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Group STRUCTURE

OSSIA International Limited

- W.O.G. World of Golf Pte. Ltd. — 100%
- Great Alps Industry Co., Ltd — 100%
- Ossia World of Golf (m) Sdn. Bhd. — 100%
- Ossia (HK) Company Limited — 85%
- Harvey Norman Ossia (Asia) Pte. Ltd. — 40%
  - Pertama Holdings Pte. Ltd. — 49.4%

- Alstyle Marketing Sdn. Bhd. — 100%
- Alstyle International (m) Sdn. Bhd. — 100%
- Alstyle Fashion Sdn. Bhd. — 100%
- Alstyle International Resources Sdn. Bhd. — 61%
- O.F. Marketing Sdn. Bhd. — 100%
- O.F. Active Sdn. Bhd. — 100%
- Decorion Sdn. Bhd. — 100%

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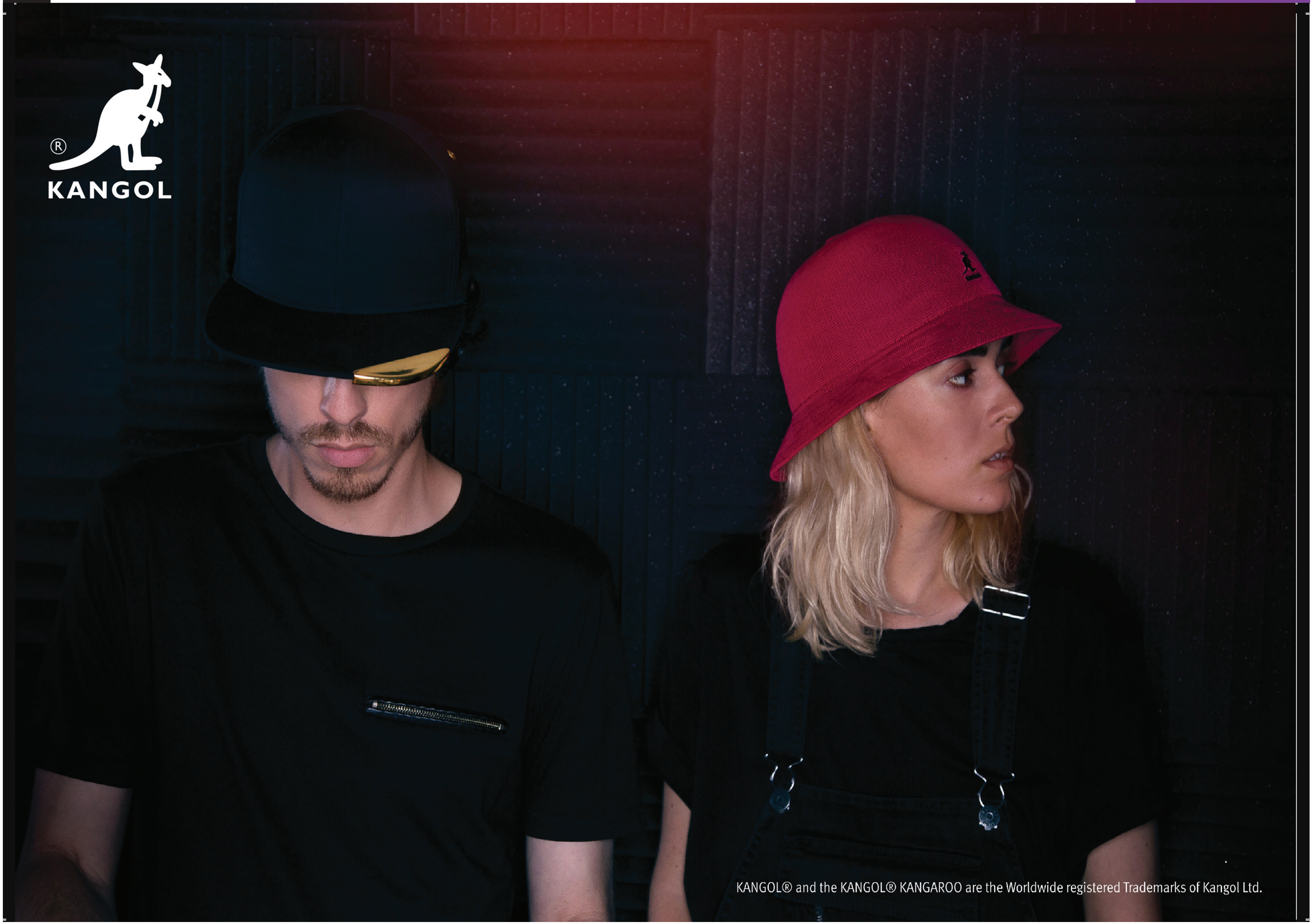

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Corporate PROFILE

OVERVIEW

Established in 1982, Ossia has grown from a footwear manufacturer to a leading regional distributor and retailer of lifestyle products in fashion apparel, bags, footwear, sporting goods and golf in the Asia Pacific region. Listed on the main board of Singapore Exchange Securities Trading Limited (SGX-ST) on 20 November 1996, Ossia has gained strong presence in 4 key regional markets namely Singapore, Malaysia, Taiwan and Hong Kong.

The Group has subsidiaries in these 4 regional markets with a distribution network of more than 1,400 channels/ outlets, spanning 50 cities across the Asia Pacific region. We have more than 40 specialty stores, more than 68 shop-in-shop, in fashion apparel, bags, footwear.

The Group also holds an effective 19.8% stake in Pertama Holdings Pte. Ltd., a leading retailer of consumer electronics and home furnishings under Harvey Norman brand of retail stores in Singapore and Malaysia.

Today, the Group has exclusive distribution, licensee and franchise rights of over 30 well-known international brands as follows:

Fashion apparels: Springfield, Elle, Elle Petite, 7 For All Mankind, Promod.

Bags : Tumi, Hedgren, Elle Active, Arnold Palmer, Kangol, Paul Frank, Ferrari.

Footwear : Elle, Thorlos.

Sport : Columbia, Prince, Fischer, AND 1, Spank, K-Swiss, Slazenger, Umbro, Elle Active, Elle Sports, Mountain Hardwear.

Golf : Bridgestone


TRUE RELIGION®

Group Executive Chairman's STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of the Group for the financial year ended 31 March 2016. ("FY2016")

Below are some highlights on the performance of the Group for the financial year ended 31 March 2016.

Financial Review

The Group's revenue was $36.2 million for the year ended 31 March 2016 (FY2016), a decline of 24.0% from $47.7 million in the last corresponding year. The decline in sales was mainly due to closure of non- performing outlets.

The gross profit margin increased slightly from 49.5% to 51.4%. The slight increase in gross margin as compared to the prior year was due to bulk sales of discontinued merchandise and brands that were written down in previous year.

Other operating income decreased by 86.6% or $1.0 million mainly contributed by lower dividend income received from an associated company.

Distribution costs decreased by 17% or $3.0 million mainly due to closure of non-performing outlets.

Administrative expenses decreased by 7.5% or $0.5 million, principally due to a decrease in HQ staff costs being partially offset by a write back of allowance of stock obsolescence.

The Group's share of results of the associated company improved from a loss of $1.4 million in FY2015 to a profit of $0.6 million for FY2016.

Net loss attributable to owners of the Company was $2.9 million in FY2016 as compared to $2.1 million in 31 March 2015 ("FY2015").

Balance Sheet Review

The Group's inventories was reduced as compared to 31 March 2015, mainly due to stock disposal to a related party.

The Group's and Company's other receivables decreased mainly due to refund of deposits.

The Group's and the Company's trade and other payables decreased due to repayment during the financial year.

The Group's bill payables increased due to Taiwan subsidiary's higher purchase from suppliers for a peak season sale towards end of the financial year.

Group Executive Chairman's STATEMENT

The Company's borrowings decreased due to a reduction in utilisation of overdraft facilities during the financial year. The Group's borrowings decreased by $0.6 million mainly due to reduction in banking facilities for its subsidiary in Malaysia which was partially offset by increase in draw-down of banking facilities for its subsidiary in Taiwan.

Cashflow Review

Net cash flow from operating activities decreased from $1.6 million in prior year to $0.8 million in FY 2016 due to higher losses during the current year.

Net cash used in investing activities increased due to increased purchases of property, plant and equipment for new outlets opening in Taiwan and Malaysia.

Net cash from financing activities increased due to lower repayment of bill payables.

Moving Forward

The retail climate condition remains challenging. The Group will continue to focus on its core business overseas, tightening operations by closing non-performing outlets and brands.

Note of Appreciation

I wish to express my sincere appreciation to my fellow directors for their counsel and contribution. On behalf of the Board, I would like to thank our management team and staff for their contribution and dedication.

Finally, I would like to thank our valued customers, suppliers, business associates and shareholders for their invaluable support. We look forward to their continued support and patronage in the year ahead.

Mr Goh Ching Wah, George

Group Executive Chairman

Executive DIRECTORS

MR GOH CHING WAH

Group Executive Chairman

He (Age: 57) was appointed as Director on 1 September 1990 and re-designated as GROUP EXECUTIVE CHAIRMAN on 7 July 2009. He is the Group Executive Chairman of our related company, Internet Technology Group Private Limited (ITG) and an Executive Director of our related company, VGO Corporation Limited (VGO). Mr George Goh and his brothers (Messrs Goh Ching Huat, Steven and Goh Ching Lai, Joe) are experienced entrepreneurs who had co-founded the Group, the ITG Group and VGO Group. He is also the Deputy Chairperson and a Non-Executive Director of Pertama Holdings Pte. Ltd. trading under the name of "Harvey Norman", which retails electrical, computer, furniture and household products. George, together with his two brothers, was the winner of the 1994 Rotary-ASME Entrepreneur Award. George and his two brothers have 33 years of experience in distribution and retailing of lifestyle products in footwear, fashion apparel, sporting goods, golf, bags and accessories under the Group and also retailing sporting goods under World of Sports, Mizuno, Columbia and Outdoors.

Mr. George Goh is responsible for overall Group direction, strategic planning and business development. He is a member of the Nominating Committee for the Group.

MR GOH CHING HUAT

Chief Executive Officer / Executive Director

He (Age: 51) was appointed as Director on 1 September 1990 and re-designated as EXECUTIVE DIRECTOR on

1 July 2006. He is the Chief Executive Officer / Group Executive Chairman of our related company, VGO and an Executive Director of our related company, ITG. Steven, together with his two brothers, was the winner of the 1994 Rotary-ASME Entrepreneur Award. Steven and his two brothers have 33 years of experience in distribution and retailing of lifestyle products in footwear, fashion apparel, sporting goods, golf, bags and accessories under the Group and also retailing sporting goods under World of Sports, Mizuno, Columbia and Outdoors.

Mr. Steven Goh is jointly responsible for overall management of the Group and businesses.

Non-Executive DIRECTORS

MR GOH CHING LAI

Non-Independent /Non-Executive Director

He (Age: 57) was appointed as Director on 1 September 1990 and re- designated as Non Independent / Non-Executive Director on 1 May 2009.

He is also the Non-Independent /Non-Executive Director of our related companies, Ossia and ITG. Goh brothers were the winner of the 1994 Rotary-ASME Entrepreneur Award. Their business interests range from marketing, distribution, and retailing to technology investments in the Asia Pacific region. He is a Non-Executive Director of Pertama Holdings Limited, trading under the name of "Harvey Norman", which retails electrical, computer, furniture and household products. Mr Joe Goh and his two brothers have more than 20 years of experience in distribution and retailing of lifestyle products in footwear, fashion apparel, sporting goods, golf, bags and accessories.

MR WONG KING KHENG

Independent / Non-Executive Director

He (Age: 62) was appointed on 28 October 1996 as an Independent / Non- Executive Director. Mr Wong is presently the Managing Partner of KK Wong and Associates, a public accounting firm in Singapore which he founded in 2000. In addition, he is also the Managing Director of Soh & Wong Management Consultants Pte Ltd which provides consulting services for regional tax planning, merger and acquisition, strategic business plans and advices on initial public offering services including restructuring, feasibility studies, recruitment, profit forecasts and financial restructuring. He was the founder and Managing Partner of Soh, Wong & Partners, a public accounting firm, from 1989 to 2000. Prior to that, he was an audit manager in an international accounting firm which gave him extensive exposure in the fields of auditing, tax planning, management consulting and public listing consulting. He is a member of the Institute of Certified Public Accountants, Singapore (ICPAS). Besides being the Chairman of the Audit Committee, member of the Remuneration Committee and the Nominating Committee for the Group, Mr Wong also holds directorships in Tiong Woon Corporation Holding Limited, ITG and OSSIA.

MR ANTHONY CLIFFORD BROWN

Independent / Non-Executive Director

He (Age: 76) was appointed on 25 May 2002 as an Independent / Non- Executive Director. Mr Brown was formerly the Vice President and General Manager of Prince Sports Group of United States of America for the Asia Pacific region. In this capacity, he was responsible for sales and marketing of Prince sports products throughout Asia Pacific. Previously he was the Managing Director of LEGO Australia Pty Ltd, and held senior management position in The Coca-Cola Company in Australia, Japan and Indonesia.

Mr Brown was the winner of a UK State Scholarship and holds an honours degree in Economics from The L.S.E. (London University). He is a member of the Audit, Remuneration and Nominating Committees.

Non-Executive DIRECTORS

MR ANTHONY CLIFFORD BROWN

Independent / Non-Executive Director

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Mr Brown was the winner of a UK State Scholarship and holds an honours degree in Economics from The L.S.E. (London University). He is a member of the Audit, Remuneration and Nominating Committees.

MS MAE HENG SU- LING

Independent / Non-Executive Director

She (Age : 46) was appointed on 27 April 2010 as an Independent/ Non-Executive Director. Ms Mae is a member of the Audit Committee, Nominating Committee and Chairman of the Remuneration Committee for the Group. Ms Mae has over 18 years of experience in an audit, corporate finance and business advisory environment with Ernst & Young Singapore. She graduated with a Bachelor of Accountancy from Nanyang Technological University, Singapore in 1991 and is a Chartered Accountant with the Institute of Singapore Chartered Accountants. She is an independent non-executive director of Asiatravel.com Holding Ltd and Apex Healthcare Berhad and holds directorships in her family-owned investment holding companies.

Senior MANAGEMENT

MS LIM SOOK KIANG

Executive Director

Ms Lim is the Executive Director of Alstyle International (M) Sdn Bhd. She is responsible for the product development, merchandising, marketing and distribution of apparels and accessories. She joined us as a General Manager in 1994 and was promoted to Executive Director in 1996. She has over 26 years of experience in retailing, merchandising, sourcing and business development in various departmental stores and specialty stores. Prior to joining us, she was a Group Merchandising Manager in R.S.H. Sports (M) Sdn Bhd. She holds a Bachelor of Arts from Universiti Kebangsaan Malaysia.

MR WONG KIN SHING

Managing Director

Mr Wong is the Managing Director of Ossia (HK) Company Limited. He is responsible for the marketing and distribution of sporting goods, golf equipment, footwear and accessories in Hong Kong and Macau. He jointed the Group in 1994 Simon has more than 26 years of experience in marketing and distribution of lifestyle sporting goods, footwear, golf equipment, apparel and accessories. Prior to joining us, he was the General Manager of Sovereign Sports Ltd.

MR HSU CHIN TUNG

Managing Director

Mr Hsu is the Managing Director of Great Alps Industry Co., Ltd. He is brother-in-law of non-executive Director, Goh Ching Lai. He is responsible for the product development, brand managment, marketing and distribution of bags and accessories in Taiwan. He jointed us as a Brand Manager in 1996 and was promoted to Managing Director in 2001. Prior to joing us, he was a Product Developer of E. S. Original. Alan graduated from Ta-Ming Junior College of Commerce in 1990 with a Diploma in Business Administration.

Corporate INFORMATION

BOARD OF DIRECTORS

Mr. Goh Ching Huat, Steven

Mr Goh Ching Wah, George (Chairman)

Mr Goh Ching Lai, Joe
Non-Independent / Non-Executive Director

Executive Director
(Re-designated on 17 June 2016)

Mr Wong King Kheng
Independent / Non=Executive Director

Mr Anthony Clifford Brown
Independent / Non-Executive Director

Ms Heng Su-Ling Mae
Independent / Non-Executive Director

AUDIT COMMITTEE

Mr Wong King Kheng (Chairman)
Mr Anthony Clifford Brown
Ms Heng Su-Ling Mae

NOMINATING COMMITTEE

Mr Anthony Clifford Brown (Chairman)
Mr Wong King Kheng
Mr. Goh Ching Wah
Mr Goh Ching Lai

REMUNERATION COMMITTEE

Ms Heng Su-Ling Mae (Chairman)
Mr Wong King Kheng
Mr Anthony Clifford Brown

COMPANY SECRETARIES

Ms Lotus Isabella Lim Mei Hua
Ms Lee Bee Fong

REGISTERED OFFICE

OSSIA INTERNATIONAL LIMITED
Company Registration Number:
199004330K
No. 10 Changi South Lane
#07-01 Singapore 486162
Tel : (65) 6543 1133
Fax: (65) 6543 5801

SHARE REGISTRAR

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

PRINCIPAL BANKERS

The Development Bank Of Singapore Ltd
Malayan Banking Berhad
RHB Bank Berhad
UBS AG

AUDITORS

Ernst & Young LLP
One Raffles Quay
#18-01 North Tower
Singapore 048583

PARTNER-IN-CHARGE

Terry Wee Hiang Bing
(Appointed since financial year 2014)

SOLICITORS

Harry Elias Partnership LLP

Corporate GOVERNANCE

The Board of Directors (the "Board") of Ossia International Limited (the "Company") is committed to maintaining a high standard of corporate governance. Good corporate governance establishes and maintains an ethical environment and enhances the interests of all shareholders. This report describes the Company's corporate governance processes and structures with specific reference made to the principles and guidelines of the Code of Corporate Governance 2012 (the 'Code").

Board Matters

Principle 1 : The Board's Conduct of Affairs

The Company is headed by an effective Board to lead and control its operations and affairs for the success of the Company.

The primary function of the Board is to protect and enhance long-term value and returns for its shareholders. Apart from its statutory responsibilities, the Board sets the overall strategy of the Company and its subsidiaries (the "Group") as well as review various matters including major funding and investments proposal, material acquisitions and disposal of assets, key operational initiatives and financial controls, the release of the Group's quarterly and full year results and interested persons transaction of a material nature.

The Board conducts scheduled meetings on a quarterly basis to coincide with the announcement of the Group's quarterly results. Ad-hoc Board meetings are convened as and when they are deemed necessary in between scheduled meetings. When a physical Board meeting is not possible, timely communication with members of the Board can be achieved through electronic means.

In the course of the year under review, the number of Board meetings held and the attendance of each board member at the meetings during the financial year were as follows:

Name of director	Number of Board meetings held	Attendance
Goh Ching Wah (Chairman)	4	4
Goh Ching Huat	4	4
Goh Ching Lai*	4	4
Wong King Kheng*	4	4
Anthony Clifford Brown*	4	4
Heng Su-Ling, Mae	4	4

*Some of the meetings attended via tele-conference.

To assist in the execution of its responsibilities, the Board has established an Audit Committee, Nominating Committee and Remuneration Committee. These committees function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis. The effectiveness of each committee is also monitored.

An orientation programme, including site visit to the Company's operation outlets, is organised for new directors to familiarise them with the Company's business, operations, organisation structure and corporate policies. They are brief on the Company's corporate governance practices, regulatory regime and their duties as directors.

Board members are encouraged to attend seminars and received training to enable to perform effectively as Directors. All Directors are updated regularly concerning any changes in the Company's policies, risks management, key changes in the relevant regulatory requirements and accounting standards. The Company also provides ongoing education on Board processes, governance and best practices. Newly appointed Directors are briefed by the Management on the business activities of the Group and its strategic directions. They are also provided with relevant information on the Company's policies and procedures.

Matters Requiring Board Approval

The Board has identified a number of areas for which the Board has direct responsibility for decision-making. Interested Persons Transactions and the Group's internal control procedures are also reviewed by the Board. Major investments and funding decisions are approved by the Board.

The Board will also meet to consider the following corporate matters:-

- Approval of quarterly and year end result announcements;
- Approval of the Annual Reports and Accounts;
- Convening of Shareholder's Meetings
- Approval of Corporate Strategies; and
- Material Acquisitions and disposal of assets

Principle 2 : Board Composition and Guidance

The Board consists of six directors of whom two are executive, three are independent directors and one is non-executive and non-independent. The criteria for independence is based on the definition as stated in the Code. The Board considers an "independent" director as one who has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent judgment of the conduct of the Group's affairs.

Based on its composition, the Board is able to exercise objective judgment on corporate affairs. The composition of the Board is reviewed annually by the Nominating Committee to ensure that the Board has an appropriate mix of expertise, experience and independence needed to discharge its duties effectively.

Mr Wong King Kheng and Mr Anthony Clifford Brown have both served as Independent Directors for more than 9 years. The Board has carried out a rigorous review of their independence status. The Board's view is that Mr Wong King Kheng and Mr Anthony Clifford Brown continue to demonstrate the ability to exercise strong independent judgement in their deliberations and to act in the best interests of the Company, and that their length of service has not affected their independence from management. Mr Wong King Kheng and Mr Anthony Clifford Brown continues to express views, debate issues and objectively and actively scrutinize and challenge management. After taking into account all these factors and having weighted the need for Board refreshment against tenure for relative benefit, the Nominating Committee and the Board has reviewed and determined that Mr Wong King Kheng and Mr Anthony Clifford Brown continue as Independent Directors, notwithstanding that their service has been for more than nine years.

The Board comprises an appropriate mix of businessman and professional with core competencies and diversity of experience, all of whom as a group, provides the Board with the necessary experience and expertise to direct and lead the Group. The diversity of the Directors' experience allows for the useful exchange of ideas and views. The Board is satisfied that no individual member of the Board dominates the Board's decision making and that there is sufficient accountability and capacity for independent decision-making. Taking into account the scope and nature of operations of the Group, the Board considers its current size to be adequate for effective decision making.

Principle 3 : Group Executive Chairman and Chief Executive Officer ("CEO")

The Chairman and CEO are two separate individuals who are brothers and who are both executive directors of the Company.

The Group Executive Chairman ("GEC") is Mr Goh Ching Wah, who bears the primary responsibility for Board proceedings. Together with the assistance of Company Secretaries, he schedules Board meetings as and when required and exercise control over the quality, quantity and timeliness of information flow between the Board and the Management. He is also responsible for overall Group direction, strategic planning and business development.

Mr Goh Ching Huat, being Executive Director and CEO is the most senior executive in the Group. He is responsible for the day-to-day running of the Group and supervises the business operations with the Management. He is jointly responsible for overall management of the Group and businesses.

All major decisions made by GEC and CEO are reviewed by the Audit Committee. Their performance and appointment to the Board are being reviewed periodically by the Nominating Committee and their remuneration package is being reviewed periodically by the Remuneration Committee. Both the Nominating Committee and the Remuneration Committee comprise a majority of/wholly of independent directors of the Company. As such, the Board believes that there are adequate safeguards in place against an uneven concentration of power and authority on a single individual.

Nominating Committee ("NC")

Principle 4 : Board Membership

The Nominating Committee was established on 25 May 2002. The NC is chaired by Mr Anthony Clifford Brown and its members are Mr Wong King Kheng, Ms Heng Su-Ling, Mae, Mr Goh Ching Lai and Mr Goh Ching Wah. With the exception of Mr Goh Ching Lai, and Mr Goh Ching Wah, the other three directors are Independent Directors.

The primary function of the NC is to determine the criteria for identifying candidates and reviewing nominations for the appointment of directors to the Board and also to decide how the Board's performance may be evaluated and propose objective performance criteria for the Board's approval.

When a vacancy arises under any circumstance, or where it is considered that the Board would benefit from the services of a new director with particular skills, the NC, in consultation with the Board, determines the selection criteria and identifies candidates with the appropriate expertise and experience for the position. The NC then nominates the most suitable candidate who is only then appointed to the Board.

In addition, the NC also performs the following function:-

a. make recommendations to the Board on all board appointments and re-nomination of directors after taking into account the respective director's contributions in terms of experience, business perspective, management skills, individual expertise and pro-activeness in participation of meetings;

b. ensure that all directors would be required to submit themselves for re-nomination and re-election at regular intervals and at least once in every three years;

c. determine annually whether a director is independent, guided by the independent guidelines contained in the Code;

d. decide whether a director is able to and has adequately carried out his duties as a director of the company in particular where the director concerned has multiple board representations; and

e. to decide how the Board's performance may be evaluated and propose objective performance criteria.

In determining the independence of directors annually, the NC reviewed and is of the view that Mr Anthony Clifford Brown, Mr Wong King Kheng and Ms Heng Su-Ling, Mae are independent and that, no individual or small group of individuals dominate the Board's decision-making process. The NC has also reviewed and is satisfied that Mr Anthony Clifford Brown, Mr Wong King Kheng and Ms Heng Su-Ling, Mae, who sit on multiple boards, have been able to devote adequate time and attention to the affairs of the Company to fulfil their duties as directors of the Company, in addition to their multiple board appointments. As a general guideline, to address time commitments that may be faced, a director who holds more than 6 Board appointments may consult the Chairman before accepting any new appointment as a director.

The number of NC meetings held and attendance at the meetings during the financial year ended 31 March 2016 were as follows:

Name	Appointment	No. of meetings held	Attendance
Anthony Clifford Brown (Chairman)	Independent	1	1
Wong King Kheng (Member)	Independent	1	1
Heng Su-Ling, Mae (Member)	Independent	1	1
Goh Ching Wah (Member)	Executive	1	1
Goh Ching Lai (Member)	Non-executive	1	1

Pursuant to the Article 89 of the Company's Constitution, one-third of the Board (other than a director holding office as Managing Director) are to retire from office by rotation and be subject to re-election at the Company's Annual General Meeting ("AGM"). In addition, Article 88 of the Company's Constitution provides that a newly appointed director must retire and submit himself for re-election at the next AGM following his appointment. Thereafter, he is subject to be re-elected at least once every 3 years.

Mr Goh Ching Huat and Ms Heng Su-Ling, Mae will be retiring at the forthcoming AGM pursuant to the requirements of Article 89 of the Company's Constitution and have indicated that they wish to seek re-election as directors of the Company.

Mr Anthony Clifford Brown who is over the age of 70 was re-appointed as Director to hold office from the date of the last Annual General Meeting held on 29 July 2015 until the forthcoming Annual General Meeting pursuant to Section 153(6) of the Companies Act, Cap. 50. Section 153 (6) has been abolished with effect from 3 January 2016. A director, who is over 70 years of age, is no longer required to retire at every Annual General Meeting.

However, as Mr Anthony Clifford Brown's appointment will lapse upon the conclusion of the forthcoming Annual General Meeting, Mr Anthony Clifford Brown would have to be re-appointed in order to be able to continue in his capacity as a Director of the Company. Upon his re-appointment as a Director of the Company at the forthcoming Annual General Meeting, moving forward, Mr Anthony Clifford Brown will no longer be subject to shareholders' approval under Section 153 (6) of the Companies Act, Cap 50. Mr Anthony Clifford Brown will then be subject to retirement by rotation pursuant to Article 89 of the Constitution.

The NC has recommended the re-appointment of three retiring directors, namely Mr Goh Ching Huat, Ms Heng Su-Ling and Mr Anthony Clifford Brown at the Company's forthcoming AGM. The Board has accepted the NC's recommendation and the three retiring directors will be offering themselves for re-election and re-appointment respectively.

The shareholdings of the individual directors of the Company are set out on page 24 of this Annual Report. None of the directors hold shares in the subsidiaries of the Company.

Principle 5 : Board Performance

In evaluating the Board's performance, the NC implements a self-assessment process that requires each director to submit the assessment based on the performance of the Board as a whole during the year under review. This self-assessment process takes into account, inter alia, the board composition, maintenance of independence, board information, board process, board accountability, communication with top management and standard of conduct.

Principle 6 : Access to Information

To enable the Board to fulfil its responsibilities, all directors are provided with management reports containing complete, adequate and timely information prior to Board meetings and on an on-going basis. Detailed Board papers are prepared and provided in advance of the meetings, which set out the relevant financial information that review the Group's performance in the most recent quarter and other information that includes background or explanatory information relating to the matters to be considered at the Board meetings. The directors make inquiries and request for additional information, if needed, during the presentation.

The Board also has separate and independent access to the Company Secretaries and to other senior management executives of the Company at all times. The Board is informed of all material events and transactions as and when they occur. Should directors, as a group or individually, require independent professional advice, the management will, upon direction by the Board, appoint a professional advisor selected by the group or the individual, and approved by the Chairman, to render the advice at the company's expense.

The company secretary or her representatives attends all board meetings and works with the management staff to ensure that established procedures and all relevant statutes and regulations which are applicable to the Company are complied with.

The Audit Committee meets with the External Auditors, Ernst & Young LLP at least once a year without the presence of management.

Remuneration Committee ("RC")

Principle 7 : Procedure for Developing Remuneration Policies

The Remuneration Committee was formed on 25 May 2002. The RC is chaired by Ms Heng Su-Ling, Mae and its members are Mr Anthony Clifford Brown and Mr Wong King Kheng, all of whom are directors independent of management and free from any business or other relationships, which may materially interfere with the exercise of their independent judgement. The RC has access to expert advice in the field of executive compensation outside the Company where required.

The number of RC meetings held and attendance at the meetings during the financial period ended 31 March 2016 were as follows:

Name of director	Appointment	No. of meetings held	Attendance
Heng Su-Ling, Mae (Chairman)	Independent	1	1
Anthony Clifford Brown (Member)	Independent	1	1
Wong King Kheng (Member)	Independent	1	1

Principle 8 : Level and Mix of Remuneration

The RC's role is to review and approve recommendations on remuneration policies and packages for key executives and senior management. It reviews the remuneration packages with the aim of building capable and committed management teams through competitive compensation and focused management and progressive policies. The RC recommends to the Board's endorsement, a framework of remuneration which covers all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonus, share options and benefits in kind. No director is involved in deciding his own remuneration.

Principle 9 : Disclosure on Remuneration

The Executive Directors do not receive director's fee. The three Executive Directors have each entered into service agreements with the Company and their compensation consists of their salary, bonus and benefits.

The Board will on an annual basis, submit a proposal for Directors' Fees as a lump sum for shareholders' approval. The sum to be paid to each of the Independent directors shall be determined by his contribution to the Company, taking into account factors such as efforts and time spent as well as his responsibilities on the Board. Generally, directors who undertake additional duties as chairman and/or members of the Board Committees will receive higher fees because of their additional responsibilities.

The Board will be recommending proposed Directors' Fees amounting to S$ S$184,500/- for the financial year ended 31 March 2016 (31 December 2015: S$184,500/-). For competitive reasons, the Company is not disclosing each individual director's remuneration. Instead, the band of remuneration in the following table.

The following table sets out the names of Directors whose remuneration bands fell (i) within and below S$250,000; and (ii) between S$1,000,000 and S$1,250,000 for the financial year ended 31 March 2016, together with a breakdown (in percentage terms) of each directors' remuneration earned through base/fixed salary, variable or performance related income/bonuses, and director fees/attendance fees proposed to be paid to each Director subject to the approval of shareholders at the AGM:

Directors Remuneration	Directors' Fees	Salary	Bonus	Allowances & Benefits	Total
	%	%	%	%	%
Executive Directors					
S$250,000 to S$499,999					
Goh Ching Huat, Steven	-	88	7	5	100
Goh Ching Wah, George	-	89	7	4	100
Non-Executive Directors					
Below S$250,000					
Goh Ching Lai, Joe	100	-	-	-	100
Anthony Clifford Brown	100	-	-	-	100
Wong King Kheng	100	-	-	-	100
Mae Heng	100	-	-	-	100

The Company has not disclosed exact details of the remuneration of its key management personnel as it is not in the best interests of the Company and the employees to disclose such details due to the sensitive nature of such information.

No termination, retirement and post-employment benefit were granted to any Director, the CEO or any top five key management personnel for the year ended 31 March 2016

There is no employee of the Group is an immediate family member of a director or substantial shareholder whose remuneration exceeds S$50,000 for the year ended 31 March 2016.

Audit Committee ("AC")

Principle 10 : Accountability and Audit

The Board is accountable to the shareholders while the management is accountable to the Board. The Board is mindful of the obligation to provide timely and fair disclosure of material information, and avoids selective disclosure.

Principle 11 : Audit Committee

The Audit Committee is chaired by Mr Wong King Kheng and its members are Mr Anthony Clifford Brown and Ms Heng Su-Ling, Mae. All three members are independent of the Company, who bring with them invaluable managerial and professional expertise in the financial, legal and business management spheres.

The number of AC meetings held and attendance at the meetings during the financial period ended 31 March 2016 were as follows:

Name	Appointment	No. of meetings held	Attendance
Wong King Kheng (Chairman)	Independent	5	4
Anthony Clifford Brown (Member)*	Independent	5	5
Heng Su-Ling, Mae (Member)	Independent	5	5

*Some of the meetings attended via tele-conference.

The AC reviewed the following, where relevant, with the executive directors, and the external auditors:

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

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

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

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

e. review the independence of the external auditors and recommend to the Board the appointment or re-appointment of the external auditors, the audit fee, and matters relating to the resignation or dismissal of the auditors;

f. review interested person transactions (as defined in Chapter 9 of the Listing Manual of the SGX-ST) to ensure that they are on normal commercial terms and not prejudicial to the interests of the Company or its shareholders;

g. undertake such other reviews and projects, in particular matters pertaining to acquisitions and realisations, etc., as may be requested by the Board and will report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee; and

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

Pursuant to Rule 1207 (6)(b) and (6)(c), the Audit Committee undertook the review of the independence and objectivity of the auditors as well as reviewing the non-audit services provided by the incumbent auditors, and the aggregate amount of audit fees paid to them. During the current financial year, there was no non-audit related work carried out by the incumbent auditors, hence there was no fee paid in this respect. The Audit Committee is satisfied that neither their independence nor their objectivity is put at risk, and that they are still able to meet the audit requirements and statutory obligations of the Company. Accordingly, the Audit Committee has recommended the re-appointment of the auditors at the forthcoming Annual General Meeting ("AGM') of the Company. In recommending the re-appointment of the auditors, the Audit Committee considered and reviewed a variety of factors including adequacy of resources, experience of supervisory and professional staff to be assigned to the audit, and size and complexity of the Group, its businesses and operations.

Pursuant to Rule 1207 (6)(a), the fees payable to auditors is set out in Note 8 on page 52 of this Annual Report.

The AC has nominated Ernst & Young LLP ("EY") for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting. The AC noted there were no non-audit services rendered in FY2015 and FY2016 and there were no non-audit fees payable to the Company's external auditors in FY2015 and FY2016. The Company is in compliance with Rules 712, 715 and 716 of the Listing Manual of the SGX-ST .

Principle 12 : Internal Controls

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than to eliminate the risk of failure to achieve business objectives, and can provide only reasonable but not absolute assurance against material misstatement or loss. The Group's internal controls and systems are designed to provide reasonable assurance to the integrity and reliability of the financial information and to safeguard and maintain accountability of its assets.

The Audit Committee through the assistance of internal and external auditors, reviews and reports to the Board on the adequacy of the Company's system of controls including the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practice, and the identification and management of business risks.

Pursuant to Rule 1207 (10), the Board is satisfied that the Company's framework of internal controls is adequate to provide reasonable assurance of the integrity, effectiveness and efficiency of the Company in safeguarding its assets and Shareholders' investments. Such framework serves to provide reasonable assurance against material misstatement or loss.

Based on the internal and external audit findings, the Board with the concurrence of the Audit Committee is of the opinion that the Group's internal controls addressing financial, operational, compliance and information technology controls, and risk management systems of the Company are effective and adequate in meeting the needs of the Group and provide assurance in safeguarding the Group's assets.

Principle 13 : Internal Audit

To comply with the Code, the Company has established an internal audit function. The internal auditor's primary line of reporting is to the Chairman of the AC. The AC reviews the activities of the internal auditor on a regular basis, including overseeing and monitoring of the implementation of improvements required on internal control weaknesses identified.

During the financial period ended 31 March 2016, no internal auditor was engaged. However, the Company's external auditors considered internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. Any material non-compliance and recommendation for improvement were reported to the AC. The AC, on behalf of the Board, also reviewed the effectiveness of the Group's system of internal controls in the light of key business and financial risks affecting the operations. Based on the reports submitted by the external and the various controls put in place by the management, the AC is satisfied that there are adequate internal controls to meet the needs of the Group in its current business environment.

Communication With Shareholders

Principle 14 : Communication with Shareholders

The Company communicates pertinent information to its shareholders on a regular and timely basis through:

- the Company's annual reports that are prepared and issued to all shareholders. The Board makes every effort to ensure that the annual report includes all relevant information about the Group and other disclosures required by the Companies Act and the Singapore Financial Reporting Standards;
- quarterly financial statements containing a summary of the financial information and affairs of the Group for the period. These are issued via SGXNET onto the SGX website;
- notices of and explanatory memoranda for AGMs and extraordinary general meetings; and
- disclosure to the SGX-ST and press releases on major development of the Group.

The Board takes note that there should be separate resolution at general meetings on each substantially separate issue and supports the Code's principle as regards "bundling" of resolutions. The Board will provide reasons and material implications where resolutions are interlinked.

Principle 15 : Greater Shareholder Participation

A copy of the Notice of Annual General Meeting ("AGM") and Annual Report are despatched to every shareholder of the Company at least 14 clear days before the meeting. The Notice is also advertised in the newspapers and made available on the SGX website. During the AGM, shareholders are given opportunities to speak and seek clarifications concerning the Company and its operations.

The Chairman of the Audit, Remuneration and Nominating Committees are in attendance at the Company's AGM to address the shareholders' questions relating to the work of these Committees. The Company's external auditors are also invited to attend the AGM and are available to assist the directors in addressing any relevant queries by the shareholders relating to the conduct of the audit and the preparation and content of their auditors' report.

Dividend Policy

The Company's dividend policy endeavours to balance dividend return to shareholders with the need for long-term sustainable growth whilst aiming for an efficient capital structure. The Company strives to provide shareholders on an annual basis with a consistent and sustainable ordinary dividend, with a variable special dividend based on cash position, working capital, expenditure plans, acquisition opportunities and market environment.

Any payouts are communicated to shareholders via announcement on SGX Net when the Company discloses its financial results.

Dealing in Securities

The Group has adopted an internal code which prohibits the directors and executives of the Company from dealings in the Company's shares while in possession of unpublished price-sensitive information during the periods commencing two weeks prior to the announcement of the Group's first three quarters results, or one month prior to the announcement of the full year results, and ending on the date of announcement of the relevant results. All Directors and executives of the Company and its subsidiaries are also expected to observe insider trading laws at all times even when dealing in securities within permitted trading period. They are also discouraged from dealing in the Company's shares on short-term considerations.

Material Contracts

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Director, or controlling shareholder.

Interested Person Transactions

Interested person transactions entered into by the Group during the financial period ended 31 March 2016 as the format set out in Rule 907 of the Listing Manual as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000/- and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000/-)
	31.03.2016	31.03.2016
VGO Corporation Limited - Sales	NIL	26

Directors' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Ossia International Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2016.

Opinion of the directors

In the opinion of the directors,

(a) the accompanying balance sheets, consolidated statement of comprehensive income, statement of changes in equity, and consolidated statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and of the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; 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:

Goh Ching Wah
Goh Ching Huat
Goh Ching Lai
Wong King Kheng
Anthony Clifford Brown
Heng Su-Ling, Mae

Arrangements to enable directors to acquire shares and debentures

Except as described in scrip dividend scheme paragraph below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter. 50 (the Act), an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
Name of directors	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Ordinary shares of the Company				
Goh Ching Lai	32,028,345	73,012,577	155,157,272	114,855,040
Goh Ching Wah	17,198,154	57,500,386	169,987,463	130,367,231
Goh Ching Huat	17,052,422	57,354,654	170,133,195	130,512,963
Ordinary shares of $1 each of the related party (Ossia Holdings Pte Ltd)				
Goh Ching Lai	1	1	3	3
Goh Ching Wah	1	1	3	3
Goh Ching Huat	1	1	3	3

By virtue of Section 7 of the Act, Goh Ching Lai, Goh Ching Wah and Goh Ching Huat are deemed to have interests in the shares held by Ossia Holdings Pte Ltd in the Company and that held by the Company in all its subsidiaries. Goh Ching Lai, Goh Ching Wah and Goh Ching Huat, who are brothers, are also deemed to be interested in each other's shares in Ossia Holdings Pte Ltd and Ossia International Limited.

There was no change in the directors' interests in the share capital of the Company and of related corporations between the end of the financial year and 21 April 2016.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Scrip dividend scheme

At an Extraordinary General Meeting of the Company held on 29 April 2004, the shareholders approved the Scrip Dividend Scheme (the "Scheme"). Under the Scheme, the directors are entitled to receive shares in lieu of cash in respect of the dividend declared. No shares were issued under the Scheme during the financial year.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or in any subsidiary.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any subsidiary.

There were no unissued shares of the Company or any subsidiary under share at the end of the financial year.

Audit Committee

The audit committee (AC) carried out its functions in accordance with section 201B (5) of the Singapore Companies Act, Chapter 50, including the following:

- Reviewed the audit plans of external auditors of the Group and the Company, and the assistance given by the Group and the Company's management to the external auditors

- Reviewed the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2016 before their submission to the Board of Directors, as well as the external auditors' report on the balance sheet of the Company and the consolidated financial statements of the Group

- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the external auditor

- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC

- Reviewed the nature and extent of non-audit services provided by the external auditor

- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators

- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit

- Reported actions and minutes of the AC to the board of directors with such recommendations as the AC considered appropriate

- Reviewed the interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual

Other functions performed by the Audit Committee are described in the Report on Corporate Governance included in the Annual Report. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditors provide non-audit services.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

Goh Ching Wah
Director

Goh Ching Huat
Director

Singapore
30 June 2016

Independent Auditor's REPORT

Report on the financial statements

We have audited the accompanying financial statements of Ossia International Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 27 to 84, which comprise the balance sheets of the Group and the Company as at 31 March 2016, the statement of changes in equity of the Group and the Company, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's responsibility

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

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

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

Consolidated Statement of COMPREHENSIVE INCOME

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and of the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on other legal and regulatory requirements

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

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

30 June 2016

Consolidated Statement of COMPREHENSIVE INCOME

	Note	2016 $'000	2015 $'000
Revenue	4	36,166	47,728
Cost of sales	11	(17,575)	(24,104)
Gross profit		18,591	23,624
Other income	5	157	1,171
Distribution costs		(14,385)	(17,419)
General and administrative expenses		(6,521)	(7,053)
Other operating expenses		(233)	–
(Loss)/Profit from operations		(2,391)	323
Interest income	6	27	8
Finance costs	7	(356)	(309)
Loss on liquidation of subsidiary		(528)	–
Share of results of associated company - net of tax	15	615	(1,384)
Loss before income tax	8	(2,633)	(1,362)
Income tax expense	9	(252)	(754)
Loss for the year, net of tax		(2,885)	(2,116)
Loss for the year attributable to:			
Owners of the Company		(2,847)	(2,135)
Non-controlling interests		(38)	19
		(2,885)	(2,116)
Loss per share attributable to owners of the Company (cents per share)			
Basic and diluted	10	(1.12)	(0.85)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Share of gain on property revaluation of associated company		286	–
Items that may be reclassified subsequently to profit or loss			
Translation reserve taken to profit or loss on liquidation of a subsidiary		528	–
Foreign currency translation		(717)	368
Share of other comprehensive income of associated company		(362)	(194)
		(551)	174
Other comprehensive income for the year, net of tax		(265)	174
Total comprehensive income for the year		(3,150)	(1,942)
Total comprehensive income attributable to:			
Owners of the Company		(3,101)	(1,932)
Non-controlling interests		(49)	(10)
		(3,150)	(1,942)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Balance SHEETS

	Note	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Current assets					
Inventories	11	12,225	13,374	–	–
Trade receivables	12	6,630	7,709	2,443	4,229
Prepayments		208	334	24	23
Other receivables	13	2,800	2,052	1,319	209
Cash and bank balances	14	5,422	5,005	44	182
		27,285	28,474	3,830	4,643
Non-current assets					
Investment in associated company	15	19,608	19,069	13,252	13,252
Investment in subsidiaries	16	–	–	1,646	1,663
Property, plant and equipment	17	3,645	3,897	64	263
Deferred tax	18	105	197	–	–
		23,358	23,163	14,962	15,178
Total assets		50,643	51,637	18,792	19,821
Current liabilities					
Trade and other payables	19	6,030	5,966	687	1,205
Amounts due to directors		701	–	701	–
Bills payable	20	2,125	42	–	–
Borrowings	21	4,787	5,029	–	282
Income tax payable		64	80	–	–
		13,707	11,117	1,388	1,487
Non-current liabilities					
Borrowings	21	2,082	2,488	–	67
		2,082	2,488	–	67
Total liabilities		15,789	13,605	1,388	1,554
Net current assets		13,578	17,357	2,442	3,156
Net assets		34,854	38,032	17,404	18,267
Equity attributable to owners of the Company					
Share capital	22	31,351	31,351	31,351	31,351
Revaluation reserve		3,088	2,802	–	–
Legal reserve		1,328	1,280	–	–
Translation reserve		(4,830)	(4,290)	–	–
Other reserve		–	(71)	–	–
Accumulated profits/(losses)		3,321	6,287	(13,947)	(13,084)
		34,258	37,359	17,404	18,267
Non-controlling interests		596	673	–	–
Total equity		34,854	38,032	17,404	18,267

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of CHANGES IN EQUITY

2016 Group	Share capital $'000	Legal reserve $'000	Translation reserve $'000	Revaluation Reserve $'000	Other reserve $'000	Accumulated profits/ (losses) $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
	Attributable to owners of the Company								
Balance at 1 April 2015	31,351	1,280	(4,290)	2,802	(71)	6,287	37,359	673	38,032
Loss for the year	–	–	–	–	–	(2,847)	(2,847)	(38)	(2,885)
<u>Other comprehensive income</u>									
Foreign currency translation	–	–	(706)	–	–	–	(706)	(11)	(717)
Translation reserve taken to profit or loss on liquidation of a subsidiary	–	–	528	–	–	–	528	–	528
Share of gain on property revaluation of associated company	–	–	–	286	–	–	286	–	286
Share of other comprehensive income of associated company	–	–	(362)	–	–	–	(362)	–	(362)
Total comprehensive income for the financial year	–	–	(540)	286	–	(2,847)	(3,101)	(49)	(3,150)
<u>Contributions by and distributions to owners</u>									
Transfer from accumulated profits to legal reserve	–	48	–	–	–	(48)	–	–	–
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	(28)	(28)
Total contributions by and distributions to owners	–	48	–	–	–	(48)	–	(28)	(28)
<u>Change in ownership interest in subsidiary</u>									
Reclassification of reserves to retained earnings upon liquidation of interest in subsidiary	–	–	–	–	71	(71)	–	–	–
Total changes in ownership interest in subsidiary	–	–	–	–	71	(71)	–	–	–
Total transactions with owners in their capacity as owners	–	48	–	–	71	(119)	–	(28)	(28)
Balance at 31 March 2016	31,351	1,328	(4,830)	3,088	–	3,321	34,258	596	34,854

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of CHANGES IN EQUITY

2015 Group	Share capital $'000	Legal reserve $'000	Translation reserve $'000	Revaluation Reserve $'000	Other reserve $'000	Accumulated profits/ (losses) $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
	Attributable to owners of the Company								
Balance at 1 April 2014	31,351	1,207	(4,426)	2,802	(71)	8,428	39,291	698	39,989
Loss for the year	–	–	–	–	–	(2,135)	(2,135)	19	(2,116)
<u>Other comprehensive income</u>									
Transfer from legal reserve	–	–	–	–	–	–	–	–	–
Foreign currency translation	–	67	330	–	–	–	397	(29)	368
Share of other comprehensive income of associated company	–	–	(194)	–	–	–	(194)	–	(194)
Total comprehensive income for the financial year	–	67	136	–	–	(2,135)	(1,932)	(10)	(1,942)
<u>Contributions by and distributions to owners</u>									
Transfer from accumulated profits to legal reserve	–	6	–	–	–	(6)	–	–	–
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	(15)	(15)
Total contributions by and distributions to owners	–	6	–	–	–	(6)	–	(15)	(15)
Balance at 31 March 2015	31,351	1,280	(4,290)	2,802	(71)	6,287	37,359	673	38,032

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of CHANGES IN EQUITY

Company	Share capital $'000	Accumulated losses $'000	Total equity $'000
2016			
Balance at 1 April 2015	31,351	(13,084)	18,267
Loss for the year	–	(863)	(863)
Total comprehensive income	–	(863)	(863)
Balance at 31 March 2016	31,351	(13,947)	17,404
2015			
Balance at 1 April 2014	31,351	(14,905)	16,446
Loss for the year	–	1,821	1,821
Total comprehensive income	–	1,821	1,821
Balance at 31 March 2015	31,351	(13,084)	18,267

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated CASH FLOW STATEMENT

	Note	2016 $'000	2015 $'000
Cash flows from operating activities			
Loss before income tax		(2,633)	(1,362)
Adjustments for:			
Share of results of associated company		(615)	1,384
Depreciation of property, plant and equipment	17	1,827	2,206
Finance costs	7	356	309
Allowance for doubtful debts	12	12	2
Allowance for inventory obsolescence	11	147	160
Write-back of allowance for inventory obsolescence	11	–	(793)
Loss/(gain) on disposal of property, plant and equipment	8	55	(62)
Loss on liquidation of subsidiary		528	–
Interest income	6	(27)	(8)
Unrealised foreign exchange (gain)/loss		(10)	27
Write-back of provision for reinstatement cost		–	(47)
Write-back of allowance for doubtful debts		(2)	(42)
Impairment loss on property, plant and equipment	17	112	–
Property, plant and equipment written-off	17	49	72
Operating cash flow before working capital changes		(201)	1,846
Changes in working capital			
Decrease in inventories		484	5,039
Increase in trade and other receivables		(86)	(1,930)
Decrease in other current assets and prepayments		126	82
Increase/(decrease) in trade and other payables		993	(2,551)
Net cash from operations		1,316	2,486
Income tax paid		(194)	(556)
Interest received	6	27	8
Interest paid	7	(356)	(309)
Net cash flows from operating activities		793	1,629
Cash flows from investing activities			
Dividend received		–	398
Purchase of property, plant and equipment	17	(2,092)	(1,773)
Proceeds from disposal of property, plant and equipment		13	269
Net cash flows used in investing activities		(2,079)	(1,106)
Cash flows from financing activities			
Repayment of bank borrowings		(107)	(109)
Proceeds from bank borrowings		188	2,312
Repayment of finance lease liabilities		–	(172)
Net proceeds from/(repayments of) bills payable		2,136	(724)
Increase in restricted bank deposits	14	(323)	(494)
Dividend paid to a non-controlling shareholder of a subsidiary		(28)	(15)
Net cash flows generated from financing activities		1,866	798
Net increase in cash and cash equivalents		580	1,321
Cash and cash equivalents at beginning of year		3,096	1,719
Effect of exchange rate changes on cash and cash equivalents		(194)	56
Cash and cash equivalents at end of year	14	3,482	3,096

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial STATEMENTS

1. General

Ossia International Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 10 Changi South Lane #07-01 Ossia Building, Singapore 486162.

The principal activities of the Company are the marketing and distribution of sporting goods, golf equipment, footwear accessories and apparel, and investment holding. The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values in the tables are rounded to the nearest thousand ($'000) as indicated.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual periods beginning on or after 1 April 2016. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2. Summary of significant accounting policies (cont'd)

2.3 *Standard issued but not yet effective*

The Group has not adopted the following standards that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
Amendments to FRS 27 *Equity Method in Separate Financial Statements*	*1 January 2016*
Amendments to FRS 16 and FRS 38: *Clarification of Acceptable Methods of Depreciation and Amortisation*	*1 January 2016*
Amendments to FRS 111: *Accounting for Acquisitions of Interests in Joint Operations*	*1 January 2016*
Amendments to FRS 110 & FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	*To be determined**
Amendments to FRS 1: *Disclosure Initiative*	*1 January 2016*
Amendments to FRS 110, FRS 112 and FRS 28: *Investment Entities: Applying the Consolidation Exception*	*1 January 2016*
Improvements to FRSs (November 2014)	
(a) Amendments to FRS 107 *Financial Instruments: Disclosures*	*1 January 2016*
(b) Amendment to FRS 19 *Employee Benefits*	*1 January 2016*
Amendments to FRS 1 *Disclosure Initiative*	*1 January 2016*
FRS 115 *Revenue from Contracts with Customers*	*1 January 2018*
FRS 109 *Financial Instruments*	*1 January 2018*

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standard Council in December 2015 via amendments to Effective Date of Amendments to FRS 110 and FRS 28.

Except for FRS 115 and 109, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 and 109 are described below.

<u>FRS 115 *Revenue from Contracts with Customers*</u>

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of FRS 115 and plans to adopt the new standard on the required effective date.

2. Summary of significant accounting policies (cont'd)

2.3 *Standard issued but not yet effective (cont'd)*

FRS 109 *Financial Instruments*

In December 2015, the Accounting Standard Council issued the final version of FRS 109 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 39 Financial Instruments: Recognition and Measurement. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. FRS 109 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory in the year of adoption. The Group is currently assessing the impact of FRS 109 and plans to adopt the new standard on the required effective date.

2.4 *Basis of consolidation*

Business combinations from 1 January 2010

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

– De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
– De-recognises the carrying amount of any non-controlling interest;
– De-recognises the cumulative translation differences recorded in equity;
– Recognises the fair value of the consideration received;
– Recognises the fair value of any investment retained;
– Recognises any surplus or deficit in profit or loss;
– Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. Summary of significant accounting policies (cont'd)

2.4 *Basis of consolidation (cont'd)*

Business combinations prior to 1 January 2010

Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

– Acquisition of non-controlling interests, prior to 1 January 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of the net assets acquired were recognised in goodwill.

– Losses incurred by the Group were attributed to the non-controlling interest until the balance was reduced to nil. Any further losses were attributed to the Group, unless the non-controlling interest had a binding obligation to cover these. Losses prior to 1 January 2010 were not reallocated between non-controlling interest and the owners of the Company.

– Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying values of such investments as at 1 January 2010 have not been restated.

2.5 *Transactions with non-controlling interests*

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Changes in the Company owner's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 *Foreign currency*

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

2. Summary of significant accounting policies (cont'd)

2.6 *Foreign currency (cont'd)*

(a) *Transactions and balances (cont'd)*

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated under foreign currency translation reserve in equity. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2.7 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.21. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

2. Summary of significant accounting policies (cont'd)

2.7 *Property, plant and equipment (cont'd)*

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	-	Over the remaining lease period of 68 years
Building	-	50 years
Computer equipment	-	3-5 years
Motor vehicles	-	3-5 years
Furniture, fixtures, fittings and renovations	-	2-10 years
Plant, machinery and office equipment	-	3-10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.8 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other available fair value indicators.

The Group bases its impairment calculation on budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of three to five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the third or fifth year.

2. Summary of significant accounting policies (cont'd)

2.8 *Impairment of non-financial assets (cont'd)*

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.9 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.10 *Associates*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group account for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associates.

2. Summary of significant accounting policies (cont'd)

2.10 *Associates (cont'd)*

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associate are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

2.11 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

2. Summary of significant accounting policies (cont'd)

2.11 *Financial instruments (cont'd)*

(a) *Financial assets (cont'd)*

The Group classifies the following financial assets as loans and receivables:

- cash and bank balances;
- trade and other receivables, including amounts due from subsidiaries, and related parties and companies; and
- deposits (current and non-current), sundry debtors and amount due from the non-controlling shareholder of a subsidiary.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for derivatives, which are measured at fair value. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

2. Summary of significant accounting policies (cont'd)

2.11 *Financial instruments (cont'd)*

(c) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.12 *Impairment of financial assets*

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.13 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at bank, fixed deposits, and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.14 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.15 *Trade and other receivables*

Trade receivables are non-interest bearing and are generally on 60 – 90 days term. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The accounting policy for this category of financial assets is stated in Note 2.11(a). Allowance for doubtful receivables is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

2.16 *Provisions*

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 *Financial guarantee*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2. Summary of significant accounting policies (cont'd)

2.18 *Employee benefits*

(a) *Defined contribution plan*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they are accrued to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.19 *Leases*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

As lessee

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.22.

2. Summary of significant accounting policies (cont'd)

2.20 *Interest bearing loans and borrowings*

All loans and borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. The accounting policy for this category of financial liabilities is stated in Note 2.11(b).

2.21 *Borrowing costs*

Borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.22 *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The following specific recognition criteria must also be met before revenue is recognised:

(a) *Sale of goods*

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, usually on delivery of goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) *Rental income*

Rental income is recognised on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(c) *Dividend income*

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

(d) *Interest income*

Interest income is recognised using effective interest method.

2. Summary of significant accounting policies (cont'd)

2.23 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. **Summary of significant accounting policies (cont'd)**

2.23 *Taxes (cont'd)*

(b) *Deferred tax (cont'd)*

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2. Summary of significant accounting policies (cont'd)

2.24 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.25 *Segment reporting*

For management purposes, the Group is organised into operating segments based on their geographical locations which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 30, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.26 *Contingencies*

A contingent liability is:

(a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) A present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2. **Summary of significant accounting policies (cont'd)**

2.27 *Related parties*

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.

(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 the group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *Income taxes*

Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. 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 tax provisions in the period in which such determination was made. The carrying amount of the Group's and the Company's income tax payables at balance sheet date was $64,000 (2015: $80,000) and $Nil (2015: $Nil), respectively. The carrying amount of deferred tax assets and liabilities are disclosed in Note 18.

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

The cost of property, plant and equipment is depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these assets to be within 2 to 68 years. Changes in the expected level of usage could impact the economic useful lives, therefore future depreciation charges could be revised. The carry amount of the Group's property, plant and equipment at balance sheet date is disclosed in Note 17 to the financial statements.

(c) *Impairment of non-financial assets*

The Group assesses at each balance sheet date whether there are any indicators of impairment for all non-financial assets.

Determining whether the carrying values of property, plant and equipment and investment in subsidiaries and associated company are impaired requires an estimation of the value-in-use of the asset of CGU. This requires the Group to estimate the future cash flows expected from the asset or CGU and appropriate discount rate in order to calculate the present value of the future cash flows. The carrying amount of property, plant and equipment and investment in subsidiaries and associated company at balance sheet date are disclosed in Notes 17, 16 and 15 respectively.

3. Significant accounting judgements and estimates (cont'd)

3.1 *Key sources of estimation uncertainty (cont'd)*

(d) *Impairment of loans and receivables*

The Group assesses at end of each balance sheet date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of trade and other receivables are disclosed in Note 12 to the financial statements.

(e) *Allowance for inventory obsolescence*

Allowance for inventory obsolescence is estimated based on the best available facts and circumstances, including but not limited to, the physical condition of the inventories, their market selling prices, and estimated costs to be incurred for their sales. The allowances are re-evaluated and adjusted as additional information received affects the amount estimated. The carrying amount of the Group's and the Company's inventories at balance sheet date was $12,225,000 (2015: $13,374,000) and $Nil (2015: $Nil), respectively.

4. Revenue

	Group	
	2016	2015
	$'000	$'000
Sale of apparels, sporting goods, footwear and accessories	36,166	47,728

5. Other income

	Group	
	2016	2015
	$'000	$'000
Rental income		
- Third parties	–	81
- Related parties	–	18
Dividend income from associate	–	398
Gain on disposal of property, plant and equipment	–	62
Sponsorship income	55	–
Miscellaneous income	102	612
	157	1,171

Included in miscellaneous income are government grant and other income.

6. Interest income

	Group 2016 $'000	Group 2015 $'000
Interest income from:		
- Fixed deposits	27	8

7. Finance costs

	Group 2016 $'000	Group 2015 $'000
Finance costs on bank loans, bills payable, bank overdrafts and obligations under finance lease	356	309

8. Loss before income tax

The following items have been included in arriving at loss before income tax:

	Group 2016 $'000	Group 2015 $'000
Auditor's remuneration		
- Auditors of the Company	63	84
- Other auditors	54	63
Depreciation of property, plant and equipment (Note 17)	1,827	2,206
Net foreign exchange loss	31	65
Allowance for doubtful debts (Note 12)	12	2
Write-back of allowance for doubtful debts (Note 12)	(2)	(42)
Rental expense:		
- Operating lease rentals (Note 25)	4,794	6,575
- Contingent lease rentals	–	178
Employee benefits expenses:		
- Wages and salaries	6,671	7,672
- Contribution to defined contribution plans	445	724
- Other related costs	645	678
Write-back of provision for reinstatement cost	–	(47)
Property, plant and equipment written-off (Note 17)	49	72
Impairment loss on property, plant and equipment (Note 17)	112	–
Loss/(gain) on disposal of property, plant and equipment	55	(62)

9. Income tax

(a) *Major components of income tax expense*

The major components of income tax expense for the years ended 31 March 2016 and 31 March 2015 are:

	Group	
	2016 $'000	2015 $'000
Consolidated statement of comprehensive income		
Current income tax		
- Current income taxation	157	301
- (Over)/Under provision in respect of previous years	(11)	12
	146	313
Deferred income tax (Note 18)		
- Origination and reversal of temporary	92	16
- Under provision in respect of previous years	–	138
	92	154
Withholding tax	14	287
	14	287
Income tax expense recognised in the profit or loss	252	754

9. Income tax (cont'd)

(b) *Relationship between tax expense and accounting profit*

The reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 March 2016 and 31 March 2015 are as follows:

	Group	
	2016	2015
	$'000	$'000
Loss before income tax	(2,633)	(1,362)
Tax at the domestic rates applicable to profits in the countries where the Group operates	(579)	(52)
Adjustments:		
Non-deductible expenses	559	35
Income not subject to taxation	(69)	(86)
Deferred tax assets not recognised	482	136
Share of results of associated company	(105)	235
Utilisation of deferred tax benefit previously not recognised	(81)	–
Under-provision in respect of previous years	(11)	149
Withholding tax	14	287
Others	42	50
Income tax expense recognised in profit or loss	252	754

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

10. Loss per share

Basic earnings per share amounts are calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the loss and share data used in the computation of basic and diluted earnings per share for the years ended 31 March:

	Group	
	2016	2015
	$'000	$'000
Loss for the year attributable to owners of the Company	(2,847)	(2,135)
	No of shares	No of shares
	'000	'000
Weighted average number of ordinary shares in issue for basic and diluted earnings per share computation	252,629	252,629

There were no dilutive potential ordinary shares as at 31 March 2016 and 2015.

11. Inventories

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Balance sheet:				
Finished goods	13,272	14,372	–	51
Less: Allowance for inventory obsolescence	(1,047)	(998)	–	(51)
	12,225	13,374	–	–

	Group	
	2016	2015
	$'000	$'000
Consolidated statement of comprehensive income:		
Inventories recognised as an expense in cost of sales	17,575	24,104
Inclusive of the following charges:		
- Allowance for inventory obsolescence	147	160
- Write-back of allowance for inventory obsolescence	–	(793)

12. Trade receivables

	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Trade receivables– external parties	4,197	4,168	–	–
Less: Allowance for doubtful debts	(35)	(26)	–	–
	4,162	4,142	–	–
Trade receivables– related parties	2,468	3,567	1,290	1,894
Trade receivables– subsidiaries	–	–	1,153	2,335
Trade receivables	6,630	7,709	2,443	4,229

Trade receivables due from third parties are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables due from related parties are unsecured, non-interest bearing and repayable in cash upon demand.

Trade receivables due from subsidiaries are unsecured, non- interest bearing and are to be settled in cash. Trade receivables are generally on 30 to 90 days' terms.

Receivables that are past due but not impaired

The Group has the following trade receivables that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their ageing at the end of the reporting period is as follows:

	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Trade receivables past due but not impaired:				
Less than 30 days	1,526	191	–	–
30 to 60 days	1,819	130	–	87
61 to 90 days	16	135	–	–
91 to 120 days	21	51	–	–
More than 120 days	2,546	3,433	1,290	1,786
	5,928	3,940	1,290	1,873

12. **Trade receivables (cont'd)**

Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment is as follows:

	Group	
	2016	**2015**
	$'000	$'000
Trade receivables – nominal amounts	159	216
Less: Allowance for impairment	(35)	(26)
	124	190
Movement in allowance accounts:		
At 1 April	26	144
Charge for the year	12	2
Written-off against allowance	–	(81)
Written-back against allowance	(2)	(42)
Exchange differences	(1)	3
At 31 March	35	26

Trade receivables denominated in currencies other than the functional currencies of respective entities at 31 March 2016 and 31 March 2015 are as follows:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	$'000	$'000	$'000	$'000
United States Dollars	1	51	–	–

13. Other receivables

	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Financial assets				
Deposits	1,281	1,531	5	7
Sundry debtors	87	161	10	12
Due from a director	–	189	–	189
Due from a related party	1,304	–	1,304	–
	2,672	1,881	1,319	208
Non-financial asset				
Tax recoverable	128	171	–	1
	2,800	2,052	1,319	209
Movement in allowance accounts:				
At 1 April	–	1,070	–	–
Written-off during the year	–	(1,070)	–	–
Exchange differences	–	–	–	–
At 31 March	–	–	–	–

Amount due from a director relates to proceeds receivable from the sale of motor vehicle and is unsecured, non-interest bearing and with no repayment terms. The amount was fully settled during the financial year.

Amount due from a related party is non-trade related, unsecured, non-interest bearing and repayable in cash upon demand.

Other current assets denominated in currencies other than the functional currencies of respective entities at 31 March 2016 and 31 March 2015 are as follows:

	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Chinese Renminbi	–	1	–	–
United States Dollars	1,038	23	–	–

14. Cash and bank balances

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the balance sheet date:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Cash at banks and on hand	3,482	3,478	44	182
Fixed deposits - restricted	1,940	1,527	–	–
Cash and bank balances	5,422	5,005	44	182
Less:				
Bank overdrafts (Note 21)	–	(382)	–	(237)
Fixed deposits - restricted	(1,940)	(1,527)	–	–
Cash and cash equivalents	3,482	3,096	44	(55)

Fixed deposits - restricted are placed with various banks to provide security for banking facilities granted to subsidiaries.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The fixed deposits with financial institutions mature on varying dates within 1 month to 12 months (2015: 1 month to 12 months) from the financial year end. The interest rates of the fixed deposits as at 31 March 2016 range from 0.7% to 3.30% (2015: 1.89% to 3.30%) per annum.

Cash and cash equivalents denominated in currencies other than the functional currencies of respective entities at 31 March 2016 and 31 March 2015 are as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
United States Dollars	14	5	–	–
Korean Won	10	15	–	–

15. Investment in associated company

	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Unquoted shares, at cost	13,252	13,252	13,252	13,252
Share of post acquisition reserves	6,356	5,817	–	–
	19,608	19,069	13,252	13,252

The share of post acquisition reserves is made up as follows:

	Group 2016 $'000	Group 2015 $'000
Revenue reserve	4,385	3,770
Translation reserve	(1,117)	(755)
Revaluation reserve	3,088	2,802
	6,356	5,817

The summarised financial information of the associated company, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	Group 2016 $'000	Group 2015 $'000
Assets and liabilities:		
Current assets	28	45
Non-current assets	50,350	48,433
Total assets	50,378	48,478
Current liabilities	305	141
Non-current liabilities	33,000	33,000
Total liabilities	33,305	33,141
Results:		
Revenue	–	–
Profit/(loss) for the year	1,538	(3,460)

15. **Investment in associated company (cont'd)**

The following information relates to the associated company:

Name	Principal activities	Country of incorporation and place of business	Proportion of ownership interest		Cost of Investment	
			2016	2015	2016	2015
			%	%	$'000	$'000
Held by the Company						
Harvey Norman Ossia (Asia) Pte Ltd [1]	Investment holding	Singapore	40.0	40.0	13,252	13,252
Held by associated company						
Pertama Holdings Limited [1]	Investment holding	Singapore	19.8	19.8		

[1] Audited by Ernst & Young LLP, Singapore.

16. **Investment in subsidiaries**

	Company	
	2016	2015
	$'000	$'000
Unquoted shares, at cost	4,037	4,682
Less: Impairment loss	(2,391)	(3,019)
	1,646	1,663

16. **Investment in subsidiaries (cont'd)**

The Company has the following subsidiaries as at 31 March 2016 and 31 March 2015:

Name	Principal activities	Country of incorporation and place of business	Proportion of ownership interest		Cost of investment	
			2016	2015	2016	2015
			%	%	$'000	$'000
Held by the Company						
Alstyle Marketing Sdn. Bhd. (3)	Designing and distribution of fashion wear and accessories and investment holding	Malaysia	100.0	100.0	282	282
Ossia World of Golf (M) Sdn. Bhd. (3)	Importation and distribution of sports equipment, apparel and accessories	Malaysia	100.0	100.0	1,080	1,080
Ossia Company Limited (HK) (4)	Distribution of sporting equipment, accessories, apparel and footwear	Hong Kong	85.0	85.0	569	569
Great Alps Industry Co., Ltd (1)	Distribution of bags, sporting goods, apparel and accessories	Taiwan	100.0	100.0	677	677
Pacific Leisure (Australia) Pty Ltd (5)	Dormant	Australia	–	100.0	–	645
W.O.G. World of Golf Pte Ltd (5)	Dormant	Singapore	100.0	100.0	1,429	1,429
					4,037	4,682

16. Investment in subsidiaries (cont'd)

Name	Principal activities	Country of incorporation and place of business	Proportion of ownership interest 2016 %	2015 %
Held by subsidiaries				
Alstyle International (M) Sdn. Bhd. (3)	Designing, marketing and distribution of fashion wear and accessories	Malaysia	100.0	100.0
Alstyle Fashion Sdn. Bhd. (3)	Marketing and distribution of fashion and sports apparel and accessories	Malaysia	100.0	100.0
Alstyle International Resources Sdn Bhd. (3)	Wholesaler, retailer of apparels and others	Malaysia	61.0	61.0
Ossia Marketing Sdn. Bhd. (2)	Dormant	Malaysia	–	100.0
U.S.U.S. Marketing Sdn. Bhd. (2)	Dormant	Malaysia	–	100.0
O.F. Marketing Sdn. Bhd. (2)	Dormant	Malaysia	100.0	100.0
O.F. Active Sdn. Bhd. (2)	Dormant	Malaysia	100.0	100.0
Decorion Sdn. Bhd. (2)	Investment holding	Malaysia	100.0	100.0

(1) Audited by member firm of Ernst & Young Global in Taiwan.
(2) Audited by W.K. Lee & Co., CPA, Malaysia.
(3) Audited by TKNP International, CPA, Malaysia.
(4) Audited by FCC and Partners CPA Limited, Hong Kong.
(5) Not required to be audited by the law of its country of incorporation.

Impairment of investment in subsidiary

During the year, an allowance for impairment loss amounting to $17,000 (2015: $63,000) was made in respect of the Company's investment in subsidiary to reduce the carrying value of the investment to the recoverable amount, taking into account the financial condition of the subsidiary.

Striking off of subsidiary companies

Pacific Leisure (Australia) Pty Ltd, Ossia Marketing Sdn. Bhd. and U.S.U.S. Marketing Sdn. Bhd. were struck off during the financial year.

17. Property, plant and equipment

Group	Leasehold land and building $'000	Computer equipment $'000	Furniture, fixtures, fittings and renovations $'000	Motor vehicles $'000	Plant, machinery and office equipment $'000	Total $'000
Cost						
At 1 April 2014	1,789	2,162	14,888	769	1,218	20,826
Additions	–	33	1,857	13	5	1,908
Disposals	–	(4)	(61)	(341)	(23)	(429)
Write-offs	–	(4)	(1,757)	–	(111)	(1,872)
Exchange differences	(57)	7	222	7	(15)	164
At 31 March 2015 and 1 April 2015	1,732	2,194	15,149	448	1,074	20,597
Additions	117	45	1,914	–	16	2,092
Disposals	(160)	(4)	(187)	–	(4)	(355)
Write-offs	–	(30)	(848)	–	(34)	(912)
Exchange differences	(171)	(44)	(633)	(14)	(57)	(919)
At 31 March 2016	1,518	2,161	15,395	434	995	20,503

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

Group	Leasehold land and building $'000	Computer equipment $'000	Furniture, fixtures, fittings and renovations $'000	Motor vehicles $'000	Plant, machinery and office equipment $'000	Total $'000
Accumulated depreciation and impairment loss						
At 1 April 2014	162	1,709	12,954	431	1,067	16,323
Depreciation charge for the year	29	227	1,808	98	44	2,206
Disposals	–	(4)	(15)	(184)	(19)	(222)
Write-offs	–	(4)	(1,694)	–	(102)	(1,800)
Exchange differences	(7)	3	205	4	(12)	193
At 31 March 2015 and 1 April 2015	184	1,931	13,258	349	978	16,700
Depreciation charge for the year	102	198	1,455	36	36	1,827
Impairment loss	–	–	112	–	–	112
Disposals	(146)	(4)	(134)	–	(3)	(287)
Write-offs	–	(27)	(804)	–	(32)	(863)
Exchange differences	(19)	(40)	(512)	(10)	(50)	(631)
At 31 March 2016	121	2,058	13,375	375	929	16,858
Net carrying amount						
At 31 March 2016	1,397	103	2,020	59	66	3,645
At 31 March 2015	1,548	263	1,891	99	96	3,897

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

Company	Computer equipment $'000	Furniture, fixtures, fittings and renovations $'000	Motor vehicles $'000	Plant, machinery and office equipment $'000	Total $'000
Cost					
At 1 April 2014	1,485	3,517	390	81	5,473
Additions	–	135	–	–	135
Write-offs	(4)	(902)	–	(29)	(935)
Disposals	–	–	(262)	–	(262)
At 31 March 2015 and 1 April 2015	1,481	2,750	128	52	4,411
Additions	1	–	–	–	1
At 31 March 2016	1,482	2,750	128	52	4,412
Accumulated depreciation and impairment loss					
At 1 April 2014	1,182	3,403	158	79	4,822
Depreciation charge for the year	159	146	61	1	367
Write-off	(4)	(895)	–	(29)	(928)
Disposals	–	–	(113)	–	(113)
At 31 March 2015 and 1 April 2015	1,337	2,654	106	51	4,148
Depreciation charge for the year	143	48	8	1	200
At 31 March 2016	1,480	2,702	114	52	4,348
Net carrying amount					
At 31 March 2016	2	48	14	–	64
At 31 March 2015	144	96	22	1	263

17. **Property, plant and equipment (cont'd)**

Assets held under finance leases

As at 31 March 2016, the leasehold land and building of the Group consist of the following:

Property/(Location)	Purpose	Approximate land area (in sq metre)	Approximate gross floor area (in sq metre)	Tenure of lease
No. 89 Jalan 10/91, Taman Shamelin Perkasa, 56100 Kuala Lumpur (Malaysia)	Office and warehouse	1,456	2,081	80 years expiring on 11 September 2082

Impairment of property, plant and equipment

During the year, the Group carried out a review of the recoverable amount of its furniture, fixtures, fittings and renovations because certain retail outlets had been persistently making losses. An impairment loss of $112,000 (2015: $Nil), representing the write-down of relevant assets to the recoverable amount was recognised in "Distribution costs" line item of profit or loss. The recoverable amount was determined based on the expected profitability of the relevant retail outlets over the remaining lease term.

18. **Deferred tax**

Deferred tax as at 31 March relates to the following:

	Group			
	Consolidated balance sheet		Consolidated statement of comprehensive income	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Deferred tax liabilities				
Other items	4	31	(27)	72
Deferred tax assets				
Provisions and accruals	(109)	(200)	91	56
Unutilised tax losses	–	(28)	28	26
	(105)	(197)		
Deferred tax expense (Note 9)			92	154

18. Deferred tax (cont'd)

Unrecognised tax losses and capital allowances

At the end of the reporting period, the Group had unabsorbed tax losses and capital allowances of approximately $33,730,000 (2015: $37,436,000) and $332,000 (2015: $1,183,000), respectively, which are available for offset against future taxable profits of the companies, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses and capital allowances is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operates.

19. Trade and other payables

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Trade payables				
- external parties	1,974	2,287	47	56
- related party	363	387	–	–
Other payables				
- related party	13	6	13	–
Sundry creditors	757	986	338	484
Deposits received	312	349	41	51
Accrued operating expenses	2,611	1,951	248	614
	6,030	5,966	687	1,205

Trade payables due to external parties are non-interest bearing and are normally settled on 30 to 60 days' terms.

Trade payables due to related party are non-interest bearing and are normally settled on 30 to 60 days' term.

Other payables due to related party are non-trade related, non-interest bearing and unsecured.

Deposits received are non-interest bearing and refundable at the expiration of the lease term.

Trade and other payables denominated in currencies other than the functional currencies of respective entities at 31 March 2016 and 31 March 2015 are as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
United States Dollars	35	495	–	25
Euro	–	63	–	18
Malaysian Ringgit	–	12	–	12

20. Bills payable

	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Bills payable	2,125	42	–	–

Bills payable carry interest at rates ranging from 1.99% to 3.81% (2015: Nil) per annum and are repayable within 3 months (2015: 3 months) from the financial year end.

Bills payable are secured by corporate guarantees from the Company and personal guarantee from a director and of a subsidiary of $2,125,000 (2015: $133,000).

Bills payable denominated in currencies other than the functional currencies of respective entities at 31 March 2016 and 31 March 2015 are as follows:

	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
United States Dollars	26	–	–	–
Japanese Yen	–	42	–	–

21. Borrowings

	Maturity	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
Current					
Bank overdrafts - unsecured (Note 14)	On demand	–	382	–	237
Bank loans - secured	2017	3,473	4,602	–	–
Short term loan	2017	1,314	–	–	–
Finance lease liabilities (Note 25(b))	2016	–	45	–	45
		4,787	5,029	–	282
Non-current					
Bank loans - secured	2018 - 2033	2,082	2,421	–	–
Finance lease liabilities (Note 25(b))	2017	–	67	–	67
		2,082	2,488	–	67

21. Borrowings (cont'd)

Bank loans

Bank loans are secured by corporate guarantees of the Company and restricted fixed deposits placed with the respective banks.

Short term loan is obtained from a financial institution.

The weighted average effective interest rates at the end of the reporting period are as follows:

	Group		Company	
	2016	2015	2016	2015
	%	%	%	%
Bank overdrafts	–	7.68	–	6.75
Bank loans	3.34	3.41	–	–
Short term loan	3.56	–	–	–
Finance lease liabilities	–	2.25	–	0.94

The carrying amount of the finance lease liabilities is not significantly different from the fair value.

22. Share capital

	Group and Company			
	2016 No. of shares '000	2015 No. of shares '000	2016 $'000	2015 $'000
Issued and fully paid ordinary shares				
At the beginning and end of the year	252,629	252,629	31,351	31,351

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

23. Reserves

(a) Revaluation reserve represents the Group's share of revaluation reserve of associated company.

(b) Legal reserve represents amount set aside in compliance with local laws in certain countries where the Group operates, and are not distributable unless approval is obtained from relevant authorities.

(c) Translation reserve represents exchange differences arising from the translation of financial statements of foreign operations whose functional currencies are different from the Group's presentation currency and share of translation reserve from associated company.

(d) Other reserve relates to the premium paid on acquisition of non-controlling interests in a subsidiary (Note 16).

24. Contingent liabilities

Details and estimate of the maximum amount of contingent liabilities at the end of the reporting period are as follows:

Guarantees

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Guarantees issued to banks for banking facilities granted to certain subsidiaries (Note 21)	–	–	6,639	7,210

No material losses under these guarantees are expected.

25. Lease commitments

(a) *Operating lease commitments*

As lessee

The Group leases certain properties under lease agreements that are non-cancellable. The leases have an average tenure of between 2 and 7 years. There are no restrictions placed upon the Group by entering into these leases.

Certain lease contracts include contingent rent provision and renewal option for additional lease period of 2 to 3 years at rental rates based on prevailing market conditions. Future minimum lease payments under non-cancellable operating leases at the end of the reporting period are as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Not later than 1 year	3,717	5,794	800	760
Later than 1 year but not later than 5 years	1,934	4,535	40	840
	5,651	10,329	840	1,600

Minimum lease payments recognised in profit or loss for the Group and the Company for the financial year ended 31 March 2016 are shown in Note 8.

25. Lease commitments (cont'd)

(b) *Finance lease commitments*

The Group has entered into finance leases for certain items of plant and equipment and motor vehicles. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments at the end of the reporting period are as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Not later than 1 year	–	49	–	49
Later than 1 year but not later than 5 years	–	73	–	73
More than 5 years	–	–	–	–
Total minimum lease payments	–	122	–	122
Less: Amounts representing finance charges	–	(10)	–	(10)
Present value of minimum lease payments	–	112	–	112

The present value of finance lease liabilities is as follows:

Current (Note 21)	–	45	–	45
Non-current (Note 21)	–	67	–	67
	–	112	–	112

The liabilities are secured on the relevant assets acquired under the lease agreements (Note 17).

26. Related party transactions

(a) *Sales and purchases of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2016	2015
	$'000	$'000
Income		
Sale of goods to related parties	–	5,816
Rental income from related parties	712	815
Sale of property, plant and equipment to a related party	–	91
Sale of motor vehicle to a director	–	177
Service income from a company of which a director of a subsidiary of Ossia International Limited is also a director	–	7
Recharge of expenses to related parties	–	689
Expense		
Purchase of goods from related parties	–	25
Recharge of expenses by related parties	–	196

Related parties

These are subsidiaries of VGO Corporation Limited.

(b) *Compensation of key management personnel*

	Group	
	2016	2015
	$'000	$'000
Short-term employee benefits	1,087	1,330
Central Provident Fund contributions	56	60
Other short-term benefits	8	–
	1,151	1,390
Comprise amounts paid to:		
- Directors of the Company	1,151	1,390
- Other key management personnel	–	–
	1,151	1,390

27. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's risk management approach seeks to minimise the potential material adverse effects from these risk exposures. The management manages and monitors these exposures and ensures appropriate measures are implemented on a timely and effective manner. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is and has been throughout the current and previous financial years, the Group's policy that no trading in derivatives for speculated purposes shall be undertaken.

The Group's principal financial instruments comprise bank borrowings and overdrafts, bills payable, finance leases and cash and deposits. The main purpose of these financial instruments is to finance the Company's operations. The Group has various other financial assets and liabilities such as trade and other receivables, trade and other payables and related party balances which arise directly from its operations.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) *Foreign currency risk*

The Group has transactional currency exposures arising from sales or purchases that are denominated in currencies other than the respective functional currencies of the Group entities, primarily SGD, Malaysian Ringgit (RM), New Taiwan Dollars (NTD) and Hong Kong Dollars (HKD). The foreign currencies in which these transactions are denominated are mainly United States Dollars (USD), Euro (EUR), Chinese Renminbi (RMB) and Japanese Yen (JPY). However, this type of exposure is minimal since substantially all of the Group's sales are denominated in the functional currency of the operating unit making the sale and operating costs are also substantially denominated in the unit's functional currency. The Group's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances at the end of the reporting period are disclosed in Note 14.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia, Taiwan, and Hong Kong, which are not hedged.

No sensitivity analysis on the foreign currency risk has been presented as its impact is not significant to the profit or loss and equity of the Group.

The management considers the Group's exposure to foreign currency risks to be minimal.

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27. Financial risk management objectives and policies (cont'd)

(b) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from bills payable and borrowings. The Group does not use derivative financial instruments to hedge its exposure to interest rate fluctuations. However, it is the Group's policy to obtain the most favourable interest rates available wherever the Group obtains additional financing through bank borrowings. The Group has cash balances placed with reputable banks which generate interest income for the Group. The Group manages its interest rate risks by placing such balances of varying maturities and interest rate terms.

Sensitivity analysis for interest rate risk

The table below demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Group's profit/(loss) net of tax (through the impact on interest expense on floating rate bills payable, bank overdrafts and short-term bank loans).

	Group	
	Basis points (Higher/Lower)	Effect on profit net of tax (Higher/Lower) $'000
31.3.2016		
RM	75	14
NTD	75	42
31.3.2015		
RM	75	17
NTD	75	28

27. Financial risk management objectives and policies (cont'd)

(c) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should an external party default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. At the end of the reporting period, the Group's and Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets and the nominal amount of corporate guarantees provided by the Company to banks (Note 24).

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group has policies in place to ensure that sales of products and services are made to customers with appropriate credit histories. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the country profile of its trade and other receivables on an on-going basis. The credit risk concentration profile of the Group's trade and other receivables at the end of the reporting period is as follows:

	Group			
	2016		2015	
	$'000	% to total	$'000	% to total
Singapore	2,594	33%	1,894	24%
Taiwan	3,316	41%	2,924	38%
Hong Kong	684	9%	1,091	14%
Malaysia	1,374	17%	1,826	24%
	7,968	100%	7,735	100%

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 12 (Trade receivables).

27. **Financial risk management objectives and policies (cont'd)**

(d) *Liquidity risk*

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

To manage liquidity risk, the Company also monitors its net operating cash flow and maintains an adequate level of cash and cash equivalents and secured committed funding facilities from financial institutions. In assessing the adequacy of these funding facilities, management reviews its working capital requirements regularly.

The Group assessed the concentration of risk with respect to the refinancing of its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the balance sheet date based on contractual undiscounted payments.

	2016 $'000				2015 $'000			
Group	One year or less	One to five years	Five years and above	Total	One year or less	One to five years	Five years and above	Total
Financial assets								
Cash and bank balances	5,422	–	–	5,422	5,005	–	–	5,005
Trade receivables	6,630	–	–	6,630	7,709	–	–	7,709
Other receivables	2,672	–	–	2,672	1,881	–	–	1,881
Total undiscounted financial assets	14,724	–	–	14,724	14,595	–	–	14,595
Financial liabilities								
Trade and other payables	6,030	–	–	6,030	5,966	–	–	5,966
Amount due to directors	701	–	–	701	–	–	–	–
Bills payable	2,125	–	–	2,125	42	–	–	42
Borrowings	4,787	451	2,980	8,218	5,029	568	3,352	8,949
Total undiscounted financial liabilities	13,643	451	2,980	17,074	11,037	568	3,352	14,957
Total net undiscounted financial assets/(liabilities)	1,081	(451)	(2,980)	(2,350)	3,558	(568)	(3,352)	(362)

27. Financial risk management objectives and policies (cont'd)

(d) *Liquidity risk (cont'd)*

Company	2016 $'000 One year or less	2016 $'000 One to five years	2016 $'000 Total	2015 $'000 One year or less	2015 $'000 One to five years	2015 $'000 Total
Financial assets						
Cash and bank balances	44	–	44	182	–	182
Trade receivables	2,443	–	2,443	4,229	–	4,229
Other receivables	1,319	–	1,319	208	–	208
Total undiscounted financial assets	3,806	–	3,806	4,619	–	4,619
Financial liabilities						
Trade and other payables	687	–	687	1,205	–	1,205
Amount due to directors	701	–	701	–	–	–
Borrowings	–	–	–	282	73	355
Total undiscounted financial liabilities	1,388	–	1,388	1,487	73	1,560
Total net undiscounted financial assets/(liabilities)	2,418	–	2,418	3,132	(73)	3,059

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. The maximum amount of the corporate guarantee contracts are allocated to the earliest period in which the guarantee could be called.

Company	2016 $'000 One year or less	2016 $'000 One to five years	2016 $'000 Five years and above	2016 $'000 Total	2015 $'000 One year or less	2015 $'000 One to five years	2015 $'000 Five years and above	2015 $'000 Total
Corporate guarantee	4,557	382	1,700	6,639	4,789	402	2,019	7,210

28. Fair value of financial instruments

Fair value is the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

Financial instruments whose carrying amounts are reasonable approximation of fair value

Management has determined that the carrying amounts of cash and bank balances (Note 14), trade receivables (Note 12), other receivables (Note 13), trade and other payables (Note 19), bills payable (Note 20) and borrowings (Note 21) at the end of the reporting period, based on their notional amounts, are reasonable approximations of their fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

There are no significant differences between the fair values and the carrying amounts of finance lease liabilities and non-current borrowings.

Categories of financial assets and financial liabilities

Set out below are the carrying amounts of the Group's and the Company's financial assets and financial liabilities that are carried on the balance sheets:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Assets				
Cash and bank balances (Note 14)	5,422	5,005	44	182
Trade receivables (Note 12)	6,630	7,709	2,443	4,229
Deposits (Note 13)	1,281	1,531	5	7
Other receivables (Note 13)	1,391	350	1,314	201
Loans and receivables	14,724	14,595	3,806	4,619
Liabilities				
Trade and other payables (Note 19)	6,030	5,966	687	1,205
Amount due to directors	701	–	701	–
Bills payable (Note 20)	2,125	42	–	–
Borrowings (Note 21)	6,869	7,517	–	349
Financial liabilities at amortised cost	15,725	13,525	1,388	1,554

29. Capital management

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2016 and 31 March 2015.

An overseas subsidiary in Taiwan appropriates 10% of its net profit after tax according to the subsidiary's Articles of Incorporation as legal reserve. Such appropriations are proposed by the directors for approval by shareholders in the next financial year and given effect in the financial statements of that year. The legal reserve shall be appropriated each year until the accumulated reserve equals the paid-up capital of the subsidiary. This reserve can only be used to offset losses of the subsidiary. When the reserve has reached 50% of the share capital of the subsidiary, up to 50% of the legal reserve may be capitalised. The reserve is not available for dividend distribution. This internally imposed capital requirement has been complied with by the abovementioned subsidiary for the financial year ended 31 March 2016 and 31 March 2015.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's aim is to keep the gearing ratio below 30%. The Group includes within net debt, borrowings, trade and other payables, dividend and bills payable, less cash and bank balances. Capital includes equity attributable to the equity holders of the Company less the abovementioned legal reserve.

	Group	
	2016	**2015**
	$'000	$'000
Trade and other payables (Note 19)	6,030	5,966
Bills payable (Note 20)	2,125	42
Borrowings (Note 21)	6,869	7,517
Less: Cash and bank balances (Note 14)	(5,422)	(5,005)
Net debt	9,602	8,520
Equity attributable to equity holders of the Company	34,258	37,359
Less: Legal reserve	(1,328)	(1,280)
Total capital	32,930	36,079
Capital and net debt	42,532	44,599
Gearing ratio	23%	19%

30. Segment information

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. The Group mainly imports and distributes apparel, sporting goods, footwear and accessories in each of the following locations and are independent from each other.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on terms agreed mutually between the parties. Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

31.3.2016	Singapore and Malaysia	Hong Kong	Taiwan	Adjustments and eliminations	Total Group
	$'000	$'000	$'000	$'000	$'000
Revenue:					
External customers	10,244	3,092	22,830	–	36,166
Results:					
Interest income	18	–	9	–	27
Dividend income					
Finance costs	(119)	–	(237)	–	(356)
Depreciation of property, plant and equipment	698	94	1,035	–	1,827
Loss on liquidation of a subsidiary	–	–	–	(528)	(528)
Share of results of associated company	615	–	–	–	615
Other non-cash expenses	194	–	2	– (b)	196
Segment (loss)/profit	(2,367)	(442)	257	(81) (a)	(2,633)
Assets:					
Investment in associated company	19,608	–	–	–	19,608
Additions to property, plant and equipment	357	122	1,613	–	2,092
Segment assets	32,483	3,303	16,716	(1,859) (c)	50,643
Segment liabilities	5,804	456	10,746	(1,217) (d)	15,789

30. Segment information (cont'd)

31.3.2015	Singapore and Malaysia $'000	Hong Kong $'000	Taiwan $'000	Adjustments and eliminations $'000	Total Group $'000
Revenue:					
External customers	22,024	4,007	21,697	–	47,728
Results:					
Interest income	7	–	8	(7) (a)	8
Dividend income	3,088	–	–	(3,088) (a)	–
Finance costs	(162)	–	(147)	–	(309)
Depreciation of property, plant and equipment	987	81	1,138	–	2,206
Share of results of associated company	(1,384)	–	–	–	(1,384)
Other non-cash expenses	148	–	84	– (b)	232
Segment (loss)/profit	2,493	(221)	1,716	(5,350) (a)	(1,362)
Assets:					
Investment in associated company	19,069	–	–	–	19,069
Additions to property, plant and equipment	441	4	1,328	–	1,773
Segment assets	35,760	3,755	15,165	(3,043) (c)	51,637
Segment liabilities	6,539	514	9,134	(2,582) (d)	13,605

(a) The following items are added to/(deducted from) segment profit to arrive at "loss for the year" presented in the consolidated statement of comprehensive income.

	2016 $'000	2015 $'000
Dividend income from subsidiaries and associated company	–	(3,088)
Inter-segment expense	(80)	(2,262)
	(80)	(5,350)

(b) Other non-cash expenses consist of allowance for inventory obsolescence, impairment loss on property, plant and equipment and property, plant and equipment written-off as presented in the respective notes to the financial statements.

30. Segment information (cont'd)

(c) The following items are deducted from segment assets to arrive at total assets reported in the consolidated balance sheet:

	2016	2015
	$'000	$'000
Investment in subsidiaries	675	677
Other receivables from subsidiaries	1,184	2,366
	1,859	3,043

(d) The amounts consist of intercompany payables which are eliminated on consolidation to arrive at the segment liabilities.

31. Authorisation of financial statements

The financial statements for the year ended 31 March 2016 were authorised for issue in accordance with a resolution of the directors on 30 June 2016.

Statistics of SHAREHOLDINGS

Distribution of Shareholdings By Size of Shareholdings As At 17 June 2016

Size of Shareholdings			No. of Shareholders	%	No. of Shares	%
1	-	99	41	1.32	2,075	0.00
100	-	1,000	881	28.33	825,710	0.33
1,001	-	10,000	1,530	49.20	6,623,419	2.62
10,001	-	1,000,000	643	20.67	34,119,099	13.51
1,000,001	and	above	15	0.48	211,059,180	83.54
Total			3,110	100.00	252,629,483	100.00

No.	Name	No. of Shares	%
1	GOH CHING LAI	73,012,577	28.90
2	GOH CHING WAH	57,354,656	22.70
3	GOH CHING HUAT	57,354,654	22.70
4	PHILLIP SECURITIES PTE LTD	3,976,540	1.57
5	GOH LEE CHOO	3,203,700	1.27
6	LEH BEE HOE	2,653,800	1.05
7	MAYBANK NOMINEES (SINGAPORE) PTE LTD	2,047,000	0.81
8	CHAM MOOI TAI	2,009,600	0.80
9	MAYBANK KIM ENG SECURITIES PTE LTD	1,699,084	0.67
10	CITIBANK NOMINEES SINGAPORE PTE LTD	1,440,001	0.57
11	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,390,800	0.55
12	RHB SECURITIES SINGAPORE PTE LTD	1,359,000	0.54
13	UOB KAY HIAN PTE LTD	1,280,882	0.51
14	DBS NOMINEES PTE LTD	1,159,986	0.46
15	PINNACLE INVESTMENTS LIMITED	1,116,900	0.44
16	LIM & TAN SECURITIES PTE LTD	976,000	0.39
17	CIMB SECURITIES (SINGAPORE) PTE LTD	763,554	0.30
18	OCBC NOMINEES SINGAPORE PTE LTD	628,526	0.25
19	CHIAM HOCK POH	559,000	0.22
20	KGI FRASER SECURITIES PTE LTD	554,800	0.22
	Total:	214,541,060	84.92

Substantial SHAREHOLDINGS

No	Name	Direct Interest	% of Shares	Deemed Interest	% of Shares
1	Goh Ching Lai, Joe	73,012,577	22.76	114,855,040*	45.46
2	Goh Ching Wah, George	57,500,386	28.90	130,367,231*	51.60
3	Goh Ching Huat, Steven	57,354,654	22.7	130,512,963*	51.66

Based on the information available to the Company as at 17 June 2016, approximately 24.37% of the issued ordinary shares of the Company is held by the public therefore, Rule 723 of the Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

* By virtue of the Section 7 of the Companies Act, Cap 50, brothers - Goh Ching Lai, Joe, Goh Ching Wah, George and Goh Ching Huat, Steven are deemed to have interests in each other's shares.

Notice of Annual GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Fifth Annual General Meeting of the Company will be held at the Conference Room, No. 10 Changi South Lane #07-01 OSSIA Building Singapore 486162 on Friday, 29 July 2016 at 9.30 a.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and consider the Audited Financial Statements of the Company for the financial year ended 31 March 2016 and the Directors' Statement and the Auditors Report thereon (Resolution 1)

2. To re-elect Ms Heng Su-Ling, retiring by rotation, pursuant to Article 89 of the Company's Constitution. (Resolution 2)

   Ms Heng Su-Ling, if re-elected will remain as an Independent Director as well as a member of the Audit Committee and Nominating Committee and Chairman of the Remuneration Committee; and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

3. To re-elect Mr Goh Ching Huat, retiring by rotation, pursuant to Article 89 of the Company's Constitution. (Resolution 3)

4. To re-appoint Mr Anthony Clifford Brown as a Director of the Company. (Resolution 4)

   (Please see Explanatory Note 2)

   Mr Anthony Clifford Brown if re-appointed will remain as an Independent Director as well as the Chairman of Nominating Committee and a member of the Audit Committee and Remuneration Committee; and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

5. To re-appoint Messrs Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 5)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:-

6. Approval of Non-Executive Directors' fees
   To approve the payment of Directors' fees of S$184,500/- to Non-Executive Directors for the financial year ended 31 March 2016 (2015: S$184,500/-). (Resolution 6)

7. Authority to allot and issue shares

   (a) "That, pursuant to Section 161 of the Companies Act, Chapter 50, and the listing rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:
   (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

   (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;

   (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

   (b) (Notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

provided always that

(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the Company's issued share capital, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the issued share capital of the Company, and for the purpose of this resolution, the issued share capital shall be the Company's issued share capital at the time this resolution is passed, after adjusting for;

a) new shares arising from the conversion or exercise of convertible securities, or

b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the Singapore Exchange Securities Trading Limited, and

c) any subsequent consolidation or subdivision of the Company's shares, and

(ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier." (Resolution 7)

(Please see Explanatory Note 1)

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

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua

Company Secretary

Singapore, 14 July 2016

Explanatory Notes:-

1) Mr Anthony Clifford Brown who is over the age of 70 was re-appointed as Director to hold office from the date of the last Annual General Meeting held on 29 July 2015 until the forthcoming Annual General Meeting pursuant to Section 153(6) of the Companies Act, Cap. 50. Section 153 (6) has been abolished with effect from 3 January 2016. A director, who is over 70 years of age, is no longer required to retire at every Annual General Meeting.

   However, as Mr Anthony Clifford Brown's appointment will lapse upon the conclusion of the forthcoming Annual General Meeting, Mr Anthony Clifford Brown would have to be re-appointed in order to be able to continue in his capacity as a Director of the Company. Upon his re-appointment as a Director of the Company at the forthcoming Annual General Meeting, moving forward, Mr Anthony Clifford Brown will no longer be subject to shareholders' approval under Section 153 (6) of the Companies Act, Cap 50. Mr Anthony Clifford Brown will then be subject to retirement by rotation pursuant to Article 91 of the Constitution.

2) The ordinary resolution in item no. 7 is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding 50 percent of the issued share capital of the Company of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20 percent of the issued share capital of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

NOTES

1. A member of the Company (other than a member who is a relevant intermediary as defined in Note 2 below) shall not be entitled to appoint more than two proxies to attend and vote at the Annual General Meeting on his behalf. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy needs not be a member of the Company.

2. Pursuant to Section 181 of the Act, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at the Annual General Meeting. Relevant intermediary is either:

(a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

(b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or

(c) the Central Provident Fund ("CPF") Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

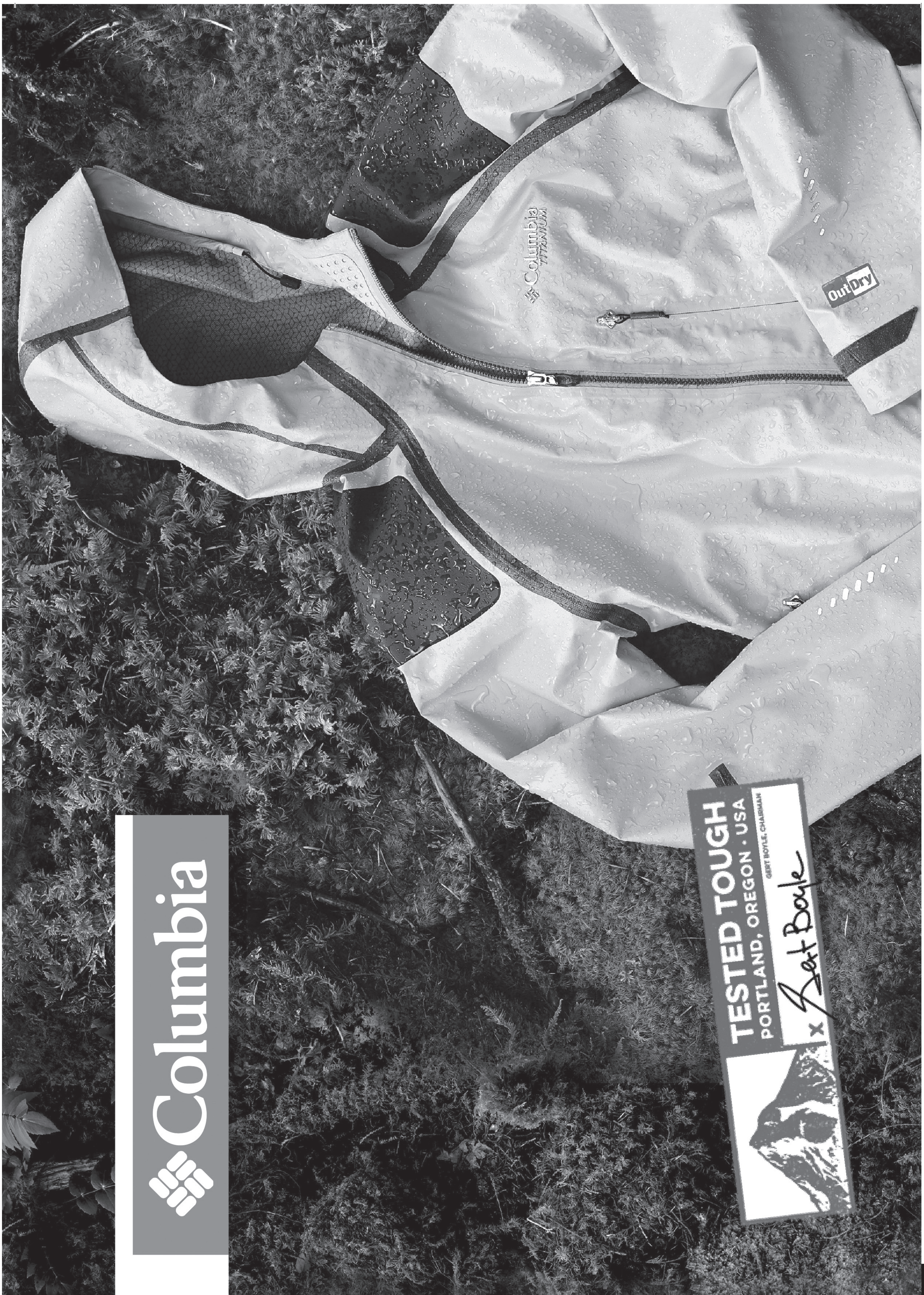
A proxy needs not be a member of the Company.

3. The instrument appointing a proxy or proxies shall, in the case of an individual, be signed by the appointor or his attorney, and in case of a corporation, shall be either under the common seal or signed by its attorney or an authorised officer on behalf of the corporation.

4. The instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898 not later than 48 hours before the time appointed for the Meeting.

PERSONAL DATA POLICY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, 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.


Columbia
Columbia
TITANIUM
OutDry
TESTED TOUGH
PORTLAND, OREGON · USA
GERT BOYLE, CHAIRMAN
x

OSSIA INTERNATIONAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199004330K)

IMPORTANT

1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50 of Singapore (the "Act"), Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Annual General Meeting.
2. For investors who have used their CPF monies to buy shares in the Company ("CPF Investors"), this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Annual General Meeting.

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 14 July 2016.

PROXY FORM

* I/We ______________________________ NRIC/Passport No, ______________________

of ____ (Address)

being * a member/members of Ossia International Limited (the "Company"), hereby appoint

Name	Address	NRIC/Passport No.	Proportion of shareholdings to be represented by proxy (%)

* and / or (delete as appropriate)

as *my/our *proxy/proxies to vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Twenty-Fifth Annual General Meeting of the Company to be held at Conference Room, No. 10 Changi South Lane, #07- 01 Singapore 486162 on 29 July 2016 at 9.30 a.m. and at any adjournment thereof.

*I/we direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" in the spaces provided hereunder. If no specified directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion.

No.	Ordinary Resolutions	For	Against
1	To receive and consider the Audited Financial Statements of the Company for the financial year ended 31 March 2016 and the Directors' Statement and Auditors' Report thereon.		
2	To re-elect Ms Heng Su-Ling as Director pursuant to Article 89 of the Company's Constitution.		
3	To re-elect Mr Goh Ching Huat as Director pursuant to Article 89 of the Company's Constitution.		
4	To re-appoint Mr Anthony Clifford Brown as Director of the Company.		
5	To re-appoint Messrs Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration.		
6	Approval of Non-Executive Directors' fees.		
7	To authorise Directors to issue shares pursuant to Section 161 of the Companies Act, Chapter 50.		

Dated this ____________________ day of ________________ 2016

Total Number of Shares Held

____
Signature(s) of Member(s)/Common Seal
** Delete accordingly*

IMPORTANT. Please read notes overleaf

Notes:-

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of his shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this Proxy Form as invalid.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the 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's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

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

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

3. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.

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

5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.

6. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the Share Registration Office of the Company at Tricor Barbinder Share Registration Servicces (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road #11-02, Singapore 068898 not later than 48 hours before the time set for the Annual General Meeting.

7. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Future Act, Chapter 289 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

9. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time set for the Annual General Meeting.

10. 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 vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting 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 Meeting

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 14 July 2016.

AFFIX
STAMP

OSSIA INTERNATIONAL LIMITED

10 Changi South Lane #07-01
Singapore 486162