Investments in Subsidiary Corporations** (continued)

Summarised statement of comprehensive income

	Jubilee Group 2018 $'000
Revenue	159,954
Profit before income tax	936
Income tax expense	(4)
Net profit	932
Other comprehensive loss	(1,556)
Total comprehensive loss	(624)

Summarised cash flows

	Jubilee Group 2018 $'000
Cash flows from operating activities	
Cash used in operations	(2,247)
Income tax paid	(21)
Net cash used in operating activities	(2,268)
Net cash used in investing activities	(5,511)
Net cash provided by financing activities	4,807
Net decrease in cash and cash equivalents	(2,972)
Cash and cash equivalents at beginning of year	9,379
Effects of currency translation on cash and cash equivalents	34
Cash and cash equivalents at end of year	6,441

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16. Investments in Associated Companies

	Group		Company	
	2018 **S$'000**	2017 S$'000 (restated)	**2018** **S$'000**	2017 S$'000 (restated)
Equity investments at cost			**58**	18,745
Less: Impairment loss			**(58)**	(10,478)
Equity investments at net book value			**–**	8,267
Movements during the financial year:				
- Beginning of financial year	**8,267**	15,896	**8,267**	18,113
- Currency translation differences	**620**	(827)	**–**	516
- Acquisition of subsidiary corporation (Note 32(c))	**6,518**	–	**–**	–
- Additions (Note (a))	**870**	–	**–**	–
- Share of profit/(loss) of associated companies	**298**	(2,068)	**–**	–
- Share of other comprehensive income of associated companies	**(156)**	249	**–**	–
- Disposal (Note (b))	**(8,175)**	–	**(8,267)**	–
- Impairment charge	**–**	(4,983)	**–**	(10,362)
- End of financial year	**8,242**	8,267	**–**	8,267

Notes:

(a) The Group acquired additional 4,642,500 ordinary shares from EG Industries Berhad for a total cost of S$870,000 during the current financial year.

(b) This represents the carrying amount of the investment in Jubilee which was reclassified to investment in subsidiary corporations following the loan conversion as disclosed in Note 15(a).

During the financial year ended 31 March 2017, the Group and the Company impaired the investments in associated company amounting to S$4,983,000 and S$10,362,000 respectively as the management has determined the recoverable amount to be S$8,267,000 which is lower than the carrying amounts in the Group and the Company.

16. Investments in Associated Companies (continued)

Set out below are the associated companies of the Group as at 31 March 2018 and 2017. The associated companies as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation is also their principal place of business.

Name of Company, Country of Incorporation, Place of Operations and Principal Activities	% of ownership interest	
	2018	2017
	%	%
Held by the Company		
Jubilee Industries Holdings Ltd ("Jubilee") [(a)]	**–[(d)]**	29.1
Singapore		
Mould design/fabrication, provision of precision plastic injection manufacturing solutions and trading in electrical components		
Syntax-Olevia (Far East) Pte Ltd [(c)]	**20.0**	20.0
Singapore		
Distributor and representative of LCD TV		
Held through Jubilee		
EG Industries Berhad ("EG") [(b)]	**9.6**	–
Malaysia		
Provision of electronics manufacturing services for electronics, electrical, telecommunications and automotive industries product		

(a) Audited by Nexia TS Public Accounting Corporation.

(b) Audited by UHY Chartered Accountants, Malaysia.

(c) The associated company is dormant and is not significant to the Group.

(d) Ceased to be an associated company following the business combination during the current financial year as disclosed in Note 32.

The Group's investment in EG amounting to S$3,397,000 has been pledged as security for the Group's margin facility account (Note 28(a)). Under the terms and conditions of the letter of offer, the Group is prohibited from disposing of this investment or subjecting it to further charges without furnishing a replacement security of similar value.

The Group accounts for its investment in EG as an associated company although the Group holds less than 20% of the issued shares of EG as the Group is able to exercise significant influence over the investment due to the Group's voting power (both through its equity holding held by the Group and executive chairman, and its representation on the Board of EG).

As at 31 March 2018, the fair value based on the quoted price of the Group's interest in EG, which is listed on the Bursa Malaysia Securities Berhad, was S$4,663,804. The fair value measurement is classified within Level 1 of the fair value hierarchy.

As at 31 March 2017, the fair value based on the quoted price of the Group's interest in Jubilee, which is listed on the Catalist board of the SGX-ST, was S$4,186,000. The fair value measurement is classified within Level 1 of the fair value hierarchy.

There is no contingent liabilities relating to the Group's interest in the associated companies.

The summarised financial information in respect of EG (2017: Jubilee), based on its financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

16. Investments in Associated Companies (continued)

Summarised balance sheet

	EG 2018 S$'000	Jubilee 2017 S$'000
Current assets	**162,863**	56,324
Includes:		
- Cash and cash equivalents	19,920	11,333
Current liabilities	**(116,325)**	(45,450)
Includes:		
- Financial liabilities (excluding trade payables)	(66,153)	(23,537)
Non-current assets	**67,019**	13,323
Non-current liabilities	**(4,465)**	(11,363)
Includes:		
- Financial liabilities (excluding trade payables)	(4,316)	(11,363)
Net assets	**109,092**	12,834

Summarised statement of comprehensive income

	EG 2018 S$'000	Jubilee 2017 S$'000
Revenue	**331,665**	108,758
Interest income	**250**	21
Expenses includes:		
- Depreciation and amortisation	**(10,371)**	(1,463)
- Finance expense	**(2,862)**	(383)
Profit/(loss) before taxation	**5,567**	(7,482)
Income tax credit/(expenses)	**329**	*
Net profit/(loss)	**5,896**	(7,482)
Other comprehensive (loss)/income	**(4,038)**	855
Total comprehensive income/(loss)	**1,858**	(6,627)

* Amount less than S$1,000

The information above reflects the amounts presented in the financial statements of EG (2017: Jubilee) (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated company.

16. Investments in Associated Companies (continued)

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented, to the carrying amount of the Group's interest in associated company, is as follows:

	EG 2018 S$'000	Jubilee 2017 S$'000 (restated)
Net assets		
At beginning of the financial year	**84,884**	19,257
Profit/(loss) for the financial year	**5,896**	(7,482)
Other comprehensive (loss)/income for the financial year	**(4,038)**	855
Currency translation differences	**5,985**	–
Redeemable convertible preference shares ('RCPS') and resale of treasury shares during the financial year	**16,365**	–
Equity component of a convertible loan	**–**	161
Issue of new shares	**–**	43
At end of the financial year	**109,092**	12,834
Interest in associated company (2018 EG: 9.6%; 2017 Jubilee: 29.10%)	**10,473**	3,735
Fair value adjustment [1]	**(2,231)**	9,573
Impairment loss (Note 7)	**–**	(4,983)
Other adjustment	**–**	(58)
Carrying value	**8,242**	8,267
Carrying value of individually immaterial associated companies, in aggregate	**–**	–
Carrying value of Group's interest in associated companies	**8,242**	8,267

[1] Fair value adjustment, inclusive of currency adjustments, pertains to the gain from bargain purchase derived at the acquisition date.

17. Other Assets

	Group 2018 S$'000	Group 2017 S$'000 (restated)	Company 2018 S$'000	Company 2017 S$'000 (restated)
Current				
Deposits	**682**	3	**2**	1
Prepayments	**290**	3	**–**	–
	972	6	**2**	1
Non-current				
Club membership	**20**	20	**20**	20

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18. Trade and Other Receivables

	Group		Company	
	2018	2017	**2018**	2017
	S$'000	S$'000	**S$'000**	S$'000
		(restated)		(restated)
Current				
Trade receivables:				
Outside parties	**29,800**	5,624	**–**	–
Less: Allowance for impairment	**(2,059)**	(1,603)	**–**	–
Subsidiary corporations	**–**	–	**1,389**	1,480
Related parties	**590**	–	**–**	–
	28,331	4,021	**1,389**	1,480
Other receivables:				
Subsidiary corporations	**–**	–	**14,312**	1,939
Less: Allowance for impairment	**–**	–	**(940)**	(283)
Related parties	**–**	7,620	**–**	10,292
Advance to suppliers	**727**	–	**–**	–
Other receivables – outside parties [(1)]	**6,042**	4,774	**65**	14
Less: Allowance for impairment	**(3,878)**	(3,818)	**–**	–
	2,891	8,576	**13,437**	11,962
	31,222	12,597	**14,826**	13,442
Non-current				
Other receivables – outside party [(2)]	**396**	–	**–**	–
Loan to an associated company	**–**	11,539	**–**	11,539
Loan to a subsidiary corporation	**–**	–	**896**	–
	396	11,539	**896**	11,539

(1) This mainly pertains to refundable deposits placed to suppliers for the ordering of commodities to meet future demands.

(2) This pertains to the remaining balance of the sales price relating to the sale of equipment to a third party which is unsecured, interest free and repayable in 128 monthly instalments. The Group calculated the present value of the other receivables and discounted using 5.3% market rate of interest which resulted in an accretion interest expense of S$124,000 (Note 10).

18. Trade and Other Receivables (continued)

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

As at 31 March 2018 and 2017, the loan to a subsidiary corporation and an associated company, Jubilee Industries Holdings Ltd., is unsecured with interest of 5% per annum and repayable in full on 6 October 2019.

The fair values of non-current other receivables are computed based on cash flows discounted at market borrowing rates. The fair values are within level 2 of the fair values hierarchy. The fair values and the market borrowing rates used are as follows:

	Fair values		Borrowing rates	
	2018 S$'000	2017 S$'000 (restated)	**2018 %**	2017 %
Group				
Other receivables – outside party	**396**	–	**–**	–
Loan to an associated company	**–**	11,001	**–**	5.28
Company				
Loan to a subsidiary corporation	**866**	–	**5.33**	–

The movement of the allowance for impairment is as follows:

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Trade receivables:				
Beginning of financial year	**1,603**	912	**–**	1,909
Foreign exchange adjustments	**(10)**	(24)	**–**	–
Acquisition of subsidiary corporation	**21**	–	**–**	–
Charged/(reversed) to profit or loss (Note 7)	**445**	729	**–**	(1,895)
Utilisation of allowance	**–**	(14)	**–**	(14)
End of financial year (Note 34(d))	**2,059**	1,603	**–**	–
Other receivables:				
Beginning of financial year	**3,818**	2,442	**283**	2,546
Foreign exchange adjustments	**(237)**	7	**–**	–
Acquisition of subsidiary corporation	**297**	–	**–**	–
Charged/(reversed) to profit or loss (Note 7)	**–**	1,369	**657**	(2,263)
End of financial year	**3,878**	3,818	**940**	283

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19. Inventories

	Group	
	2018 **S$'000**	2017 S$'000 (restated)
Raw materials	**530**	–
Finished goods	**649**	–
Trading goods	**13,798**	1
	14,977	1

The cost of inventories recognised as an expense and included in "cost of sales" amounted to S$147,093,000 (2017: S$708,000).

20. Convertible Loan

	Group and Company	
	2018 **S$'000**	2017 S$'000 (restated)
Financial asset		
Convertible loan at fair value through profit and loss (Note (a))	**–**	8,631
Financial liability		
Convertible loan carried at fair value (Note (b))	**2,382**	3,186

(a) On 7 October 2016, the Company entered into a subscription agreement with Jubilee to subscribe, for US$8,000,000, for 3 years' convertible loan, maturing on 6 October 2019 ("Maturity Date"). The convertible loan carries a coupon interest rate of 2% per annum and Jubilee shall pay the accumulated interest to the Company and the principal sum at Maturity Date.

Under the terms of the subscription agreement, the convertible bond may be converted into ordinary shares of Jubilee at conversion price of S$0.032 at the discretion of the Company at any time before the Maturity Date.

In accordance with FRS39, Financial Instrument: Recognition and Measurement, the Company has assessed and determined the equity conversion feature in the convertible loan to be an embedded derivative as the economic characteristic and risks are not closely related to the loan. Accordingly, the Company has engaged an independent professional valuer to determine the fair value of the derivative, taking into consideration certain parameters such as the credit rating, spot price, volatility and risk-free rate of the host contract. Based on this valuation report, the loan was segregated into derivative financial instrument and convertible loan of S$1,850,000 and S$8,970,000 respectively on the date of inception.

On 29 June 2017, the Company has exercised its conversion rights of the above loan and converted into ordinary shares of Jubilee (Note 32).

20. Convertible Loan (continued)

(b) On 22 November 2016, the Company entered into a subscription agreement with Singapore Rixin Zhonghe Investment Pte Ltd ("SRZI"), to issue, for S$4,000,000, for 3 years convertible loan, maturing on 21 November 2019 ("Maturity Date"). The convertible loan carries a coupon interest rate of 8% per annum and the Company shall pay the interest to the Company six months in arrears and the principal sum to be redeemed at Maturity Date.

Under the terms of the subscription agreement, the convertible loan may be converted into ordinary shares of the Company at conversion price of SGD$0.0054 or 100% of the net assets value per share of whichever is higher on the date of conversion at the discretion of the Company at any time before the Maturity Date.

In accordance with FRS39, Financial Instrument: Recognition and Measurement, the Company has assessed and determined the convertible loans are not to be bifurcated as the economic characteristics and risks of the embedded derivative are closely related to the economic characteristics and risk of the host contract. Accordingly, the Company has engaged an independent professional valuer to determine the fair value of the convertible loan as at balance sheet date, taking into consideration certain parameters such as the credit rating, spot price, volatility and risk-free rate of the host contract.

21. Derivative Financial Instrument

	Group and Company	
	2018	2017
	S$'000	S$'000
		(restated)
Current		
Derivative on a convertible loan (Note a)	**–**	4,631

(a) On 29 June 2017, the Company has exercised its conversion rights of the loan as described in Note 20 and converted into ordinary shares of Jubilee (Note 32).

22. Financial Assets, at Fair Value Through Profit or Loss

	Group	
	2018	2017
	S$'000	S$'000
		(restated)
Held for trading		
- Quoted equity securities – Singapore		
Beginning of financial year	**–**	–
Acquisition of subsidiary corporation (Note 32(c))	**33**	–
End of financial year	**33**	–

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23. Available-For-Sale Financial Assets

	Group 2018 S$'000	2017 S$'000 (restated)
Beginning of financial year	**–**	–
Additions	**2,302**	–
Fair value losses recognised in other comprehensive income	**(900)**	–
End of financial year	**1,402**	–
Less: Current portion	**(1,116)**	–
Non-current portion	**286**	–

Available-for-sale financial assets are analysed as follows:

	Group 2018 S$'000	2017 S$'000 (restated)
Listed securities – Malaysia		
- Equity securities (Note a)	**286**	–
- Redeemable convertible preference shares (Note b)	**1,116**	–
	1,402	–

(a) The Group acquired (i) 250,000 shares in the listed company in Malaysia, a company primarily involved in the manufacturing and marketing of steel coils and (ii) 500,000 shares in a listed company in Malaysia, which is primarily involved in the real estate developments.

(b) On September 2017, the Group participated in the corporate exercise of the associated company and subscribed the renounceable right issue of 6,234,154 redeemable convertible preference shares ("RCPS") on the basis of one (1) RCPS for every four (4) existing shares at an indicative issue price of RM0.95 per RCPS.

Each RCPS may be converted into one (1) new share at a conversion price of RM0.95, which is equivalent to the issue price. The conversion of RCPS will not require any cash payment by the RCPS holders. The conversion price shall be satisfied by surrendering one (1) RCPS for one (1) new share. The RCPS may be converted at any time beginning from the issue date until the maturity date (the day falling five (5) years from the issue date unless the tenure of the RCPS, if permitted by law, is extended by the associated company and the RCPS holders).

The associated company shall have to option to redeem the RCPS in cash at 100% of the issue price, at any time from and including the third anniversary of the issue date up to the date immediately preceding the maturity date. In the event the RCPS in not converted or redeemed by the maturity date, the RCPS shall be automatically converted into new shares.

24. Cash and Cash Equivalents

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Cash and bank balances	**8,188**	3,178	**466**	2,419
Fixed deposits pledged	**3,409**	1,197	**1,173**	1,197
	11,597	4,375	**1,639**	3,616

Fixed deposits are pledged with financial institutions to secure certain banking facilities which will be utilised for funding of the working capital of the Group. The rate of interest for the cash on interest earning accounts for the Group and Company is between 0.25% to 1.70% (2017: 1.45% to 1.70%) and 1.45% to 1.70% (2017: 1.45% to 1.70%), respectively.

24. Cash and Cash Equivalents (continued)

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2018 S$'000	2017 S$'000 (restated)
Amount as shown above	**11,597**	4,375
Fixed deposits pledged	**(3,409)**	(1,197)
Bank overdraft (Note 28)	**(442)**	–
Cash and cash equivalents per consolidated statement of cash flows	**7,746**	3,178

25. Share Capital

	Number of shares issued S$'000	**Share capital S$'000**
Group		
Ordinary shares of no par value:		
At 1 April 2016	5,242,633	70,754
- Issuance of shares pursuant to Accrelist Share Award Scheme in January 2017 at S$0.005 per share	1,324	7
At 31 March 2017	5,243,957	70,761
- Issuance of shares in October 2017 at S$0.005 per share	59,259	320
At 31 March 2018	5,303,216	71,081
Company		
Ordinary shares of no par value:		
At 1 April 2016	5,242,633	111,445
- Issuance of shares pursuant to Accrelist Share Award Scheme in January 2017 at S$0.005 per share	1,324	7
At 31 March 2017	5,243,957	111,452
- Issuance of shares in October 2017 at S$0.005 per share	59,259	320
At 31 March 2018	5,303,216	111,772

25. Share Capital (continued)

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

The newly issued shares rank pari passu in all respects with the previously issued shares.

Capital management:

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

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

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 (comprising of other financial liabilities and convertible loan) less cash and cash equivalents.

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Net debts:				
All current and non-current borrowings	**8,694**	4,594	**2,382**	3,186
Less: cash and cash equivalents	**(11,597)**	(4,375)	**(1,639)**	(3,616)
Net (cash)/debt	**(2,903)**	219	**743**	430
Net capital:				
Equity	**49,004**	41,399	**41,171**	46,927
Net capital	**49,004**	41,399	**41,171**	46,927
Debt-to-adjusted-capital ratio	**(5.9%)**	0.5%	**1.7%**	0.9%

The Group and the Company are in compliance with all external imposed capital requirements for the financial years ended 31 March 2018 and 2017.

In the current financial year, the Group has a net cash rather than net debt position as shown by the negative debt-to-adjusted-capital ratio. This resulted primarily from the increase in cash and cash equivalents from net cash flow on acquisition of subsidiary corporation as disclosed in Note 32(b).

26. Other Reserves

	Group		Company	
	2018	2017	**2018**	2017
	S$'000	S$'000	**S$'000**	S$'000
		(restated)		(restated)
Foreign currency translation reserve (Note (a))	**1,790**	3,428	**3,213**	4,799
Share of other comprehensive (loss)/income of associated companies (Note (b))	**(106)**	693	**–**	–
Fair value reserve (Note (c))	**(647)**	–	**–**	–
	1,037	4,121	**3,213**	4,799

(a) *Foreign Currency Translation Reserve*

	Group	
	2018	2017
	S$'000	S$'000
		(restated)
Beginning of financial year	**3,428**	2,930
Exchange differences on translating foreign operations	**(1,700)**	504
Non-controlling interest	**62**	(6)
End of financial year	**1,790**	3,428

(b) *Share of other comprehensive (loss)/income of associated companies*

	Group	
	2018	2017
	S$'000	S$'000
		(restated)
Beginning of financial year	**693**	444
Share of associated company's other reserves	**(156)**	249
Deemed disposal of associated company	**(693)**	–
Non-controlling interest	**50**	–
End of financial year	**(106)**	693

(c) *Fair value reserve*

	Group	
	2018	2017
	S$'000	S$'000
		(restated)
Beginning of financial year	**–**	–
Fair value loss on available-for-sale financial assets	**(900)**	–
Non-controlling interest	**253**	–
End of financial year	**(647)**	–

Other reserves are non-distributable.

27. Contingencies

(a) Corporate guarantees

(i) The Company has issued corporate guarantees to banks for borrowings of a subsidiary corporation with net assets position. These bank borrowings amount to S$1,336,000 (2017: S$1,408,000) at the balance sheet date. The management has evaluated the fair value of the corporate guarantees and is of the view that the consequential benefit derived from its guarantees to the bank with regards to the subsidiary corporation is minimal.

The Company is not required to fulfil any guarantee on the basis of default by the borrowers as at the balance sheet date. The details of the corporate guarantee are disclosed in Note 28(a).

(ii) The Group's subsidiary corporation has issued an insurance bond to one of its major supplier for greater credit limits and terms. The bond is provided with a total guaranteed amount of S$1,963,000.

Management estimated that the fair value of the corporate guarantees is negligible in the view that the consequential benefits to be derived from its guarantee are not material and therefore not recognised. It is considered unlikely that the Company will be held liable as a result of the corporate guarantees since there is no default in the payment of borrowings by the subsidiary corporations to which guarantees are provided.

(b) Financial support

The Company and one of its subsidiary corporations provide financial support to certain subsidiary corporations to enable these subsidiary corporations to operate as going concerns and to meet their liabilities as and when they fall due. No liabilities are recognised by the Company and its subsidiary corporation as it is considered unlikely that there will be significant outflows of resources made by the Company as a result of the financial support provided.

28. Other Financial Liabilities

	Group	
	2018	2017
	S$'000	S$'000 (restated)
Non-current:		
Bank loans I (Note (a))	**1,260**	1,336
Current:		
Bank overdraft (Note 24)	**442**	–
Bank loans II (Note (a))	**4,534**	–
Bank loans I (Note (a))	**76**	72
Finance lease liabilities (Note 29)	*****	–
	5,052	72
Total financial liabilities	**6,312**	1,408

* Amount less than S$1,000

Non-current portion is repayable as follows:		
Due within 1 to 2 years	**80**	75
Due within 2 to 5 years	**368**	255
After 5 years	**812**	1,006
Total non-current portion	**1,260**	1,336

28. Other Financial Liabilities (continued)

The range of floating interest rates paid was as follows:

	Group	
	2018	2017
	%	%
Bank loans	**1.5 to 5.5**	5.25 to 6

(a) *Bank Loans*

Bank loans I are secured by:

(i) Legal mortgages of leasehold industrial property of a subsidiary corporation (Note 13); and

(ii) Corporate guarantee provided by the Company.

Bank loans II include secured liabilities of S$1,522,000 which are secured by the Group's investment in associated company of S$3,397,000 (Note 16).

(b) *Fair value of non-current borrowings*

	Group	
	2018	2017
	S$'000	S$'000
		(restated)
Bank loans	**894**	924

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

	Group	
	2018	2017
	%	%
Bank loans	**5.33**	5.28

29. Finance Lease Liabilities

The Group leases certain motor vehicles from non-related parties under finance lease agreements. The lease agreements do not have renewal clauses but provide the Group with options to purchase the leased assets at nominal values at the end of the lease term.

	Group	
	2018	2017
	S$'000	S$'000
Minimum lease payment due:		
- Not later than one year	*	–
- Between two to five years	–	–
	*	–
Less: Finance charges	*	–
Present value of finance lease liabilities due not later than one year	*	–

*Amount less than S$1,000

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30. Trade and Other Payables

	Group		Company	
	2018	2017	**2018**	2017
	S$'000	S$'000	**S$'000**	S$'000
		(restated)		(restated)
Trade payables:				
Outside parties	**22,239**	4,103	**–**	–
Other payables:				
Outside parties	**1,975**	30	**173**	20
Accrued operating expenses	**1,550**	568	**506**	484
Advances from customers	**703**	–	**–**	–
Deposit received from investor	**1,000**	–	**–**	–
Loan from a director	**2,000**	–	**2,000**	–
Related party	**1,140**	–	**–**	–
	8,368	598	**2,679**	504
	30,607	4,701	**2,679**	504

Loan from a director is unsecured, interest-free and repayable upon demand. The amount due to a related party is unsecured, bears interest of 4% per annum and repayable on demand.

31. Share Based Payments

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

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

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

31. Share Based Payments (continued)

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

Name of Awardee	No. of shares awarded	Vesting periods
Executive Officers and Employees		
Employees	5,700,000	22 March 2013 to 30 April 2014
Employees	6,325,000	22 March 2013 to 30 April 2015

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

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

Name of Awardee	No. of shares awarded	Vesting periods
Executive Officers and Employees		
Employees	16,203,442	22 March 2013 to 30 April 2014
Employees	13,192,182	22 March 2013 to 30 April 2015

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

On 1 October 2013, the Company awarded 18,665,765 shares for S$0.0506. Out of this, 18,354,217 shares were issued on 8 November 2013 and 311,548 shares were cancelled due to cessation of employment.

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

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

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

On 18 September 2015, the Company awarded 6,611,353 shares for S$0.004 and these shares were issued on 21 September 2015.

On 20 January 2017, the Company awarded 1,324,074 shares for S$0.005 per share and these shares were issued on 25 January 2017.

32. Business Combinations

On 29 June 2017, the Company exercised its conversion rights of the US$8 million convertible loan issued by Jubilee Industries Holdings Ltd. ("Jubilee") on 7 October 2016. This has resulted in the Company's shareholding interest to increase from 29.1% to 64.7%, which resulted in the Company obtaining control over Jubilee and its subsidiary corporations ("Jubilee Group") and accordingly accounted for it as a subsidiary corporation.

The acquisition is beneficial to the Group as this is earning accretive and would enable the Group to undertake new lines of business as well as expand its geographical presence.

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For the financial year ended 31 March 2018

32. Business Combinations (continued)

Details of the consideration transferred, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

(a) Purchase consideration

	S$'000
Cash paid	–
Fair value of previously held interest	3,901
Fair value of convertible loan	13,520
Consideration transferred for the business	17,421

The remeasurement to fair value of the Group's existing 29.1% interest of Jubilee Group resulted in a loss of S$3,581,000. This amount has been recognised in "other gains/(losses) – net" (Note 7).

(b) Effect on cash flow of the group

	S$'000
Cash paid (as above)	–
Cash and cash equivalents in subsidiary corporation acquired	4,094
Cash inflow on acquisition	4,094

(c) Identifiable assets acquired and liabilities assumed

	S$'000
Cash and cash equivalents	4,094
Property, plant and equipment (Note 13)	7,804
Intangible assets (Note 14)	15,586
Investments in associated companies (Note 16)	6,518
Financial assets, at fair value through profit or loss (Note 22)	33
Inventories	12,857
Other assets	756
Trade and other receivables, net	33,363
Total assets	81,011
Trade and other payables	(41,947)
Other financial liabilities	(4,612)
Income tax payable	(32)
Deferred income tax liabilities	(1,968)
Total liabilities	(48,559)
Total identifiable net assets	32,452
Less: Non-controlling interests at fair value	(9,481)
Less: Gain from bargain purchase (Note 7)	(5,550)
Consideration transferred for the business	17,421

(d) Acquisition-related costs

Acquisition-related costs of S$9,500 are included in "administrative expenses" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

32. Business Combinations (continued)

(e) Non-controlling interests

The Group has chosen to recognise the non-controlling interests at its fair value of $9,481,000. The fair value was estimated based on number of shares owned by the non-controlling interests multiplied by the share price at acquisition date. This is a Level 1 fair value measurement.

(f) Revenue and profit contribution

The acquired business contributed revenue of S$112,491,000 and net profit of S$1,261,000 to the Group from 1 July 2017 to 31 March 2018. Had Jubilee Industries Holdings Ltd. and its subsidiary corporations been consolidated from 1 April 2017, consolidated revenue and consolidated net loss for the financial year ended 31 March 2018 would have been S$159,954,000 and S$143,000 respectively.

33. Prior Year Adjustments

The financial statements has been restated as the Group has inadvertently not transferred the revaluation reserve directly to accumulated losses and the related deferred tax liabilities amounting to S$3,857,000 and S$771,000 respectively when the leasehold properties was derecognised upon disposal of a subsidiary corporation – WE Components Pte Ltd in the financial year ended 31 March 2015. Hence, revaluation reserve and the related deferred tax liabilities were adjusted to accumulated losses on 1 April 2016.

34. Financial Instruments: Information on Financial Risks

(a) *Classification of Financial Assets and Liabilities*

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

	Group		Company	
	2018	2017	**2018**	2017
	S$'000	S$'000 (restated)	**S$'000**	S$'000 (restated)
Financial assets				
Loans and receivables	**43,170**	28,514	**17,363**	28,598
Available-for-sale financial assets	**1,402**	–	**–**	–
Financial asset at fair value through profit and loss	**33**	8,631	**–**	8,631
Derivative financial instrument	**–**	4,631	**–**	4,631
	44,605	41,776	**17,363**	41,860
Financial liabilities				
Financial liabilities at amortised cost	**36,216**	6,109	**2,679**	504
Financial liability carried at fair value	**2,382**	3,186	**2,382**	3,186
	38,598	9,295	**5,061**	3,690

Further quantitative disclosures are included throughout these financial statements.

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

(b) *Financial Risk Management*

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Group'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 and currency risk exposures. Management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. However, these are not formally documented in written form. The guidelines include the following:

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

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

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

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

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

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

(c) *Fair Value of Financial Instruments*

The carrying amounts less impairment provision of trade and other receivables and payables are assumed to approximate their fair values. The fair value of current borrowings approximates their carrying amount.

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

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

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

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

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

(c) *Fair Value of Financial Instruments* (continued)

	Level 1 S$'000	Level 2 S$'000
Group		
2018		
Assets		
Financial asset at fair value through profit and loss	33	–
Available-for-sale financial assets	1,402	–
Liability		
Financial liability carried at fair value	–	2,382
Company		
2018		
Liability		
Financial liability carried at fair value	–	2,382
Group and Company		
2017 (restated)		
Assets		
Financial asset at fair value through profit and loss	–	8,631
Derivative financial instrument	–	4,631
Liability		
Financial liability carried at fair value	–	3,186

There were not transfers between level 1 and 2 during the year.

The fair value of financial instruments traded in active markets (such as trading) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value for financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. These investments are classified as Level 2 comprise debt investments and derivative financial instrument.

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

Note 24 discloses the maturity of the cash and cash equivalents balances.

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

(d) Credit Risk on Financial Assets (continued)

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet except as follows:

	Group 2018 S$'000	Group 2017 S$'000 (restated)
Corporate guarantees provided to banks on subsidiary corporation's loans (Note 27)	**1,336**	1,408

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

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Trade receivables:				
0 – 60 days	**6,245**	–	**–**	–
61 to 90 days	**808**	102	**–**	–
Over 90 days	**6,922**	3,919	**1,389**	1,480
Total	**13,975**	4,021	**1,389**	1,480

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

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Trade receivables:				
Over 90 days	**2,059**	1,603	**–**	–

The allowance which is disclosed in the note on trade receivables is based on individual accounts totalling S$2,059,000 (2017: S$1,603,000) that are determined to be impaired at the end of the financial year. These are not secured. Other receivables are normally with no fixed terms and therefore there is no maturity.

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

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Top 1 customer	**3,163**	2,447	**1,389**	1,480
Top 2 customers	**6,154**	3,781	**1,389**	1,480
Top 3 customers	**8,430**	4,021	**1,389**	1,480

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

(e) Liquidity Risk

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

Group	Less than 1 year S$'000	1 - 2 years S$'000	2 - 5 years S$'000	Over 5 years S$'000	Total S$'000
31 March 2018					
Trade and other payables	**29,904**	**–**	**–**	**–**	**29,904**
Convertible loan	**320**	**4,206**	**–**	**–**	**4,526**
Other financial liabilities	**5,052**	**147**	**442**	**1,118**	**6,759**
	35,276	**4,353**	**442**	**1,118**	**41,189**
31 March 2017 (restated)					
Trade and other payables	4,701	–	–	–	4,701
Convertible loan	320	320	4,206	–	4,846
Other financial liabilities	147	147	442	1,265	2,001
	5,168	467	4,648	1,265	11,548

Company	Less than 1 year S$'000	1 - 2 years S$'000	2 - 5 years S$'000	Over 5 years S$'000	Total S$'000
31 March 2018					
Trade and other payables	**2,679**	**–**	**–**	**–**	**2,679**
Financial guarantee contract	**1,336**	**–**	**–**	**–**	**1,336**
Convertible loan	**320**	**4,206**	**–**	**–**	**4,526**
	4,335	**4,206**	**–**	**–**	**8,541**
31 March 2017 (restated)					
Trade and other payables	504	–	–	–	504
Financial guarantee contract	1,408	–	–	–	1,408
Convertible loan	320	320	4,206	–	4,846
	2,232	320	4,206	–	6,758

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is approximately 60 days (2017: 60 days). The other payables are with short-term durations. The classification of the financial assets is shown in the balance sheet as they may be available to meet liquidity needs and no further analysis is deemed necessary.

The Group does not have any undrawn borrowing facilities as at year ended 31 March 2017. The Group has undrawn borrowing facilities amounting to S$1,631,000 as at year ended 31 March 2018.

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

(f) Interest Rate Risk

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

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
Financial liabilities:				
Floating rate	**6,312**	1,408	**–**	–
Fixed rate	**2,382**	3,186	**2,382**	3,186
Non-interest bearing	**29,904**	4,701	**2,679**	504
	38,598	9,295	**5,061**	3,690
Financial assets:				
Non-interest bearing	**41,196**	20,786	**15,794**	20,870
Fixed rate	**3,409**	20,990	**1,569**	20,990
	44,605	41,776	**17,363**	41,860

The interest rates are disclosed in the respective notes.

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

(g) Foreign Currency Risks

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

	USD S$'000	**SGD S$'000**	**MYR S$'000**	**Others S$'000**	**Total S$'000**
<u>As at 31 March 2018</u>					
Financial assets					
Cash and cash equivalents	**6,538**	**2,486**	**1,161**	**1,412**	**11,597**
Trade and other receivables	**27,407**	**1,522**	**1,558**	**404**	**30,891**
Financial asset at fair value through profit and loss	**–**	**33**	**–**	**–**	**33**
Available-for-sale financial assets	**–**	**–**	**1,402**	**–**	**1,402**
Other assets	**–**	**426**	**195**	**61**	**682**
Inter-company balances	**16,198**	**34,229**	**132**	**10,207**	**60,766**
	50,143	**38,696**	**4,448**	**12,084**	**105,371**
Financial liabilities					
Other financial liabilities	**(3,012)**	**(1,778)**	**(1,522)**	**–**	**(6,312)**
Financial liability carried at fair value	**–**	**(2,382)**	**–**	**–**	**(2,382)**
Trade and other payables	**(26,496)**	**(717)**	**(1,736)**	**(955)**	**(29,904)**
Inter-company balances	**(16,198)**	**(34,229)**	**(132)**	**(10,207)**	**(60,766)**
	(45,706)	**(39,106)**	**(3,390)**	**(11,162)**	**(99,364)**
Net financial assets/(liabilities)	**4,437**	**(410)**	**1,058**	**922**	**6,007**
Less: Net financial assets/(liabilities) denominated in the respective entities' functional currencies	**107**	**801**	**(1,178)**	**(922)**	**(1,192)**
Currency exposure	**4,544**	**391**	**(120)**	**–**	**4,815**

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

(g) Foreign Currency Risks (continued)

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

	USD S$'000	SGD S$'000	Others S$'000	Total S$'000
As at 31 March 2017 (restated)				
Financial assets				
Cash and cash equivalents	3,245	1,039	91	4,375
Trade and other receivables	22,673	787	676	24,136
Financial asset at fair value through profit and loss	8,631	–	–	8,631
Derivative financial instrument	4,631	–	–	4,631
Other assets	–	3	–	3
Receivables from subsidiary corporations	3,567	–	–	3,567
	42,747	1,829	767	45,343
Financial liabilities				
Other financial liabilities	–	(1,408)	–	(1,408)
Financial liability carried at fair value	–	(3,186)	–	(3,186)
Trade and other payables	(4,103)	(593)	(5)	(4,701)
Payables from subsidiary corporations	(3,567)	–	–	(3,567)
	(7,670)	(5,187)	(5)	(12,862)
Net financial assets/(liabilities)	35,077	(3,358)	762	32,481
Less: Net financial (assets)/ liabilities denominated in the respective entities' functional currencies	(42,971)	84	(761)	(43,648)
Currency exposure	(7,894)	(3,274)	1	(11,167)

	USD S$'000	SGD S$'000	Total S$'000
As at 31 March 2018			
Financial assets			
Cash and cash equivalents	**796**	**843**	**1,639**
Trade and other receivables	**6,845**	**8,877**	**15,722**
Other assets	**–**	**2**	**2**
	7,641	**9,722**	**17,363**
Financial liabilities			
Financial liability carried at fair value	**–**	**(2,382)**	**(2,382)**
Trade and other payables	**–**	**(2,679)**	**(2,679)**
	–	**(5,061)**	**(5,061)**
Net financial assets	**7,641**	**4,661**	**12,302**
Less: Net financial assets denominated in the functional currency of the Company	**–**	**(4,661)**	**(4,661)**
Currency exposure	**7,641**	**–**	**7,641**

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

(g) *Foreign Currency Risks (continued)*

The Company's currency exposure based on the information provided to key management is as follows (continued):

	USD S$'000	SGD S$'000	Total S$'000
As at 31 March 2017 (restated)			
Financial assets			
Cash and cash equivalents	2,630	986	3,616
Trade and other receivables	24,308	672	24,980
Financial asset at fair value through profit and loss	8,631	–	8,631
Derivative financial instrument	4,631	–	4,631
Other assets	–	1	1
	40,200	1,659	41,859
Financial liabilities			
Financial liability carried at fair value	–	(3,186)	(3,186)
Trade and other payables	–	(504)	(504)
	–	(3,690)	(3,690)
Net financial assets	40,200	(2,031)	38,169
Less: Net financial assets denominated in the functional currency of the Company	(40,200)	–	(40,200)
Currency exposure	–	(2,031)	(2,031)

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

Sensitivity analysis:

	Group		Company	
	2018 S$'000	2017 S$'000 (restated)	**2018 S$'000**	2017 S$'000 (restated)
A hypothetical 3% (2017: 3%) strengthening in the exchange rate of the functional currency against the United States dollar would have a favourable/ (unfavourable) effect on pre-tax profit of	**136**	(237)	**224**	–
A hypothetical 3% (2017: 11%) strengthening in the exchange rate of the functional currency against all other currencies would have a favourable/ (unfavourable) effect on pre-tax profit of	**8**	*	**–**	–

* Amount less than S$1,000

The above table shows sensitivity to a hypothetical 3% and 3% (2017: 3% and 11%) variation in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction on the profit or loss and reserves.

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

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

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

(h) Price Risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which is classified on the consolidated balance sheet as at fair value through profit or loss and available-for-sale financial assets. These securities are listed in Singapore and Malaysia. To manage its price risk arising from investment in equity securities, the Group diversifies with the limits set by the BOD.

If price for equity securities listed in Malaysia had changed by 10% with all other variables including tax rate being held constant, the effects on other comprehensive income would have been:

	Group	
	2018	2017
	S$'000	S$'000
Listed in Malaysia		
- increased by	**107**	–
- decreased by	**(107)**	–

35. Commitments

The Group leases office equipment from non-related parties under non-cancellable operating lease arrangements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2018	2017
	S$'000	S$'000
		(restated)
Not later than one year	**279**	–
Rental expense for the year	**116**	25

36. Events occurring after balance sheet date

On 23 January 2018, the Company has entered into 2 Sale and Purchase Agreements ("Agreements") on the proposed acquisition of Refresh Laser Clinic Lot1 Pte. Ltd., Refresh Laser Clinic Tampines Pte. Ltd., Refresh Laser Clinic Tpy Pte. Ltd., and Refresh Laser Clinic Bedok Pte. Ltd. for a purchase consideration of S$4 million. On 8 June 2018, the Company has entered into an addendum to the Agreements to extend the Long Stop Date for a period of 3 months to 23 August 2018.

On 13 April 2018, the Company acquired additional 50,000 shares in its wholly owned subsidiary corporation, WE Crowdfunding Pte. Ltd. for consideration of S$50,000.

On 13 April 2018, the Company has entered into a non-binding memorandum of understanding with Liaoning Meal Plus Technology Ltd. ("Liaoning Meal Plus") for a proposed acquisition through the subscription of its enlarged registered capital at a proportion to be mutually agreed between Liaoning Meal Plus and the Company. The shares shall be subscribed by the Company by way of cash consideration of RMB4,000,000 and the allotment and issuance of such number of new ordinary shares of the Company amounting to RMB46,000,000, of which the share price shall be determined at the weighted average price of the Company's shares transacted on the market day preceding the date of the definitive detailed legal agreement.

36. Events occurring after balance sheet date (continued)

From 18 April 2018 to 1 June 2018, the Company acquired an aggregate of 2,005,000 ordinary shares of the associated company, EG, for a cash consideration of S$341,238. Accordingly, the Company's ownership interest has increased from 9.6% to 10.2%.

On 16 May 2018, Jubilee issued 30,030,030 ordinary shares to Mr. Pek Hak Bin at a subscription price of S$0.0333 per share, for total consideration of S$1,000,000 as additional working capital of the Jubilee Group. The newly issued shares rank pari passu in all respects with the previously issued shares.

On 30 May 2018, the Company has entered into a conditional Sale and Purchase Agreement pursuant to which the Company will purchase 5% of the current issued and paid up share capital of Amazingtech Pte. Ltd. ("Target Company") for a consideration of S$378,967. The Company has also entered into a Subscription Agreement with the Target Company for a subscription of 5% of the enlarged issued and paid up share capital of the Target Company for a consideration of S$621,033. The aggregate sum for the proposed acquisition is a sum of S$1,000,000 of which S$200,000 will be satisfied by cash and the remaining S$800,000 by way of issuance of 80,000,000 new ordinary shares in the share capital of the Company at an issue price of S$0.01 per share.

37. New or Revised Accounting Standards and Interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2018 or later periods and which the Group has not early adopted:

Effective for annual period beginning on or after 1 April 2018

(a) FRS 109: Financial instruments

FRS 109 replaces the multiple classification and measurements model in FRS 39 Financial Instruments: Recognition and Measurement with a single model that has initially only two classification categories: amortised cost and fair value. The Group's financial assets comprise of loans and receivables, convertible loans and derivative financial instruments. Therefore, the Group does not expect the new requirements to have a significant impact on the classification of its financial assets.

For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk to other comprehensive income, for liabilities designated at fair value through profit or loss. There will be no impact on the Group's accounting policies for financial liabilities as the Group does not have any of such liabilities.

Besides, a new expected credit loss (ECL) model which involves a three-stage approach whereby financial assets move through the three stages as their credit quality changes. The stage dictates how an entity measures impairment losses and applies the effective interest rate method. A simplified approach is permitted for financial assets that do not have a significant financing component (ie. trade receivables). It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Group's financial statements in the period of initial application as management has yet to complete its detailed assessment.

37. New or revised accounting standards and interpretations (continued)

Effective for annual period beginning on or after 1 April 2018 (continued)

(b) FRS 115: Revenue from Contracts with Customers

This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Management is currently assessing the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to be affected:

(i) Rights of return – FRS 115 requires separate presentation on the statements of financial position of the right to recover the goods from the customer and the refund obligation; and

(ii) Accounting for certain costs incurred in fulfilling a contract – certain costs which are currently expensed may need to be recognised as an asset under FRS 115.

At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. The Group will make more detailed assessment of the impact over the next twelve months.

- Amendments to FRS 40: Transfers of Investment Property
- Amendments to FRS 102: Classification and Measurement of Share-based Payment Transactions
- Amendments to FRS 115: Classifications to FRS 115 Revenue from Contracts with Customers
- Improvements to FRSs (December 2016)
  - Amendments to FRS 28: Investments in Associates and Joint Ventures
  - Amendments to FRS 101: First-Time Adoption of Financial Reporting Standards
- INT FRS 122: Foreign Currency Transactions and Advance Consideration

37. New or revised accounting standards and interpretations (continued)

Effective for annual period beginning on or after 1 April 2019

(a) FRS 116: Leases

FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Group's operating leases. As at the balance sheet date, the Group has non-cancellable operating lease commitments of S$279,000 (Note 35). However, the Group has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

Effective for annual periods beginning on or after 1 January 2021

- FRS 117: Insurance Contracts

*Effective date to be determined by the ASC**

Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

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

38. Adoption of SFRS(I)

The Singapore Accounting Standards Council has introduced a new Singapore financial reporting framework that is identical to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The new framework is referred to as 'Singapore IFRS-identical Financial Reporting Standards' ("SFRS(I)") hereinafter.

As required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) on 1 April 2018 and will be issuing its first set of financial information prepared under SFRS(I) for the half-year ending 30 September 2018 in November 2018.

In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) equivalent of IFRS 1 First-time Adoption of IFRS. The Group will also concurrently apply new major SFRS(I) equivalents of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers. The estimated impact arising from the adoption of SFRS(I) on the Group's financial statements are set out as follows:

(a) Application of SFRS(I) equivalent of IFRS 1

The Group is required to retrospectively apply all SFRS(I) effective at the end of the first SFRS(I) reporting period (financial year ending 31 March 2019), subject to the mandatory exceptions and optional exemptions under IFRS 1. The Group plan to elect an optional exemption to set the cumulative translation differences for all foreign operations to be zero as at the of transition to SFRS(I) on 1 April 2018. As a result, other reserves and accumulated losses as at 1 April 2017 and 31 March 2018 will reduce/increase by S$3,428,000.

38. Adoption of SFRS(I) (continued)

(b) Adoption of SFRS(I) equivalent of IFRS 9

The Group plans to elect to apply the short-term exemption under IFRS 1 to adopt SFRS(I) equivalent of IFRS 9 on 1 April 2018. Accordingly, requirements of SFRS 39 Financial Instruments: Recognition and Measurement will continue to apply to financial instruments up to the financial year ended 31 March 2019.

(i) *Classification and measurement*

The Group has assessed the business models that are applicable on 1 April 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) equivalent of IFRS 9. As a result of the assessment, management does not expect significant adjustments to the Group's statement of financial position line items.

(ii) Impairment of financial assets

The following financial assets will be subject to the expected credit loss impairment model under SFRS(I) equivalent of IFRS 9:

- trade receivables and contract assets recognised under SFRS(I) equivalent of IFRS 15; and
- loans to related parties and other receivables at amortised cost.

Management does not expect significant adjustments to the Group's statement of financial position line items from the application of the expected credit loss impairment model.

(c) Adoption of SFRS(I) equivalent of IFRS 15

The Group had assessed the revenue recognition in accordance to the requirement of SFRS(I) equivalent of IFRS 15 and management does not expect any significant adjustments to the Group's financial statements.

Statistics of Shareholdings

As at 18 June 2018

Class of shares	:	Ordinary Shares
Voting rights	:	One vote per ordinary share
Number of issued shares	:	5,303,216,662
Treasury Shares	:	Nil

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 18 JUNE 2018

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	13	0.36	420	0.00
100 – 1,000	245	6.78	144,905	0.00
1,001 – 10,000	274	7.59	1,624,020	0.03
10,001 – 1,000,000	2,635	72.97	734,300,616	13.85
1,000,001 and above	444	12.30	4,567,146,701	86.12
TOTAL	**3,611**	**100.00**	**5,303,216,662**	**100.00**

TWENTY LARGEST SHAREHOLDERS AS AT 18 JUNE 2018

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	TERENCE TEA YEOK KIAN	1,263,789,029	23.83
2	OCBC SECURITIES PRIVATE LTD	959,944,704	18.10
3	DBS NOMINEES PTE LTD	287,553,505	5.42
4	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	100,000,000	1.89
5	FAN YI	100,000,000	1.89
6	UOB KAY HIAN PTE LTD	96,709,000	1.82
7	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	84,144,950	1.59
8	PHILLIP SECURITIES PTE LTD	79,487,279	1.50
9	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	67,710,000	1.28
10	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	66,856,865	1.26
11	MAYBANK KIM ENG SECURITIES PTE LTD	60,513,717	1.14
12	TAN SIAK LIAN	55,255,080	1.04
13	RAFFLES NOMINEES (PTE) LTD	47,717,090	0.90
14	NG SAN SAN	27,300,000	0.51
15	OCBC NOMINEES SINGAPORE PTE LTD	24,894,100	0.47
16	TIEW YEW SENG	24,000,000	0.45
17	VASHDEV DADLANI	20,000,000	0.38
18	NG AH ONG	18,111,100	0.34
19	CHUA SIEW LIAN	18,000,000	0.34
20	TANG KIN WAI	15,000,000	0.28
	Total:	**3,416,986,419**	**64.43**

Statistics of Shareholdings

As at 18 June 2018

Substantial Shareholders as at 18 June 2018

	No. of Ordinary Shares			
Name Of Shareholders	Direct Interest	%	Deemed Interest	%
Terence Tea Yeok Kian	1,264,756,029[(1)]	23.85	30,062,000[(2)]	0.57
EG Industries Berhad	290,790,400[(3)]	5.48	–	–

Notes:

(1) Inclusive of 967,000 Shares which are held through CPF investment account.

(2) Mr Terence Tea Yeok Kian is deemed interested in the 30,062,000 issued shares of the Company held by his wife, Ms Sim Aileen.

(3) EG Industries Berhad's direct interest of 290,790,400 Shares are held in the name of OCBC Securities Private Ltd.

Free Float

Based on the information available to the Company as at 18 June 2018, approximately 70.10% of the issued ordinary shares of the Company was held in the hands of the public. This is compliance with the Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST which requires at least 10% of the listed issuer's equity securities to be held by the public.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held at 10 Ubi Crescent, #02-07 Ubi Techpark, Lobby A, Singapore 408564 on Thursday, 26 July 2018 at 2:00 p.m. for the purpose of transacting the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 March 2018 together with the Auditors' Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fees of S$180,000 for the financial year ending 31 March 2019, to be paid semi-annually in arrears (FY2018: S$180,000). **(Resolution 2)**

3. To re-elect Mr Ng Li Yong who is retiring pursuant to Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election.

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

4. To re-elect Mr Liu Song who is retiring pursuant to Article 97 of the Company's Constitution and who, being eligible, offers himself for re-election.

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

5. To re-elect Mr Lim Yeow Hua @ Lim You Qin who is retiring pursuant to Article 97 of the Company's Constitution and who, being eligible, offers himself for re-election.

   (See Explanatory Note 3) **(Resolution 5)**

6. To re-appoint Messrs Nexia TS Public Accounting Corporation as Auditors of the Company and to authorise the Directors to fix their remuneration.

   (Resolution 6)

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

AS SPECIAL BUSINESS

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

8. **Ordinary Resolution: General authority to allot and issue shares**

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

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

   (b) make or grant offers, agreements or options (collectively "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other Instruments convertible into Shares; and/or at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:-

(i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 100% of the Company's total number of issued Shares excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the Company's total number of issued Shares excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (ii) below);

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

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

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

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

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

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

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

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

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

(See Explanatory Note 5) **(Resolution 8)**

10. **Ordinary Resolution: Proposed Renewal of the Share Buyback Mandate**

"THAT:-

(a) for the purposes of the Section B: Rules of Catalist of the listing manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Catalist Rules**"), 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 share 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 of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:-

Notice of Annual General Meeting

(i) on-market purchases (the "**Market Purchase**"), transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or

(ii) off-market purchases (the "**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, Chapter 50 of Singapore ("**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 Buyback 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 Buyback 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 AGM is held or required by law to be held;

(ii) the date on which the share buybacks are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked.

(c) in this Resolution:-

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days ("**Market Day**" being a day on which the SGX-ST is open for trading in securities) on which the Shares were transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, 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 corporate action that occurs after the relevant five (5)-day period;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"**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 treasury shares and subsidiary holdings);

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding related expenses of the purchase) which shall not exceed:-

(i) in the case of a Market Purchase, 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price; and

(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 6) **(Resolution 9)**

BY ORDER OF THE BOARD

Lee Wei Hsiung
Loh Eng Lock Kelvin
Company Secretaries

Singapore,
11 July 2018

Explanatory Notes:

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

2. Ordinary Resolution 4 is for the re-election of Mr Liu Song as a Director of the Company who has joined the Board of the Company on 8 September 2017. Mr Liu will, upon re-election as a Director of the Company, remain as a member of the Audit and Remuneration Committee.

3. Ordinary Resolution 5 is for the re-election of Mr Lim Yeow Hua @ Lim You Qin as a Director of the Company who joined the Board of the Company on 11 October 2017. Mr Lim will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Remuneration and Nominating Committee. He will be considered independent for the purposes of Rule 704(7) of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited.

4. Ordinary Resolution 7, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or the date such authority is revoked by the Company in a general meeting, whichever is the earliest, to allot and issue Shares and convertible securities in the Company. The aggregate number of shares (including any Shares issued pursuant to the convertible securities) which the Directors may allot and issue under this Resolution will not exceed 100% of the Company's total number of issued Shares excluding treasury shares and subsidiary holdings, of which up to 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings, in the capital of the Company may be issued other than on a pro-rata basis to existing shareholders.

5. Ordinary Resolution 8, if passed, will empower the Directors of the Company, to grant Awards pursuant to the provisions of the Scheme and allot and issue Shares pursuant to the vesting of the Awards under the Scheme. The Scheme was approved by the shareholders of the Company in the extraordinary general meeting on 25 May 2010. Please refer to the Circular dated 10 May 2010 for further details.

6. Ordinary Resolution 9, if passed, will empower the Directors of the Company, to purchase or otherwise acquire its issued Shares, on the terms of the Share Buyback Mandate. This authority will continue to be in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier, unless the authority is previously revoked or varied at a general meeting. Please refer to the Circular dated 11 July 2018 for further details.

Notice of Annual General Meeting

Notes:

1. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where such member appoint two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies.

   (b) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. A proxy need not be a member of the Company.

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

2. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

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

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

Personal Data Privacy:

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

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

This Notice has not been examined or approved by the SGX-ST and the SGX-ST assumes 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 Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd. at 9 Raffles Place #29-01, Republic Plaza Tower 1 Singapore 048619 telephone (65) 6381 6757.

ACCRELIST LTD.

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

ANNUAL GENERAL MEETING PROXY FORM

Important:

1. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 2(a) for the definition of "relevant intermediary').
2. For investors who have used their CPF monies to buy the Company's shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
3. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF and SRS investors are requested to contact their respective Agent Bans for any queries they may have with regard to their appointment as proxies.

*I/We ______________________ (Name) ______________________ (*NRIC/Passport No.)

of ____ (Address)

being a *member/members of ACCRELIST LTD. (the "Company"), hereby appoint:

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

*and/or

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

or failing which, the Chairman of the Annual General Meeting of the Company (the "AGM"), as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the AGM to be held at 10 Ubi Crescent, #02-07 Ubi Techpark, Lobby A, Singapore 408564 on 26 July 2018 at 2.00 p.m. and at any adjournment thereof.

All resolutions put to the vote at the AGM shall be decided by way of poll.

*I/we direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the AGM.

No.	Resolution	For**	Against**
1	Adoption of the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2018 together with the Auditors' Report thereon.		
2	Approval of Directors' fees of S$180,000 for the financial year ending 31 March 2019, to be paid semi-annually in arrears (FY2018: S$180,000).		
3	Re-elect Mr Ng Li Yong as a Director of the Company.		
4	Re-elect Mr Liu Song as a Director of the Company.		
5	Re-elect Mr Lim Yeow Hua @ Lim You Qin as a Director of Company.		
6	Re-appointment of Messrs Nexia TS Public Accounting Corporation as Auditors and to authorise the Directors to fix their remuneration.		
7	Authority to allot and issue new shares.		
8	Authority to grant awards and issue shares under the Accrelist Share Award Scheme.		
9	To renew Share Buyback Mandate.		

Notes:

* Please delete accordingly

** If you wish to exercise all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this __________ day of ______________ 2018

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

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

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

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

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

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

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

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

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

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

1st fold here

AFFIX
STAMP

The Share Registrar
Accrelist Ltd.
80 Robinson Road
#11-02
Singapore 068898

2nd fold here

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

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

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

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

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

PERSONAL DATA PRIVACY
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 July 2018.

Corporate Information

BOARD OF DIRECTORS

Terence Tea Yeok Kian
Executive Chairman and Managing Director

Ng Li Yong
Lead Independent Director

Lim Yeow Hua @ Lim You Qin
Independent and
Non-Executive Director

Liu Song
Non-Independent and
Non-Executive Director

AUDIT COMMITTEE

Chairman – Mr Lim Yeow Hua @ Lim You Qin
Member – Mr Ng Li Yong
Member – Mr Liu Song

REMUNERATION COMMITTEE

Chairman – Mr Ng Li Yong
Member – Mr Lim Yeow Hua @ Lim You Qin
Member – Mr Liu Song

NOMINATING COMMITTEE

Chairman – Mr Ng Li Yong
Member – Mr Terence Tea Yeok Kian
Member – Mr Lim Yeow Hua @ Lim You Qin

COMPANY SECRETARY

Mr Lee Wei Hsiung
Mr Loh Eng Lock Kelvin

REGISTERED OFFICE

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

CATALIST SPONSOR

RHT Capital Pte Ltd
9 Raffles Place #29-01
Republic Plaza Tower 1
Singapore 048619

AUDITORS

Nexia TS Public Accounting Corporation
100 Beach Road, #30-00 Shaw Tower
Singapore 189702
Director-in-Charge: Loh Ji Kin
Appointed since financial year ended 31 March 2014

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte Ltd)
80 Robinson Road, #11-02
Singapore 068898

PRINCIPAL BANKER

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

Standard Chartered Bank (Singapore) Limited
6 Battery Road
Singapore 049909

ACCRELIST LTD.
亚联盛控股公司
UNEARTHING TOMORROW'S GEM
发掘光辉　开创未来

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