Lifestyle ENERGY
THE NEW NOW

ANNUAL REPORT 2020

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

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

The contact person for the Sponsor is:

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Address: 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619
Tel: (65) 6381 6966

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS
Lau Ping Sum Pearce *(Chairman, Independent Director)*
Lim Shao-Lin *(Chief Executive Officer & Executive Director)*
Roger Daeson Khoo Kim Peng *(Executive Director)*
Koh Beng Leong *(Executive Director)*
Tan Siew San *(Independent Director)*
Lim Kok Chai (Lin Guocai) *(Independent Director)*
Tan Mun Choy Kenneth Bertram *(Non-Executive Director)*

AUDIT COMMITTEE
Lau Ping Sum Pearce *(Chairman)*
Tan Siew San
Lim Kok Chai (Lin Guocai)
Tan Mun Choy Kenneth Bertram

NOMINATING COMMITTEE
Tan Siew San *(Chairman)*
Lau Ping Sum Pearce
Lim Kok Chai (Lin Guocai)
Tan Mun Choy Kenneth Bertram

REMUNERATION COMMITTEE
Lim Kok Chai (Lin Guocai) *(Chairman)*
Lau Ping Sum Pearce
Tan Siew San
Tan Mun Choy Kenneth Bertram

COMPANY SECRETARIES
Ong Bee Hoon, CA (Singapore)
Teo Chin Kee, ACIS

REGISTERED OFFICE
213 Henderson Road #03-08
Henderson Industrial Park
Singapore 159553
Tel: (65) 6513 9595
Fax: (65) 6904 9063
Email: capital@p5.com.sg

REGISTRAR AND SHARE TRANSFER OFFICE
M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

AUDITORS
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Public Accountants and Certified Public Accountants
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Partner-in-charge: Ong Li Qin
Date of appointment : Financial Year 2019

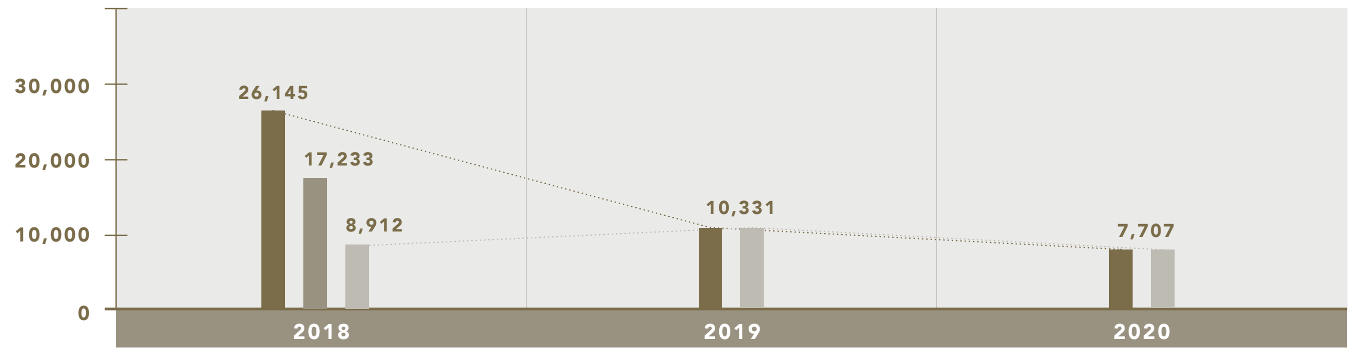
CONTINUING SPONSOR
RHT Capital Pte. Ltd.
9 Raffles Place #29-01
Republic Plaza Tower 1
Singapore 048619
(Appointed on 22 March 2012)

PRINCIPAL BANKER
United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1
Singapore 048624

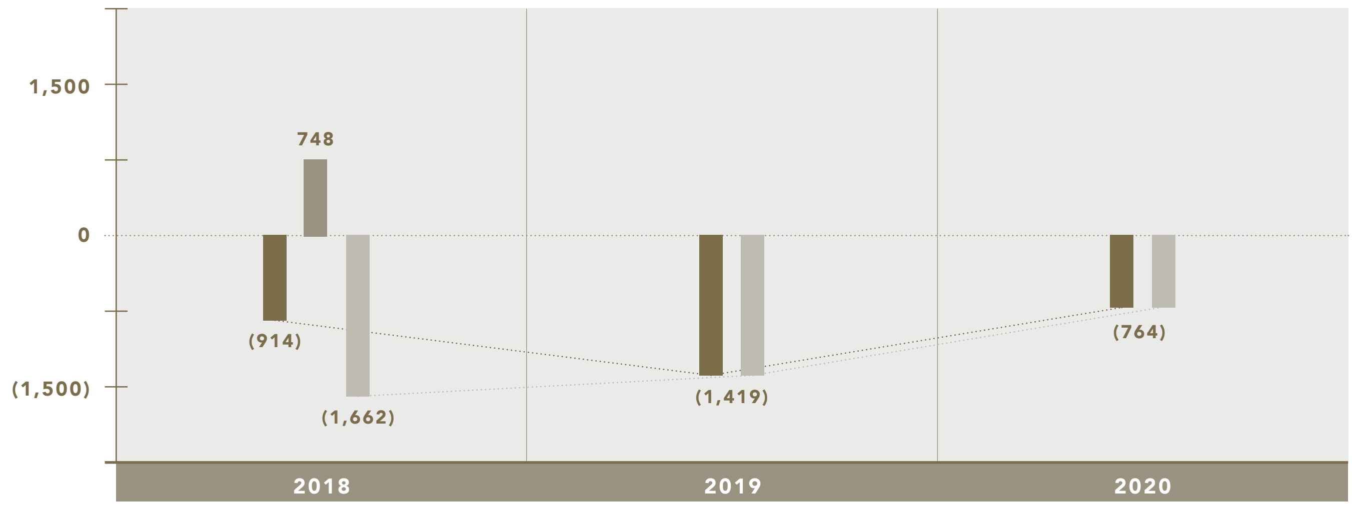
FINANCIAL HIGHLIGHTS

- Financial Year Ended 31 March 2020 -

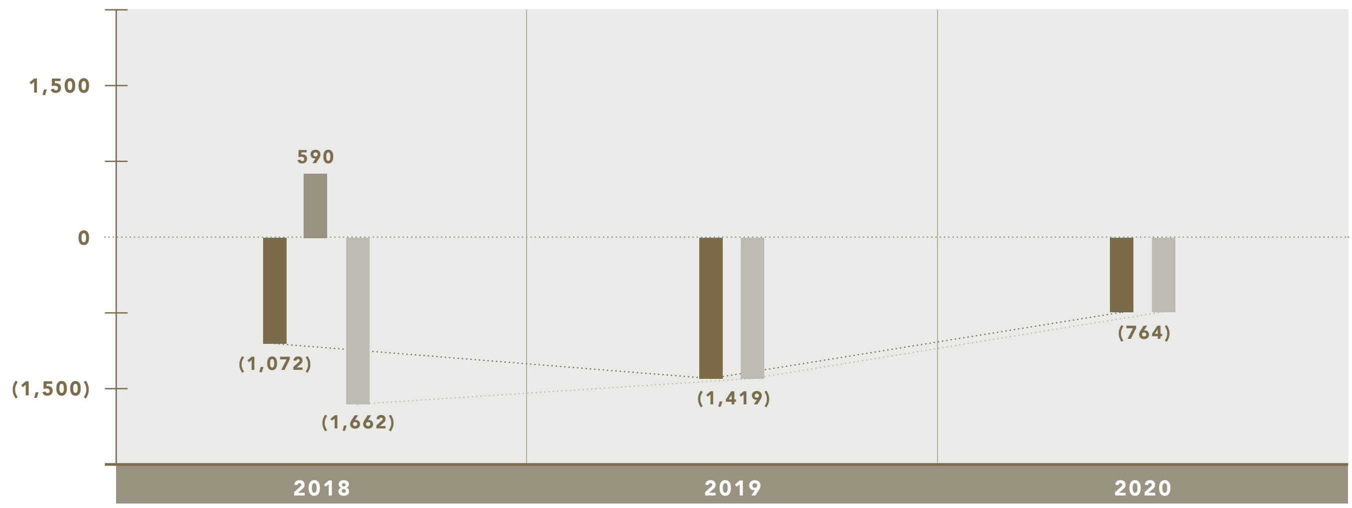
TURNOVER ($'000)



PROFIT / (LOSS) BEFORE TAX ($'000)



PROFIT/(LOSS) AFTER TAX ($'000)



NOTES:
- Total
- Discontinued operation
- Continuing operations

CHAIRMAN AND CEO'S STATEMENT

We are pleased to present this Annual Report, which documents the new mission of P5 Capital Holdings Ltd. (the "**Group**" or "**P5**") and the progress we have made on our transformational journey to date. In keeping with our priority on long term business growth rather than short term profitability, the Board and the management team firmly believe that our success depends on our increased capacity for making high velocity, forward-looking decisions in a rapidly changing world, and our continued focus in driving greater capitalisation, consolidation and digitalisation. These, coupled with robust corporate governance and calibrated investments, will enable P5 to fulfil its core purpose of reinvention for a more sustainable growth.

"We live in an era where the pace of change is increasing at an alarming rate and further accelerated by digitalisation, and more recently by the global pandemic. Businesses need to practise dynamic innovation, redesign and occasionally bet on big ideas to bring about growth. Where change is the only constant, the rapid digitalisation of P5 lifestyle business and its integration of a clean energy division marks the new milestone of a company moving in tandem with changing times and new market forces."

GROUP RESULTS

The Group's turnover decreased by approximately 25%, from S$10.3 million for the financial year ended 31 March 2019 to S$7.7 million for the financial year ended 31 March 2020 ("**FY2020**") mainly due to the decrease in revenue from bespoke carpentry and furniture sales.

The furniture business generated a combined operating loss of approximately S$0.9 million for FY2020.

The Company redeemed all its participating shares held in Quantedge Global Fund (Offshore) (the "**Fund**") on 12 August 2019. The excess of the net proceeds over the book value of the Fund as at 31 March 2019 was approximately S$0.9 million. This was offset by the administrative expenses incurred by the Company.

Overall, the Group's loss for FY2020 amounted to approximately S$0.76 million.

CHAIRMAN AND CEO'S STATEMENT

BUSINESS OUTLOOK AND FUTURE PLANS

Following the completion of acquisition of Green Energy Investment Holding Private Limited ("**GEI**") and Green Waste Recycling Company Private Limited ("**GWRC**") and incorporation of PT. Gold Fifty One ("**PTG51**"), P5 Group has embarked on its foray to diversify its business into the renewable and sustainable energy industry by investing into the production of advanced biodiesel and activated carbon, including the provision of plant maintenance services. To bolster its future earnings, it intends to provide alternative source of clean energy to meet rising energy consumption in the South East Asia markets, which registers an average 6% annual growth based on a 2019 report by the International Energy Agency. This calculated action is expected to gradually contribute significantly to the Group's future earning potential but will inadvertently come with its risks and costs.

The existing P5 Lifestyle business is undergoing digitalisation, up-skilling, prudent capital management and strategic investments into new avenues of growth, giving greater emphasis to "sustainable" long term growth rather than short term profitability.

We believe that market consolidation will provide opportunities in both talent and brand acquisition, including an accelerated shift towards collaborative retail with manufacturers as borderless eCommerce goes mainstream on emerging 5G networks. These new market norms support and aligns with our investment perspective in building a more IT-savvy workforce with deep eCommerce capabilities.

APPRECIATION

On behalf of the Board, we would like to thank all our shareholders, customers, suppliers, partners and bankers for their support and confidence in us. In addition, we would like to thank our fellow directors, management and staff for their dedication, commitment and hard work.

MR. LAU PING SUM PEARCE
Chairman

MR. LIM SHAO-LIN
CEO

BOARD OF DIRECTORS

LAU PING SUM PEARCE

Mr. Lau Ping Sum Pearce was appointed as an Independent Director of the Company and the Chairman of Board of Directors on 11 November 2019. He is also the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees. He has held management positions in both the public and the private sectors. Mr. Lau was the Member of Parliament for Yio Chu Kang and the Ang Mo Kio GRC from 1980 to 1996. He is an independent director of two other publicly listed companies. Mr. Lau holds a Bachelor of Economics from the Australian National University and a Diploma in Business Administration from the then University of Singapore. He is the Chairman of the Advisory Committee on translation and interpretation, an Adjunct Professor at the Singapore University of Social Sciences (SUSS) and an Associate Trainer at the Singapore Civil Service College. In addition, he is a member of the Institute of Directors.

LIM SHAO-LIN

Mr. Lim Shao-Lin ("**Aviers**") was appointed as an Executive Director of the Group on 29 July 2019. Considering his 29 years of experience successfully starting and leading multiple businesses in Singapore, he was subsequently tasked to lead the Group as the Chief Executive Officer ("**CEO**"). As CEO, he is responsible for the overall performance, strategic direction and business development of the Group. Aviers has won multiple awards including the spirit of entrepreneur award. He is also the CEO of the GasHub Group for the past 29 years, after successfully growing it from a startup to having more than 100 employees, focusing on gas engineering and spearheading the greener energy industry in the region through cleaner and more energy-efficient Liquefied Natural Gas.

ROGER DAESON KHOO KIM PENG

Mr. Roger Daeson Khoo Kim Peng ("**Roger**") was appointed as an Executive Director of the Group on 1 October 2019. He currently serves as the Deputy CEO (Lifestyle) and oversees the lifestyle division of the Group, namely P5 Design Ventures Pte. Ltd., P5 Luminaire Pte. Ltd., P5 Pte. Ltd. and P5 Studio Pte. Ltd. He has been an entrepreneur for most of his 30 years career journey, nurtured through sports, leadership and extensive social-business networking. He was appointed the Learning Chair of the global Entrepreneurs' Organisation (EO Singapore Chapter, 2000-2002), an avid guest speaker and advocate for entrepreneurship at various local universities and polytechnics (2003 – 2007) and an advisory member for Temasek Polytechnic School of Business (2004-2007) and Yishun Junior College (2005-2007). Roger served as Regional Marketing Executive (Global Networks) with British Telecoms PLC in 1991, marketing to Fortune500 companies and MNCs, Business Director of Interior Design (Vietnam) with ONG&ONG (2009-2012) working with property developers, and Business Strategy Director for GasHub Group (LNG Unit, 2017-2018) overseeing strategic partnerships with regional listed companies and state-owned enterprises in Liquefied Natural Gas.

BOARD OF DIRECTORS

KOH BENG LEONG

Mr. Koh Beng Leong ("**Michael**") was re-designated as an Executive Director on 11 November 2019, after having served as an Independent Director of the Group since 12 August 2005. Michael was also re-designated as Executive Director – Finance on 9 July 2020. He currently serves as the Deputy CEO (Energy) and oversees the energy division of the Group. He is a Fellow of Certified Practising Accountant (Australia), a member of Chartered Accountant (ANZ) and a member of Kampuchea Institute of Certified Public Accountants & Auditors. He holds a Master of Professional Accounting and a Bachelor of Economics. Prior to his current appointment, he was an executive director of a listed company where he was involved in operation and business development. Prior to that, he also held key management positions in various companies in Singapore and Vietnam overseeing businesses in the Asian region.

TAN SIEW SAN

Ms. Tan Siew San was appointed as an Independent Director of the Group on 13 August 2019. She is the Chairman of the Nominating Committee and a member of the Remuneration and Audit Committees. She is also a director of other publicly listed companies in Singapore and Thailand.

Ms. Tan was Singapore's Ambassador to the Kingdom of Thailand from March 2012 to May 2019. Prior to that, she held the posts of Deputy Secretary (Asia Pacific) in the Ministry of Foreign Affairs and Deputy Secretary (Policy) in the Ministry of Defence. She retired from the civil service in June 2019. Ms. Tan was awarded the Public Administration Medal (Gold) in 1999 and the Public Administration Medal (Silver) in 1990. She has a Bachelor of Social Science (Political Science), Second Class Honours (Upper) from the then University of Singapore, and a Master of Arts (Political Science) from the then University of Wisconsin-Madison, USA on a Fulbright-Hays scholarship.

LIM KOK CHAI (LIN GUOCAI)

Mr. Lim Kok Chai ("**Kenji**") was appointed as an Independent Director on 20 September 2019. Kenji is the Chairman of the Remuneration Committee and a member of the Nominating and Audit Committees. He is a founder and director of Hodaka Motoworld Pte Ltd and My Cosy Room Pte. Ltd. and a partner of My Cozy Room LLP.

TAN MUN CHOY KENNETH BERTRAM

Mr. Tan Mun Choy Kenneth Bertram ("**Kenneth**") was appointed as a Non-Executive Director on 8 August 2019. Kenneth is also a member of the Nominating, Remuneration and Audit Committees. He was the Director, Head of Credit Admin & Control Singapore of Union Bancaire Privee (Dec 2017 to Nov 2018), Executive Director, Chief Credit Officer, WM Singapore, and Head of Structured Credit Southeast Asia of UBS AG, Wealth Management (Sep 2010 to Aug 2016) and Director, Credit Risk International of BNP Paribas, Regional Office for South Asia (May 2007 to Sep 2010). He holds a Bachelor of Science from the University of South Alabama.

KEY MANAGEMENT

ONG BEE HOON

Ms. Ong Bee Hoon is the Group Finance Manager and Company Secretary. She is responsible for financial and management reporting of the Group. She graduated from the National University of Singapore with a Bachelor of Accountancy in 1991. Upon graduation, she joined DBS Bank as a bank officer in the finance and tax department. In 1995, she joined Banque Nationale de Paris (now known as "BNP Paribas") as an accounts officer in the accounts and financial control department. Her duties included head office reporting, management reporting and reporting to the Monetary Authority of Singapore. Ms. Ong joined the Group in 1999 and assisted in the Company's IPO. She is a Chartered Accountant and a member of the Institute of Singapore Chartered Accountants ("**ISCA**").

LEOW SAU WAN

Ms. Leow Sau Wan ("**Jesimine**") was designated as Finance Manager (Energy) on 1 July 2020.

She was formerly working part-time as Deputy Group Finance Manager since 1 October 2019, concurrently taking the lead on corporate digitalisation program and overseeing the finance function of the P5 energy division.

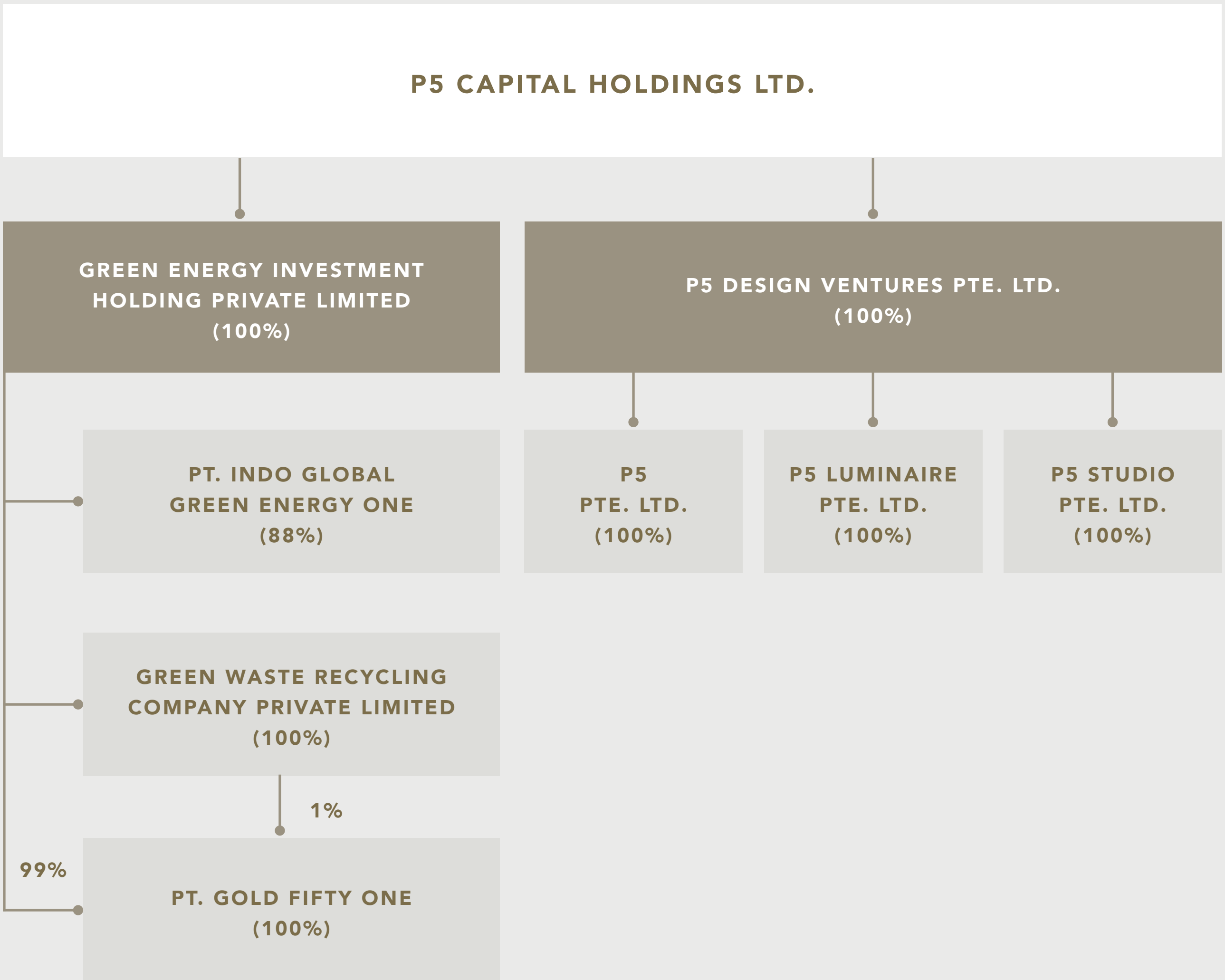
Jesimine's achievement and qualifications includes being Fellow of Certified Practising Accountant (Australia), Chartered Accountant (Singapore), a member of the ISCA, Association of Taxation Technicians Singapore Specialist (2nd placing) as well as Bachelor of Business (Accounting).

She also holds a Master of Business Administration (joint program of Deakin University and CPA Australia), an Advance Diploma in Business Administration (Distinction, validated by local delegacy, University of Oxford) and is also a Certified Microsoft Specialist.

Prior to her current appointment in P5, she helms the position of Finance Manager overseeing the financial and accounting functions at New Ocean Ship Management Pte Ltd (a subsidiary of JX Ocean Co Ltd) (2004-2019) for its Asia Pacific operations, while also serving as senior auditor, accountant and consultant at a local CPA firm (2000-2004).

ORGANISATION STRUCTURE

As at 31 March 2020



OPERATIONS REVIEW

REDEMPTION OF PARTICIPATING SHARES IN QUANTEDGE GLOBAL FUND (OFFSHORE)

As announced on 14 August 2019, the Company had on 12 August 2019, redeemed in full, all its Class B Participating Shares held in the Quantedge Global Fund (Offshore) (the "**Fund**") amounting to a net sale proceeds, after deducting all costs and expenses, of approximately US$3.4 million (S$4.6 million equivalent) (the "**Redemption**").

The profit on disposal of the Fund amounted to approximately S$0.6 million (based on the exchange rate of USD/SGD of 1.3694) or 13.88% from inception, inclusive of both the gain on fair value and foreign exchange. The Board was of the view that it was an opportune time to exit the highly volatile market considering the economic uncertainties and trade wars then and realise the gains.

The book value of the Fund as at 31 March 2019 was approximately US$2.7 million (S$3.7 million equivalent). The excess of the net proceeds from the Redemption over the book value of the Fund as at 31 March 2019 was approximately S$0.9 million.

ACQUISITION OF GREEN ENERGY INVESTMENT HOLDING PRIVATE LIMITED AND GREEN WASTE RECYCLING COMPANY PRIVATE LIMITED

The Company has on 31 October 2019 entered into a sale and purchase agreement with Mr Lim Shao-Lin, the CEO and a controlling shareholder of the Company ("**Mr Lim**") to acquire the entire issued and paid-up share capital of Green Energy Investment Holding Private Limited ("**GEI**") and Green Waste Recycling Company Private Limited ("**GWRC**") from Mr Lim ("**Acquisition**") at an aggregate purchase consideration of S$51,381.30. The Acquisition was completed on 13 November 2019.

GEI and GWRC are start-up companies principally engaged in the development and integration of green energy solutions, in particular the setting up, promotion and maintenance of advanced biodiesel facilities that use non-food agricultural waste as its feedstock. They plan to operate in South East Asia with Thailand as their initial focus.

GEI is principally engaged as joint owners of its proprietary plants in the production of advanced biodiesel and activated carbon. Through patented technologies, GEI will produce a more energy-dense and environmentally-friendly advanced biodiesel that draws from non-food agricultural waste rather than the current regular food-based sources, such as palm oil, corn etc without having to further blend for commercial use. In order to demonstrate this technology, GEI has invested in a demonstration system that is housed in Indonesia to facilitate the recycling of biomass waste to produce green energy solutions.

OPERATIONS REVIEW

As for GWRC, its primarily functions are to engage in the marketing, promoting, supporting and research and development efforts for GEI. GWRC currently holds the patents and trademarks for the marketing and sale of advanced biodiesel and activated carbon.

The Acquisition presents an opportunity for the Group to venture into the future in the renewable energy business, a challenging but promising sector. It intends to provide an alternative source of clean energy to meet the increasing demand of the region through its subsidiaries, GEI and GWRC.

GROUP'S PERFORMANCE

The Group's turnover decreased by approximately 25% from S$10.3 million for the financial year ended 31 March 2019 to S$7.7 million for the financial year ended 31 March 2020 ("**FY2020**"). The decrease in revenue of the Group was mainly due to the decrease in revenue from bespoke carpentry and lower furniture sales, partially offset by higher revenue from lighting products.

P5 Studio Pte. Ltd. shifted its focus to supply mainly mid-range furniture instead of bespoke carpentry (which generally yielded lower profit margins). P5 Pte. Ltd.'s high-end furniture sales saw a lower demand and was also partially affected by the relocation of its showroom from Mohamed Sultan Road to Killiney Road in April/May 2019. The high-end and the mid-range furniture business generated a combined operating loss of approximately S$0.9 million for FY2020.

On 13 November 2019, the Company completed the acquisition of the entire issued share capital of GEI and GWRC and they became wholly-owned subsidiaries of the Company. As announced by the Company on 6 January 2020, GEI and GWRC incorporated PT. Gold Fifty One ("**PTG51**") in Indonesia on 2 January 2020. PTG51 is principally engaged in the holding of a biodiesel production equipment demonstration system to facilitate the synthesising of biomass waste to produce green energy solutions in Indonesia. This energy division is still at its infancy stage and the Group incurred some setup costs and capital expenditure.

The Company redeemed all its participating shares held in Quantedge Global Fund (Offshore) (the "**Fund**") on 12 August 2019. The excess of the net proceeds over the book value of the Fund as at 31 March 2019 was approximately S$0.9 million. This was offset by the administrative expenses incurred by the Company.

Overall, the Group's loss for FY2020 amounted to approximately S$0.76 million.

SUSTAINABILITY REPORT

BOARD STATEMENT

The Board of Directors is pleased to present P5 Capital Holdings Ltd.'s third Sustainability Report for the financial year ended 31 March 2020 ("**FY2019-20**"). P5 Capital Holdings Ltd. ("**P5**" or the "**Company**"), together with its subsidiaries (the "**Group**") is committed to sustainable business practices that help to enhance stakeholder trust and the value of our brands.

FY2019-20 marks an extraordinary turning point for P5 as we journey through a bold, visionary transformation amidst the global impact of the COVID-19 outbreak that caused unprecedented disruptions and the market-relevance of many companies and industries to diminish overnight. Whilst suffice to say that no industries will be left entirely unscathed, these market changes also came in a timely manner and help to catalyse the business transformation we had started in the second quarter of 2019.

As a company operating in both the lifestyle and the renewable and sustainable energy segment, we strive to bring about incremental improvements in the quality of life for people and our larger environment by constantly exploring opportunities that allows us to make a difference, powered by our vision, investments, innovations and the skills and passion of our people. As a responsible Board, we engage the management team in reviewing our sustainability strategy against the emerging risks and the opportunities in a rapidly-changing economic landscape. Our sustainability strategy focuses on four key areas: Economic, Environment, Social, and Governance (or "**EESG**").

GOVERNANCE STRUCTURE AND EESG ACCOUNTABILITY

Sustainability is governed across various levels in the organisation – from the Board and Management to the business units and supporting departments, enabling innovation, digital citizenship, equal opportunities for personal and career development, continuous learning, community involvement, safety and health considerations in our corporate processes.

For effective implementation, the Board has assigned the responsibilities of monitoring and overseeing the Group's sustainability efforts to the Sustainability Steering Committee ("**SSC**"). The SSC consists of the senior management team and heads of subsidiary business units (or SBU) and supporting departments. The head of every business unit and supporting department monitors the overall sustainability performance and provides updates to the Board and C-suite executives on matters relating to sustainability risk and any business malpractices. The Chairman of the SSC, who is also the Group's CEO, updates the Board on the sustainability performance of the Group and key material issues identified by stakeholders and the planned follow-up measures.

This report covers and addresses the EESG factors material to the Group. Based on a materiality assessment undertaken for the Group's business, EESG factors are identified, internally assessed and validated, and approved by the Board. This report is prepared in compliance with the requirements of Rules 711A and 711B of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**"), and conforms to the Global Reporting Initiative (GRI) Standards 2016 for performance disclosures.

The Board is supported by the SSC and has approved this report that covers the material aspects and their performance indicators.

SUSTAINABILITY REPORT

OUR REPORT

ABOUT THIS REPORT

P5 Capital Holdings Ltd. is pleased to present its third Sustainability Report, which will be published on an annual basis along with the Group's Annual Report.

To support our corporate transformation journey, we have considered the needs of our key stakeholder groups such as our customers, investors and shareholders, employees and suppliers, and identified the key values that guides us to develop our stakeholder engagement practices in building the Company as a trusted and responsible enterprise. In this regard, the below diagram summarises our approach to stakeholders' engagement:

P5 STAKEHOLDERS' ENGAGEMENT

BEING A TRUSTED AND RESPONSIBLE ENTERPRISE

ENGAGEMENT VALUES

INFORM
Being transparent. Regularly communicating information to stakeholders.

CONSULT
Being receptive. Seeking ideas, experience and opinion of stakeholders.

INVOLVE
Being inclusive. Proactively engaging stakeholders for their valuable contributions as we grow.

COLLABORATE
Building trust and confidence. Involving stakeholders in decision making processes.

ENGAGEMENT PRACTICES

OUR ENVIRONMENT	OUR PEOPLE	OUR CUSTOMERS	OUR COMMUNITY	OUR SUPPLIERS
Promote corporate awareness on the need for recycling, waste reduction and paperless operation.	Promoting a culture of fair employment, continuous learning, ethnic diversity and work safety practices.	Respecting customer's data privacy, treating customers with respect, eliminating exploitations and bribery, and upholding product and service quality.	Providing opportunities for educating and mentoring the younger generation through internships, guest lectures and supporting budding entrepreneurs.	Advocating fair trade relations, working with suppliers to establish transparent, ethical and efficient supply chain, and upholding timely payments.

STAKEHOLDER'S TRUST

RESPONSIBLE ENTERPRISE

Our commitment to creating long term sustainable value for our stakeholders must always remain market-relevant in changing times. We value, evaluate and act upon feedbacks received over the course of engagement with our stakeholders, which further strengthen the relevance of our reporting and approach to managing the material issues identified by the Group.

To ensure continuous improvement, we constantly advocate initiatives towards proactive relationship-building with our stakeholders in our Board and management meetings, and maintaining an effective multi-lateral communication channel that serves to manifest our stakeholder Engagement Values. The table below summarises the key stakeholders identified, engagement platforms and the respective stakeholder expectations:

SUSTAINABILITY REPORT

KEY STAKEHOLDERS	MODE OF ENGAGEMENT	FREQUENCY	STAKEHOLDER EXPECTATION
Shareholders & Investors	• Annual general meetings • Semi-annual financial report • Corporate announcements on SGXNET	• Annually • Semi-annually • Ad-hoc basis	• Financial performance • Shareholder value • Sustainability reporting • Business updates • COVID-19 responses
Employees	• Weekly operations meetings • Monthly planning and sales meeting • Quarterly company-wide townhall meetings • Internal communication channels for ad-hoc matters reporting	Regularly, and/or spontaneously for timely contingency response.	• Performance appraisal • Employee career development • Remuneration, incentives and training policies • Work safety measures • Flexi-Work Arrangements (FWA)
Customers	• Feedbacks at retail outlets • Feedbacks via social media and data analytics of customer preferences • Monthly EDMs and newsletters	Regularly	• Product and service quality • Appreciation messages and/or festive gifts to customers • Invitation to quarterly industry events and product launches
Suppliers	• Meetings and discussion on pricing, supply chain, and marketing initiatives • Joint exploration of new markets	Regularly	• Compliance with terms and conditions of purchasing policies and procedure • Maintain ethical standards on product quality and customer support
Government and Regulators	• Regular reporting according to reporting timelines • Review of contractual agreements • Alignment with government initiatives on job support and/or job redesign to minimise redundancies	• Annually • Quarterly/semi-annually • Ad-hoc basis	• Compliance with regulations (e.g. COVID-19 related amendments, Personal Data Protection Act) and reporting timelines • Digitalisation to achieve accuracy, integrity, timeliness and precision of records, internal risk management, audit and reporting
Community	• Internship opportunities • Education (e.g. lectures) • Support for budding entrepreneurs	Regularly	• Employment opportunities • Sponsorship and/or traineeship programs for fresh graduates • Networking events that foster both business and community support

SUSTAINABILITY REPORT

Furthermore, we also created assessment parameters that comprise the 4 core areas of Economic, Environment, Social and Governance (or EESG) to provide clarity on our material relevance. The following is a summary of the targets we achieved in FY2019-20 and our goals for the next year:

MATERIAL FACTORS	REFERENCE	ACHIEVED IN FY2019-20	GOALS AND TARGETS FOR FY2020-21
Economic*	Marketplace and Customers	• Expanded portfolio to include provision of clean energy solutions to bolster future revenues and growth • Embarked on company-wide digitalisation initiatives for resource optimisation, process automation and real-time performance visibility • Centralised our marketing support and warehouse facilities for better cost and operational efficiency	• Commence commercialisation of our renewable and sustainable energy projects in Southeast Asia • Establish a business model with steady revenue stream • Enhance our online and eCommerce presence to gain market traction and increase online revenues for our lifestyle products (furniture-lighting-accessories) • Increase market awareness and sales of our own private-label furniture products • Integrate kitchen and wardrobe customisation-and-fabrication services as new revenue streams targeting our existing B2B and B2C customers
Environment	Energy	• Reduced energy consumption of 27,125 kilowatt hours, within yearly energy target • Selling lights and equipment that have lower energy consumption • Maintain air-conditioning within office and showrooms at a range of 24 to 25°C	• Maintain energy consumption levels within 15% increase from FY2019-20 • Build on 'green' corporate culture to reduce environmental footprint
Social	• Diversity and equal opportunity • Safety, Health and our community	• Zero incidence of work related injuries • Zero incidence of fines or penalty imposed resulting from breaches in safety standards and/or regulations. • Zero reported issue of gender, nationality or age discrimination • Increased awareness for skills upgrading and number of employees enrolled for various courses. • Progressive knowledge transfer and up-skilling of employees with digital solutions throughout our corporate digitalisation process	• Maintain zero penalty or fines on breaches and non-compliance according to the safety standards and work-related injuries • Maintain zero reported issue of gender, nationality or age discrimination and promote a culture of unity • Inculcate a corporate culture of incremental improvement and consistent innovation • Promote internal peer-to-peer learning sessions on effective management, product knowledge, digital marketing and selling techniques.
Governance	Compliance with laws and regulations	• Zero incidence of non-compliance with relevant laws and regulations	• Maintain zero incidence of non-compliance with relevant laws and regulations. • Create a good system of internal risk management processes that is system-driven to eradicate any poor governance arising from human error or mis-steps.

* Refer to the Financial Statements section

SUSTAINABILITY REPORT

ECONOMIC

As a company operating in both the lifestyle and the renewable and sustainable energy businesses, we need to develop a clear focus on driving customer's obsession and product's superiority for a more sustainable growth, especially in this increasingly digitalised and disruptive era. The following documents our concerted effort in driving a greater competitive advantage:

MARKETPLACE AND CUSTOMERS

For FY2019-20, we expanded our portfolio to provide clean energy solutions comprising bio-diesel and liquefied natural gas that is expected to expand our revenue stream in the near future and provide long term value to our shareholders.

We have also embarked on our company-wide digitalisation initiatives, optimising on the Singapore Government grants to set up cloud-based human-resource management system (HRMS), logistics-and-fleet management system (LFMS), and enterprise resource planning system (ERPS) in a more cost-feasible approach while upscaling our operational capabilities.

In the process of expanding our market share in the markets we operate in, we increased the brands-under-retail, comprising furniture, lighting and accessories, from 27 to 52 to drive greater customers' traction by capitalising on our increasing product offering and superiority.

The Group also launched "PlayGround" in first quarter of 2020 as our own in-house private-label to complement our forward strategy in moving upstream from pure retail into channel distribution and regionalisation. In addition, we launched our eCommerce portal with 40% of all our products (about 200 product listings) online, to create extended revenue stream that will increasingly complement our physical retail.

We have also centralised our marketing support and warehouse facilities across all subsidiary business units to achieve long-term cost efficiency and better manpower and resource management.

OUR COVID-19 RESPONSE

We capitalise on market changes and opportunities to accelerate growth by assimilating both talents and technology, while ensuring the safety and health aspects of our employees and the community-at-large.

SAFETY, HEALTH AND OUR COMMUNITY

The Group is re-evaluating ways to operate safely in the midst of the COVID-19 pandemic, as well as to re-examine our business strategy against our operating environment and the corresponding changes. Inherently, the health and safety of our customers and employees play a crucial part to our business.

SUSTAINABILITY REPORT

As part of our business continuity plan ("**BCP**"), we involved all C-suite and D-suite executives in early April 2020 to plan and appoint workplace safety officers to ensure that standard operating procedures and guidelines are in place to address potential threats from COVID-19, and adhere to comply with regulatory guidelines that relates to work-from-home arrangements to minimise the risk of contagion amongst our employees. For those performing essential duties in the office and/or showroom, we have also purchased and made available to our employees disposable face masks, hand sanitisers and thermometers for their use, as well as for our customers visiting our showrooms. In addition, we also conduct daily cleaning of our premises every morning to ensure the safety and health of our employees and customers.

We also proactively monitor the evolving COVID-19 pandemic situation and conduct reviews of our business operations when implementing measures such as safe distancing and wearing of mask as mandated by the Singapore Government to ensure staff and customers' safety is adequate and relevant, given that external scenarios change from time to time.

For FY2019-20, there were no incidence of any work-related injuries, fines or penalties that were imposed on the Group resulting from breaches in safety standards and/or regulations. Our target for the following year is to continue to place emphasis on maintaining a safe and healthy workplace while leveraging on the use of technology to carry out such preventive control measures effectively.

SUSTAINING OUR BUSINESS

We implemented weekly meetings across all subsidiary business units and supporting departments led by C-suite executives from April 2020 to facilitate time-critical responses for immediate and decisive measures to sustain our market relevance when physical retail took a direct hit during the Circuit Breaker period. These measures have been effective in enabling the Group to adapt quickly to the sudden market changes, while continuing to be a critical part of our on-going business transformation, not just for COVID-19 responses but also for driving our enterprise growth. They include the 3 core pillars of Capitalisation, Consolidation and Digitalisation, which guide our continued prudence on cashflow management, cost efficiency with manpower and resource optimisation, as well as better risk-control with increased capability and performance visibility through digitalisation.

As the market sees increasing layoffs and furloughs, we took a more visionary move to capitalise on the opportunity by hiring industry talents at a lower employment cost, leveraging on the various government assisted programs that support job creation as well as technology adoption. This is expected to enhance our capabilities and drive better performance in the mid-to-long term as the Group moves ahead with its business transformation initiatives.

SUSTAINABILITY REPORT

ENVIRONMENT

At P5, we believe environmental protection is a necessity for achieving sustainable development. We are committed to continue to protect the environment and natural resources for the present and future generations.

ENERGY

P5 strives to use energy efficiently to combat climate change and reduce our overall environmental footprint, which in turn helps us to reduce operational costs as well.

The Group has invested in energy efficient technologies by installing light-emitting diode (LED) in its offices and showrooms and motion-sensor lights at the stair wells as part of the initiatives carried out in FY2017-18 to improve energy efficiency. As part of this initiative, we are also promoting a 'green' corporate culture and raising awareness about environmental issues by selling lights and equipment that have a lower energy consumption. We strive to ensure that air-conditioning within our office is maintained at a temperature range of 24 – 25°C. Employees are also encouraged to turn off lights and air-conditioners when not in use.

In FY2019-20, P5 Pte Ltd reduced its energy consumption from last financial year of 115,325 kilowatt hours ("**kWh**") to 27,125 kWh. The sharp decrease is due to the relocation of its showroom from Mohamad Sultan Road to Killiney Road in Apr/May 19.

For FY2018-19, we have started to monitor P5 Luminaire Pte Ltd and P5 Studio Pte Ltd total energy consumption of 20,589 kWh and 46,668 kWh respectively. For FY2019-20, P5 Luminaire Pte Ltd and P5 Studio Pte Ltd's total energy consumption was 16,568 kWh and 37,524 kWh respectively, lower than that consumed in FY2018-19. We will adopt the same target for the forthcoming year to maintain energy consumption within 15% range and adopt energy saving features where feasible for these two entities.

SOCIAL

P5 believes in equality at the workplace. Equality of opportunity is about treating people fairly and without bias and creating conditions in the workplace and the wider society that value diversity and promote dignity. In our policies for fair employment as well as in practice, we have been committed to providing decent and meaningful work across the organisation by:

- Always ensuring that workplaces are safe and contribute to the healthy development of people.
- Always ensuring that the insurance policies we put in place for the benefit of our people meet the fundamental requirement and is adequate based on the current health care and/or medical cost in Singapore.

SUSTAINABILITY REPORT

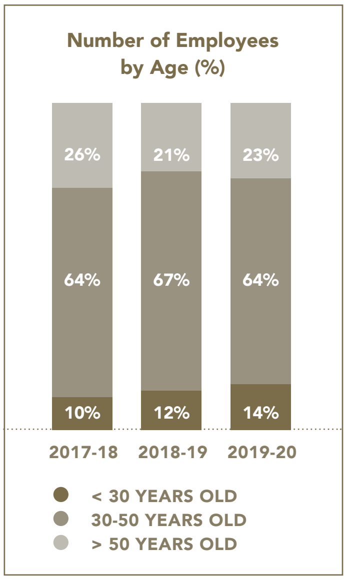
- Ensuring access to training and courses that contributes to skills development and increased competency, enabling people to grow and reach their full potential, and encouraging them to embark on life-long learning.
- Providing regular employee reviews at business unit or department level to understand employee's changing aspirations or challenges faced in their course of work.
- Making gender equality a reality with appraisals for promotions focused on capability and individual's aspiration.
- Ensuring transparency, having all employment related policies or new directives published in our HRM system that is easily assessable by all employees.
- Striving to be a preferred-employer by planning and putting into practice Flexi-Work Arrangement (FWA) that is aligned with Singapore's national policy to promote good work-life balance.
- Actively encouraging intrapreneurship and visionary leadership across all levels of the Group, advocating fair and equal opportunities for all.

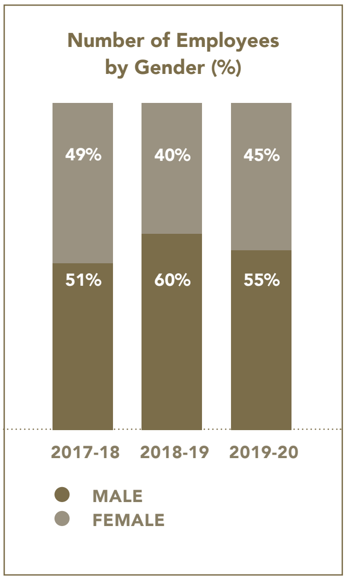
DIVERSITY AND EQUAL OPPORTUNITY

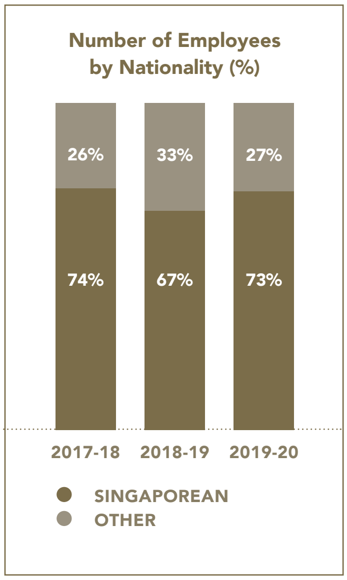
At P5, we believe a diverse workforce is critical to our overall business success. As a responsible corporate citizen, the Group strives to implement hiring practices in a fair and consistent manner and provide career progression opportunities to its employees.

The Group's human resource management practices are based on the key principles defined by the Tripartite Guidelines on Fair Employment Practices and the Ministry of Manpower's Fair Consideration Framework. The Group's recruitment process and promotion system are based on meritocracy. We consider candidates irrespective of their nationalities for positions within the Group.

For FY2019-20, there were no reported incidence of any unfair treatment or complaints from employees based on their gender, age or nationality. We endeavour to maintain this target for the next reporting year. The diagrams below shows the distribution of employees segregated according to their age, gender and nationality from the past three financial years:







SUSTAINABILITY REPORT

Going forward, our target is to ensure that all our employees continue to have access to equal opportunities for career development, progression and success, and that all management decisions relating to recruitment and promotion continue to be premised on merits, capability and performance.

GOVERNANCE

P5's Board of Directors recognises that effective management of social and environmental risks can improve the Group's business performance. This realisation has surfaced the need for the Board to accord greater focus over how the Group is managing its social and environmental performance.

COMPLIANCE WITH LAWS AND REGULATIONS

At P5, we continue to conduct our business with honesty and integrity and are committed to complying with relevant laws and regulations.

All marketing collaterals and distribution channels are assessed by the Marketing and Public Relations Communications team for accuracy and complies with the Singapore Code of Advertising Practice and the Personal Data Protection Act ("**PDPA**"). Our communication outreach materials are reviewed regularly and we ensure that consent is obtained from our customers for the usage of any personal data or information. Contractual agreements are reviewed by external legal advisers to ensure that the terms and conditions adhere to the relevant laws and regulations of Singapore.

In FY2019-20, there were no incidents of non-compliance with relevant laws and regulations in the social and economic area, including marketing laws and regulations (nor with the newly implemented COVID-19 related regulations). We will continue to ensure that the organisation complies with the PDPA in the areas of sales and marketing, to avoid and prevent incidents of non-compliance with social and economic laws and regulations of Singapore, which may result in fines or penalties.

Please send all comments and feedback to: info@P5.com.sg

CORPORATE GOVERNANCE & FINANCIAL CONTENTS

CORPORATE GOVERNANCE

The Board of Directors (the "**Board**") of P5 Capital Holdings Ltd. (the "**Company**") is committed and dedicated to maintaining high standards of corporate governance within the Company and the Group, with a view to ensure transparency, accountability and sustainability while safeguarding the interests of its shareholders.

This report outlines the Company's corporate governance practices for the financial year ended 31 March 2020 ("**FY2020**"), with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") issued on 6 August 2018, and the accompanying practice guidance that was issued in August 2018, which formed part of the continuing obligations of the listing rules of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**").

The Company confirms that it has adhered to the principles and provisions as set out in the Code and Catalist Rules, where applicable for FY2020. Explanation in the respective relevant sections have been provided below on how the practices it had adopted are consistent with the intent of the relative principle insofar as there are any deviations from the Code and/or the Catalist Rules.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with management for the long-term success of the Company.

The Board comprises:

Lau Ping Sum Pearce	*(Chairman, Independent Director)*
Lim Shao-Lin	*(Chief Executive Officer & Executive Director)*
Roger Daeson Khoo Kim Peng	*(Executive Director)*
Koh Beng Leong	*(Executive Director)*
Tan Siew San	*(Independent Director)*
Lim Kok Chai (Lin Guocai)	*(Independent Director)*
Tan Mun Choy Kenneth Bertram	*(Non-Executive Director)*

The Board is responsible for the overall management of the business affairs of the Group and sets the overall strategy and policies to achieve its objectives, protect and enhance shareholders' long-term value. The Board acts objectively in the best interests of the Company and ensures proper accountability within the Company. Management is accountable to the Board for the performance of the Group whilst the Board is accountable to shareholders.

In addition to discharging their fiduciary responsibilities and statutory duties, the primary functions of the Board include to:

(a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(c) review management performance;

(d) identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;

(e) set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met;

(f) consider sustainability issues eg. environmental and social factors, as part of its strategic formulation

CORPORATE GOVERNANCE

The Board's approval is also required to be sought on matters that are set out in the terms of reference, which lists the powers and authority of the Board. Such matters include the entry or abortion of major funding proposals such as investment/divestment decisions or corporate or financial restructuring decisions relating its subsidiaries and associates, material financing or borrowing not in the ordinary course of business, interested person transactions, material acquisitions and disposals of assets, share issuances and dividend payments to shareholders and transactions of a material nature that requires announcement under the Catalist Rules.

Other matters reserved for the Board's decision includes considering and approving appointments and re-appointments to the Board, determining the remuneration (including annual increment or bonus) of and reviewing the terms and conditions of the service agreement of directors and/or Chief Executive Officer ("**CEO**"), key management and employee related to substantial shareholders.

The Board has in place financial authorisation limits, for the operations and capital budgets. Financial and operational matters that require the Board's decision include the approval of annual budgets, adopting of the audited financial statements and the respective periodic reporting (both full year and half year) of the Group's results. Additional matters reserved for the Board's decision also includes any proposed amendments to the Company's Constitution.

To assist in the discharge of the Board's function and execution of its responsibilities, the Board is supported by committees established by the Board, namely a Nominating Committee ("**NC**"), a Remuneration Committee ("**RC**") and an Audit Committee ("**AC**"). Each committee is chaired by Independent Directors with its own respective composition, written terms of reference and operating procedures which are approved by the Board and reviewed periodically to ensure its continued relevance. The delegation of authority by the Board to committees empowers these committees to decide on matters within the scope of their duties and responsibilities, as well as enable the Board to achieve operational efficiencies as these committees serve as a check and balance to provide independent oversight of management. All recommendations of the respective committees are subsequently reviewed and approved by the Board.

The Company has in place practices to address potential conflicts of interest. All Directors are required to notify the Company promptly of all conflicts of interests and declare any conflict of interests both annually and as soon as they are aware of the circumstances giving rise to such conflict. In matters where the relevant Director has a conflict of interest in, he/she is required to recuse himself/herself and abstain from all deliberations and voting on such matters.

All Directors are regularly briefed on the Group's business development and financial operations of the Group's operations. The Board meets at least once every quarter, and on an ad hoc basis as and when circumstances requires. Prior to each Board meeting on a quarterly basis or as and when requested, management would circulate to the Board information in advance for Directors to have sufficient time to review on the matters to be discussed so to facilitate meaningful and productive discussions. Such information includes draft financial results and financial related matters, auditors' reports (both internal and external auditors), operational and corporate issues for the Directors to deliberate on. In the event that the Directors require further additional information to enable them to make an informed assessment, the management will furnish accordingly.

To facilitate the Board's decision-making process, the Company's Constitution provides for Directors to participate in Board meetings by conference telephone and similar communications equipment, and for Board resolutions to be passed in writing, including by electronic means.

CORPORATE GOVERNANCE

In the year under review, the number of Board meetings (including committee meetings) held and attended by each member are as follows:

Name of Director	Board	Audit Committee	Nominating Committee	Remuneration Committee
No. of meetings held	5	3	2	2
No. of meetings attended				
Lau Ping Sum Pearce	4	2	1	1
Lim Shao-Lin	5	2	1	1
Roger Daeson Khoo Kim Peng	5	2	1	1
Koh Beng Leong	5	3	1	1
Tan Siew San	5	3	2	2
Lim Kok Chai (Lin Guocai)	5	3	2	2
Tan Mun Choy Kenneth Bertram	5	3	2	2

Where necessary and from time to time, the Directors are provided with updates relating to changes in the Catalist Rules, the Code, the Companies Act (Chapter 50) of Singapore (the "**Companies Act**"), etc. and changing commercial risks to enable them to make informed decisions in carrying out their expected roles and responsibilities. Directors are also updated on developments in corporate, financial, legal and other compliance requirements.

For newly appointed Directors, they will receive the relevant orientation and induction with details on the background information of the Group, an overview of the Group's operations, structure, corporate strategies, corporate governance practices and policies. As prescribed by the Catalist Rules, newly appointed Directors with no prior experience as directors of public listed companies are required to attend trainings, which will be funded and arranged by the Company so to equip them with the skills and knowledge to discharge their statutory and fiduciary duties. The table summarises the training and/or seminars attended by the Directors for FY2020:

Name of Directors	Date of Appointment	Title of Trainings/Seminars
Lim Shao-Lin	29 July 2019 (ED), 11 November 2019 (CEO)	LED 1 – Listed Entity Director Essentials LED 2 – Board Dynamics LED 3 – Board Performance LED 4 – Stakeholder Engagement
Roger Daeson Khoo Kim Peng	1 October 2019	LED 1 – Listed Entity Director Essentials LED 2 – Board Dynamics LED 3 – Board Performance LED 4 – Stakeholder Engagement
Lim Kok Chai (Lin Guocai)	20 September 2019	LED 1 – Listed Entity Director Essentials LED 2 – Board Dynamics LED 3 – Board Performance LED 4 – Stakeholder Engagement LED 5 – Audit Committee Essentials LED 7 – Nominating Committee Essentials LED 8 – Remuneration Committee Essentials

CORPORATE GOVERNANCE

Name of Directors	Date of Appointment	Title of Trainings/Seminars
Tan Mun Choy Kenneth Bertram	8 August 2019	LED 1 – Listed Entity Director Essentials LED 2 – Board Dynamics LED 3 – Board Performance LED 4 – Stakeholder Engagement LED 5 – Audit Committee Essentials LED 7 – Nominating Committee Essentials LED 8 – Remuneration Committee Essentials

In order to contribute to the Board and serve effectively, the Board recognises the importance of ongoing trainings as part of their continual professional development during the term of their appointment. Such trainings may relate to a particular subject area, committee membership, key developments in the Company's operating environment or specific trainings that are provided by accredited training providers such as the Singapore Institute of Directors. The CEO cum Executive Director has been delegated by the Board to see to the day to day operations of the Company and implement business strategies approved by the Board.

All Directors, either collectively or individually, have separate and independent access to the management team, external advisers (where necessary) and Company Secretary at all times. The Directors, either collectively or individually, may seek separate independent professional advice concerning any aspect of the Group's affairs or in respect of his fiduciary or other duties where necessary. The cost of seeking all professional advice is borne by the Company.

The Board also has separate and independent access to the Company Secretary. The Company Secretary attends to corporate secretariat administration matters of the Company and monitors and advises on corporate governance matters, and on compliance with the Constitution, Companies Act, and the Catalist Rules. The Company Secretary (or her representatives) attends all meetings of the Board (including Board committees) and facilitates the effective functioning of the Board (including Board committees according to their terms of reference and best practices. The Directors have access to the professional corporate secretarial services firm and they can seek independent professional advice when required at the Company's expense. The appointment and the removal of the Company Secretary are subject to the Board's approval.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

As at the date of this Annual Report, the Board comprises seven Directors, of whom three are Executive Directors, three are Independent Directors and one is a Non-Executive Non-Independent Director. None of the Directors had an alternate director.

The Board and NC will review the independence of Directors based on the guidelines defined in the Code and the Catalist Rules to ensure that the Board consists of professionals who, collectively, will provide a set of core competencies to achieve the Company's objectives. The NC conducts annual reviews and requires each Independent Director to submit their respective confirmations of independence provided in the Code. Based on the respective confirmations and results of the NC's review, the NC is satisfied that the Independent Directors comply with Provision 2.1 of the Code and the Catalist Rules. None of the Independent Directors has served on the Board for more than nine years as at 31 March 2020.

CORPORATE GOVERNANCE

The Board recognises the importance to achieve an optimal balance and mix in its composition. The Board comprises business leaders and professionals with diverse backgrounds such as financial (including audit and accounting), engineering, banking and management backgrounds. The members of the Board with their combined business, management and professional experience, industry knowledge and expertise, provide an objective perspective for the Board to discharge their duties. For further information on the individual Directors' background information and qualifications, please refer to the "Board of Directors" section on pages 6 to 7.

Taking into account the scope and nature of the operations of the Group, the Board is satisfied with the composition and size as at the date of this Annual Report, having considered that it complies with the Code's requirement and Catalist Rules, the Board is of the view that there is a strong and independent element and no individual or small group of individuals are able to dominate the Board's decision-making process for FY2020, since the Non-executive Director and Independent Directors combined make up a majority of the Board and all Board committees, and the Chairman of the Company is an Independent Director and the Independent Directors make up more than one-third of the Board.

Mr Lau Ping Sum Pearce, Ms Tan Siew San and Mr Lim Kok Chai (Lin Guocai) are Independent Directors of the Company for FY2020. Based on the assessment and review of the NC, the NC's view is that these Independent Directors are able to exercise independent and objective judgment and that there are no relationships or circumstances which will affect their judgment and ability to discharge their duties and responsibilities as independent directors. The NC therefore recommended to the Board that they can remain as Independent Directors of the Company. The Board also concurred with the NC's review and findings.

Each Independent Director exercises his/her own judgment independently and none of the Independent Directors have any relationship with the Company, its subsidiaries, its related corporations, its substantial shareholders or its officers that could interfere, or reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view on the best interests of the Company. The Independent Directors also do not receive any remuneration, significant payments or material services payments from the Company and its subsidiaries apart from the Directors' fees which are subject to shareholders' approval in annual general meeting. In addition, none of the Independent Directors or their immediate family members are or were substantial shareholders of the Company as defined in the Code.

None of the Independent Director has been appointed as director to the Company's principal subsidiaries. None of the Independent Director has been employed by the Company or any of its related corporations for the current or any of the past three financial years. None of the Independent Director has an immediate family who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the RC of the Company.

The Independent Directors provide, amongst other things, strategic guidance to the Group based on their professional knowledge, in particular, assisting to constructively challenge and develop proposals on strategies. The Independent Directors can meet among themselves at any time without the presence of management. The Chairman of such meetings will provide feedback to the Board and/or CEO as appropriate.

At the upcoming annual general meeting ("**AGM**") to be held on 29 September 2020, Ms Tan Siew San ("**Ms Tan**") and Mr Tan Mun Choy Kenneth Bertram ("**Mr Tan**") have respectively indicated their intention to retire from the Board and not seek re-election. Post AGM, the Board comprises five Directors, of whom two are independent. The Company recognises the importance of the independent element and has commenced its search to endeavour to appoint candidates that are able to bring their strategic business and experiences to the Board to ensure their compliance with the Code and Catalist Rules.

CORPORATE GOVERNANCE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

***Principle 3:** There is a clear division of responsibilities between the leadership of the Board and management, and no one individual has unfettered powers of decision-making*

There is clear division of responsibilities and increased accountability when the roles and responsibilities between Chairman and CEO are separated. The Chairman of the Board and the CEO should, in principle, be separate persons to ensure an appropriate balance and greater capacity for the Board for independent decision-making.

As the Chairman of the Board, Mr Lau Ping Sum Pearce ("**Mr Lau**") is responsible for ensuring that Board meetings are held when necessary, facilitating the effective contribution of all Board members including non-executive directors, lead the Board to ensure its effectiveness on all aspects of its role, scheduling and preparing agendas and exercising control over the information flow between the Board and management team.

As the CEO, Mr Lim Shao-Lin is responsible for the Group's business strategy and direction including all executive decision-makings, the operational running of the Company based on the powers delegated by the Board, ensure effective communications with shareholders and encourage constructive relations within the Board and between the Board and management.

All major proposals and decisions made by the Chairman and CEO are discussed and reviewed by the Board, supported by the relevant Board committees. For FY2020, the Board is of the view that there are adequate safeguards in place and the strong independent elements to ensure that the decision-making process of the Board is objective and not hindered.

Whilst there is no lead independent director in the Company, the Board is of the view that there is no need to appoint a lead independent director, having taken into account that Mr Lau is an Independent Director and the Chairman of the Board and there exists sufficient and strong independent element in the Board which enables the exercise of judgement regarding the corporate affairs of the Group as of the date of this Annual Report.

BOARD MEMBERSHIP AND BOARD PERFORMANCE

***Principle 4:** The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.*

***Principle 5:** The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.*

NOMINATING COMMITTEE

The NC is established and governed by its terms of reference which are approved by the Board. The NC comprises the following Directors:

Tan Siew San	*Chairman*
Lau Ping Sum Pearce	*Member*
Lim Kok Chai (Lin Guocai)	*Member*
Tan Mun Choy Kenneth Bertram	*Member*

CORPORATE GOVERNANCE

The Company complies with the Code which requires the NC to comprise at least three directors, the majority of whom, including the Chairman, are independent.

The NC will select, review and propose/recommend the appointment and re-appointments of Directors to the Board and where applicable, to the relevant Board committees. Pursuant to its written terms of reference, the NC shall:-

(a) regularly review the structure, size and composition of the Board and make recommendations to the Board with regards to any adjustments that are deemed necessary;

(b) annually review whether or not a Director is independent, in accordance to Provision 2.1 of the Code and the Catalist Rules and other salient factors;

(c) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;

(d) review and recommend to the Board for re-election of the Directors due for renewal by rotation;

(e) review and decide whether or not a Director is able to and has been adequately carrying out his / her duties as Director of the Company;

(f) decide how the Board's performance may be evaluated and propose objective performance criteria;

(g) decide on the performance evaluation process;

(h) assess the effectiveness of the Board as a whole and for assessing the contribution by each individual Director to the effectiveness of the Board; and

(i) make recommendations for succession planning, in particular, of the Chairman and the Chief Executive Officer.

In assessing the suitability of a candidate to be appointed or to be re-elected to the Board, the NC will consider if he is able to make the appropriate contributions to the Board and the Group. The key factors, including and not limited to, which the NC will take into consideration are:

(i) qualifications, industry knowledge and functional expertise which are relevant and beneficial to the nature and scope of operations of the Group;

(ii) extensive experience and business contacts in the industry in which the Group operates;

(iii) where applicable, the other directorships and principal commitments of each director, and whether such directorships and principal commitments will affect the Director's ability to set aside sufficient time and attention to prioritise the Company's affairs over his/her personal commitments; and

(iv) in cases of re-appointments and re-nomination, some factors that are relied on include the attendance at Board meetings and participation during Board discussions, strength and shortcomings of the Company and how the existing strategies, budgets and business plans are compatible with the Group's objectives, performance in relation to specific tasks assigned, etc.

When a vacancy arises and/or any changes to the Board composition under any circumstances arise or where it is considered that the Board and the Company would benefit from the services of a new director with some particular skills, the NC would review and nominate the most suitable candidate to the Board subject to the NC's satisfactory assessment.

CORPORATE GOVERNANCE

The Board will consider each candidate's ability to value add to the Group's business and objectives. The Board then selects the candidates that possess the appropriate qualifications and experience. Directors appointed by the Board during the financial year, shall only hold office until the next AGM and thereafter be eligible for re-election at the AGM.

In accordance with the Company's Constitution, at least one-third of the Board, or if the number is not a multiple of three, the number nearest to one third but not greater than one-third is required to retire from office at each annual general meeting and by rotation. Pursuant to Catalist Rule 720(4), all Directors, including Executive Directors, must submit themselves for re-nomination and re-appointment at least once every three (3) years.

Mr Lau Ping Sum Pearce, Mr Lim Shao-Lin, Mr Roger Daeson Khoo Kim Peng, Ms Tan Siew San ("**Ms Tan**"), Mr Lim Kok Chai (Lin Guocai) and Mr Tan Mun Choy Kenneth Bertram ("**Mr Tan**") who have been appointed to office during the year will be due for retirement at the Company's AGM pursuant to Regulation 107 of the Company's Constitution. Mr Koh Beng Leong will be due for retirement at the Company's AGM pursuant to Regulation 103 of the Company's Constitution. As Ms Tan and Mr Tan have respectively indicated their intention to retire from the Board and not seek re-election in the upcoming AGM, this would mean that:

(a) Ms Tan will *ipso facto* cease to be chairman of the NC and member of the AC and RC.

(b) Mr Tan will *ipso facto* cease to be member of the AC, NC and RC.

The remaining retiring Directors have expressed their willingness to be re-elected as Directors and the NC has recommended the re-election of the retiring Directors.

Each of the members of the NC have abstained from voting on any resolutions in respect of the assessment of their own performance for re-appointment as Directors. The table below summarises the dates of initial appointment and last re-election of each Director as of the date of this Annual Report:

Name of Director	Appointment	Date of initial appointment	Date of last re-election
Lau Ping Sum Pearce	Chairman, Independent Director	11 November 2019	-
Lim Shao-Lin	Chief Executive Officer & Executive Director	29 July 2019	-
Roger Daeson Khoo Kim Peng	Executive Director	1 October 2019	-
Koh Beng Leong	Independent Director / Executive Director / Executive Director - Finance	12 August 2005 / 11 November 2019 / 9 July 2020	26 July 2019
Tan Siew San	Independent Director	13 August 2019	-
Lim Kok Chai (Lin Guocai)	Independent Director	20 September 2019	-
Tan Mun Choy Kenneth Bertram	Non-Executive Director	8 August 2019	-

Note: Please refer to the section titled "Additional Information on Directors Nominated for Re-election - Appendix 7F to the Catalist Rules" of this report as well as pages 41 to 48 of the Annual Report for more information on the abovementioned Directors.

CORPORATE GOVERNANCE

The Directors declare their board representations as and when there are changes. Annually, each Director declares that he/she has devoted sufficient time and attention to the affairs of the Company. There are no alternative Directors on the Board. Based on the knowledge of the directorships held by the Directors and their respective declarations, the NC is satisfied that all Directors are able to carry out their duties as directors of the Company. Currently the NC does not determine the maximum number of listed company board representations which a Director may hold as the NC is of the view that each Director would be able to manage and assess his own capacity and ability to undertake other obligations or commitments when serving on the Board effectively. The Board is of the view that setting a maximum number of listed company board representations would not be meaningful as the contributions of the directors would depend on many factors such as whether they were in full time employment and their other responsibilities. The Board will examine this issue on a case-by-case basis. A list of the directorships in other listed companies and other principal commitments of each current Director are set out in the table below:

Name of Directors (Designation)	**Directorships in other listed companies (excluding the Company) and principal commitments**	
	Present	**Past (for the last 5 years)**
Lau Ping Sum Pearce *(Chairman, Independent Director)*	**Directorships:** - Cortina Holdings Limited (Independent Director) - Sunpower Group Ltd (Independent Director) **Principal Commitments:** - Napier Healthcare Solutions Pte. Ltd. (Director) - Chairman of the Advisory Committee on translation and interpretation - Adjunct Professor at the Singapore University of Social Sciences (SUSS) - Associate Trainer at the Singapore Civil Service College - Member of the Institute of Directors	**Directorships:** - Huan Hsin Holdings Ltd (Independent Director) **Principal Commitments:** - Action Information Management Pte Ltd (Director)
Lim Shao-Lin *(Chief Executive Officer & Executive Director)*	**Principal Commitments:** - Avier Engineering Pte Ltd (Director) - Gashub Pte Ltd (Director) - Gashubin Engineering Private Limited (Director) - Gashubin Technology Private Limited (Director) - GashubUnited Holding Private Limited (Director) - GashubUnited Utility Private Limited (Director) - Green Waste Recycling Company Private Limited (Director) - Green Energy Investment Holding Private Limited (Director) - GasHub United Malaysia LNG Sdn Bhd (Director) - GashubUnited (SEA) LNG Pte Ltd (Director) - Proton Power Pte Ltd (Director) - LNG Hub Private Limited (Director) - Lim Shao Lin Investments (Director) - P5 Pte. Ltd. (Director) - P5 Luminaire Pte. Ltd. (Director) - P5 Studio Pte. Ltd. (Director) - P5 Design Ventures Pte. Ltd. (Director) - PT. Indo Global Green Energy One (Director)	**Principal Commitments:** - FPS5 Innovation Private Limited (Director)

CORPORATE GOVERNANCE

Name of Directors (Designation)	Directorships in other listed companies (excluding the Company) and principal commitments	
	Present	Past (for the last 5 years)
Roger Daeson Khoo Kim Peng *(Executive Director)*	**Principal Commitments:** - GA + Partners Pte. Ltd. (Director) - P5 Design Ventures Pte. Ltd. (Director)	**Principal Commitments:** - GashubUnited Holding Private Limited (Director) - Livin Asia Pte Ltd (Director) - Singapore Hash Cloud Computing LLP (Partner, Manager)
Koh Beng Leong *(Executive Director - Finance)*	**Principal Commitments:** - Dalian Shicheng Property Development (S) Pte. Ltd. (Alternate Director) - Green Energy Investment Holding Private Limited (Director) - Green Waste Recycling Company Private Limited (Director) - PT. Gold Fifty One (Director)	**Directorships:** - Annaik Limited (Executive Director) **Principal Commitments:** - Anxon Envirotech Pte. Ltd. (Director) - Anxon Engineering Pte. Ltd. (Director) - Ann Aik Pte. Ltd. (Director) - Annaik & Partners (S) Pte. Ltd. (Director) - Anxon Environmental Pte. Ltd. (Director) - Anxon Eco Holdings Pte. Ltd. (Director) - Anxon Oasis Pte. Ltd. (fka Wesco Steel Pte. Ltd.) (Director) - Chaoda Valve Singapore Pte. Ltd. (Director) - Ichinose Emico Valves (S) Pte. Ltd. (Director) - Metal Wang Pte. Ltd. (Director) - Pioneer Environmental Technology Pte. Ltd. (Director)
Tan Siew San *(Independent Director)*	**Directorships:** - Hong Leong Finance Limited (Non-Executive and Independent Director) - DOD Biotech Public Company Ltd (Independent Director) - Triton Holding Public Company Limited (Independent Director) **Principal Commitments:** - Triton Resources International Pte Ltd (Director) - Clarity the Word Factory Pte Ltd (Director) - Global Education Technology and Services Pte Ltd (Director)	**Principal Commitments:** - Ambassador of Extraordinary and Plenipotentiary to the Kingdom of Thailand
Lim Kok Chai (Lin Guocai) *(Independent Director)*	**Principal Commitments:** - Hodaka Motoworld Pte Ltd (Director) - My Cozy Lifestyle Pte. Ltd. (Director) - My Cosy Room Pte. Ltd. (Director) - My Cozy Room LLP (Partner, Manager) - G3 Investment Holdings Pte. Ltd. (Director) - G3 Alpha Investment Holdings Pte. Ltd. (Director)	**Principal Commitments:** - DID Paint Pte. Ltd. (Director) - My Cozy Room Lifestyle Pte. Ltd. (Director) - Dong You Ji Pte. Ltd. (Director) - Hypoxi Lifestyle Studio Pte. Ltd. (Director)
Tan Mun Choy Kenneth Bertram *(Non-Executive Director)*	**Principal Commitments:** - KJD Enterprise Pte. Ltd.	**Principal Commitments:** - GIV Global Investment Ventures Pte Ltd (Director)

The full details of each Director is set out on pages 6 to 7 of the Annual Report.

CORPORATE GOVERNANCE

The Board recognises the merit of having some degree of formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board. On an annual basis, the NC will review the questionnaire which are individually submitted by each Director for the purposes of evaluating the performance of the Board and the respective Board committees, as well as each individual Director. The assessment of each Board committee was performed by having all members of the NC to complete a questionnaire which are submitted to the Board for review.

The NC did not receive any proposed changes to the performance criteria for FY2020 as compared to the previous financial year, having taken into account the economic climate, Board composition and business activities. The Board was of the view that during the financial year, its members had performed efficiently and effectively for the Board to function as a whole. For FY2020, there were no external facilitator that was engaged by the Company and/or the RC in assessing the effectiveness of the Board.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: ***The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.***

Remuneration Committee

In compliance with the Code, the RC is established and governed by its terms of reference and comprise at least three Directors, all members to be non-executive, a majority of whom, including the Chairman, are Independent Directors. The RC comprises the following members:

Lim Kok Chai (Lin Guocai)	*Chairman*
Lau Ping Sum Pearce	*Member*
Tan Siew San	*Member*
Tan Mun Choy Kenneth Bertram	*Member*

The RC is responsible for overseeing the executive remuneration and development in the Company. With reference to its terms of reference, the RC shall:-

- determine and agree with the Board the framework or broad policy for the remuneration of the Company's Board and to determine specific remuneration packages for the Executive Directors and the key management executives;
- in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that the Group provides the appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group;
- determine targets for any performance related pay schemes operated by the Group, taking into account pay and employment conditions within the industry and in comparable companies;
- within the terms of the agreed policy, determine the total individual remuneration package of each Executive Director including, where appropriate, allowances, bonuses, benefits in kind, incentive payments and share options;
- determine the policy for and scope of service agreements including fixing appointment period for the Executive Directors and in the event of early termination the compensation commitments; and
- determine whether Directors and key management should be eligible for benefits under the long-term incentive schemes.

CORPORATE GOVERNANCE

Each RC member shall abstain from reviewing and approving any remuneration, compensation or any form of benefit to be granted to him/her or someone related to him/her. The RC did not engage any remuneration consultants during FY2020.

The Company does not have contractual provisions to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. However, the RC may consider such mechanisms if it deems necessary in the future.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company

In recommending and determining the Directors' remuneration packages, the RC reviews and considers all aspects of remuneration to ensure that the remuneration is competitive in attracting and retaining talent, commensurate with the Directors' scope of work and responsibilities and sufficient to reward them for achieving corporate performance targets.

The payment of Directors' fee is endorsed by the RC and recommended by the Board for shareholders' approval at the AGM of the Company. For FY2020, the RC had reviewed their level of contributions, taking into account factors such as effort, time spent and responsibilities and is satisfied that the performance conditions were met.

No individual Director is involved in deciding his own remuneration or the remuneration of another Director related to him. Non-executive Directors do not have any service agreements with the Company and are paid Directors' fees annually after approval by shareholders at the AGM.

During FY2020, the Company experienced changes in its Board following the notification received from the former substantial shareholders of the Company who entered into a sale and purchase agreement to sell their shares to Mr Lim Shao-Lin. Further details on the aforementioned cessations were set out in the Company's announcements released on SGXNET during FY2020.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

The breakdown (in percentage terms) of the remuneration of the directors of the Company for FY2020 is set out below:

Remuneration Band	Name of Director	Salary and CPF	Fees
Below $250,000	Lim Shao-Lin	100%	–
	Roger Daeson Khoo Kim Peng	100%	–
	Koh Beng Leong	100%	–
	Lim Kwang Joo*	100%	–
	Lim Fong Yee Roland**	100%	–
	Song Wei Ming**	100%	–
	Lau Ping Sum Pearce	–	100%
	Tan Siew San	–	100%
	Lim Kok Chai (Lin Guocai)	–	100%
	Tan Mun Choy Kenneth Bertram	–	100%

Note:

* Retired at the AGM held on 26 July 2019.

** Ceased to be an executive director on 29 July 2019.

CORPORATE GOVERNANCE

In addition to the base/fixed salary, the Executive Directors are entitled to a profit sharing incentive based on the following formula:

Executive Directors, managers and staff	Group's audited consolidated profit after tax and minority interest, excluding exceptional items ("Profit")
Lim Shao-Lin, Roger Daeson Khoo Kim Peng, Koh Beng Leong and Managers	21% on Profit
All other Staff	9% on Profit

As the Group incurred a net loss in FY2020, no performance bonus was recommended.

For FY2020, the top key executive (who is not a director) of the Group is Ms Ong Bee Hoon (Group Finance Manager and Company Secretary). Her remuneration did not exceed S$250,000 and 100% of her remuneration is based on a fixed salary. Ms Leow Sau Wan, who was working part-time as the Deputy Group Finance Manager since 1 October 2019, is the spouse of Mr Lim Shao-Lin, the CEO and a substantial shareholder of the Company, whose remuneration did not exceed S$100,000 during FY2020.

The Board is of the opinion that the information disclosed above would be sufficient to the shareholders for their understanding of the Company's compensation policies as remuneration matters are commercially sensitive and confidential information. Further disclosure is prejudicial to the Group's interests and may hamper its ability to retain the Group's talent pool.

Save for Mr Lim Shao-Lin and Ms Leow Sau Wan who are immediate family members, there is no immediate family member of a Director or the CEO who is an employee of the Group whose remuneration has exceeded $50,000 for the financial year ended 31 March 2020.

The Company does not have any employee share scheme in place for FY2020.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board acknowledges that risk is inherent in business and there are commercial risks to be taken in the course of generating a return on business activities. The Board oversees the implementation and monitoring of its risks in line with the Group's overall risk tolerance levels in order to safeguard its assets and Shareholders' interests.

Management assesses the key risks facing the Group and formulates plans to mitigate such risks. The management of principal subsidiaries also reported on any exceptions on compliance to regulatory authorities for the financial year. These are submitted to the AC and the Board which determines the risk tolerance acceptable to the Group.

Information relating to financial risk management objective and processes are set out on page 105 of the Annual Report.

CORPORATE GOVERNANCE

As risk management is a continuous, iterative and integrated process that evolve with business developments, constant review and monitoring are necessary, as and when there are changes. The Group is also subjected to other additional business risks. For FY2020, the Group's core business is dependent on local construction industry and property market sentiment. Any decline in the local construction industry or property market sentiment will result in a decrease in demand for furniture and lighting and increase price competition which will in turn affect turnover and profitability. The Group continues to maintain good relationships and work closely with its customers. There is also constant monitoring on collection of debts.

The Group's success is dependent on the continued services of our key management personnel. The Group provided ample training to general staff to upgrade their skills and opportunities for identified management staff to take up more responsibilities as part of the succession plan. Based on the current composition of the AC and Board for FY2020, the Board had assessed that, for more efficient use of its existing resources, to subsume the risk management function under the AC as opposed to setting up a separate Board committee specifically for this purpose.

The Board fully recognises that it has a responsibility to provide timely, reliable and fair disclosure of material information to the shareholders. In order to ensure that the Board is able to fulfill its responsibilities, the management provides the Board with management accounts on a monthly basis, which present a balanced and understandable assessment of the Company's performance, position and prospects.

The Company has procured Appendix 7H (Form of Undertaking with regard to Directors or Executive Officers) pursuant to Catalist Rule 720(1) from all the Directors and Executive Officers of the Company.

The Company maintains a system of internal controls for all companies within the Group. The internal controls are designed to provide reasonable assurance that proper accounting records are maintained, assets are adequately safeguarded, operational controls are in place and business risks are suitably addressed. The Board reviews the adequacy and effectiveness of the Company's risk management annually. While acknowledging the Group's responsibilities for the system of internal controls, the Board is aware that it is not able provide absolute assurance against human errors, losses, poor judgement in decision making as such systems are designed to manage its existing risk, as opposed to completely eliminating such risks.

The Board had, on 9 July 2020, re-designated Mr Koh Beng Leong to be the Executive Director – Finance to assume the additional responsibilities as Finance Director with the support of the existing experienced finance team personnel.

For FY2020, the Board has received assurance from the CEO, Finance Director and Group Finance Manager:

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

(b) the Company's risk management and internal control systems are adequate and effective.

The Board, with the concurrence of the AC, is of the opinion that the risk management and internal controls of the Group are adequate and effective to address operational, financial, compliance and information technology controls of the Group. In arriving at the opinion, the AC and the Board reviewed the work performed by the internal and external auditors as well as discussions with management on the risks identified by internal audit as well as significant issues arising from internal and external audits had been appropriately addressed.

CORPORATE GOVERNANCE

Audit Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

In compliance with the Code, the AC is established and governed by its terms of reference and comprise at least three Directors, all members to be non-executive, a majority of whom, including the AC Chairman, are Independent Directors. The AC comprises the following members:

Lau Ping Sum Pearce	*Chairman*
Lim Kok Chai (Lin Guocai)	*Member*
Tan Siew San	*Member*
Tan Mun Choy Kenneth Bertram	*Member*

All members of the AC do not have any management and business relationships with the Company or any substantial shareholder of the Company. None of the AC members were previous partners or directors of the Company's external audit firm within the last twelve months and none of the AC members hold any financial interest in the external audit firm.

In considering appointing an independent director to the AC, the Board will consider the qualification of the person and that at least two members should have accounting or related financial management experience.

The AC performs the following functions: -

(a) review with the external auditors the audit plan, the external auditors' evaluation of the internal accounting controls, the assistance given by the Company's officers to the external auditors and the audit report;

(b) review of the half-year and full year consolidated financial statements of the Group and the announcements prior to submission to the Board for approval focusing in areas such as changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from audit, going concern matters, compliance with accounting standards and statutory or regulatory requirements;

c) review the adequacy of the Company's internal controls and risk exposures, as set out in Principle 9 and discuss (if any) areas of concerns arising from interim financial audits and other matters which the auditors may wish to discuss (in the absence of management);

(d) review and recommend to the Board the appointment or re-appointment of external auditors, taking into consideration the non-audit services rendered by the external auditors and being satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors; and

(e) review interested person transactions.

(f) reviewing any whistle blowing reports by which the staff may, in confidence, raise issues about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and follow-ups (if any)

CORPORATE GOVERNANCE

The Company has put in place a whistle-blowing framework, which provides staff with accessible channels within the Group for reporting possible improprieties in matters of financial reporting or other matters in confidence so that appropriate follow-up action will be taken. The contact numbers and email addresses of the whistle-blowing committee members, which comprises the AC, are provided for reports to be made by staff and external parties. The AC has the authority to investigate any matters within its terms of reference, full access to and co-operation by management and is authorised to seek independent professional advice to enable it to discharge its functions properly. During FY2020, there were no reported whistleblowing incidents.

The AC will meet with the external and internal auditors at least once a year and may meet them at any time, without the presence of the Company's management.

The external auditors regularly update the AC on the changes to accounting standards and issues which will have a direct impact on financial statements.

The AC also considered the report from the external auditors, including their findings on the key areas of audit focus. Significant matters that were discussed with management and external auditors have been included as key audit matters ("**KAM**") in the independent auditors' report for the financial year ended 31 March 2020 on pages 52 to 55 of this Annual Report.

In assessing the KAM, the AC considered the approach and methodology applied in the valuation of assets, including the estimates and key assumptions used. The AC concluded that management's accounting treatment and estimates adopted on the KAM were appropriate. The management follows up and implements the recommendations by the external and internal auditors.

In reviewing the re-appointment of external auditors for the FY2020, the AC considered the adequacy of the resources, experience and competence of the external auditors, taking into account the experience of the team and partner.

The AC has reviewed the volume of non-audit services (FY2020: $13,789) provided to the Group by the external auditors and was satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. Please refer to page 99 for the audit fees paid or payable to external auditors by the Group.

KPMG LLP has also confirmed that they are registered with the Accounting and Corporate Regulatory Authority and hence, the Company is in compliance with Catalist Rules 712 and Rule 715 (read with Catalist Rule 716) in relation to the appointment of its auditors. Accordingly, the AC has recommended to the Board that the auditors, KPMG LLP (or "**External Auditors**"), be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

The AC is responsible for the adequacy of the internal audit function, its resources and its standing within the Group to perform its functions properly. The Company has outsourced the internal audit review to an internal audit service provider, One e-Risk Services Pte Ltd ("**Internal Auditor**"). The Internal Auditor reports primarily to the Chairman of the AC and propose the annual internal audit plan in consultation with the AC. The AC is responsible for the hiring, removal, compensation and evaluation of the Internal Auditor.

CORPORATE GOVERNANCE

The AC oversees and monitors if the improvements suggested on internal controls are implemented. An internal audit review was performed in April 2020 on a principal subsidiary. The AC is satisfied that the Internal Auditor is:

(a) independent, having it reporting directly to the AC and not any management personnel;

(b) have unfettered access to all the Company's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company;

(c) is adequately qualified, having carried out its function according to the standards set by internationally-recognised professional bodies, such as the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors.; and

(d) is adequately resourced and staffed, taking into account the experience of the firm and engagement partner, number and experienced supervisory and professional staff assigned to internal audits.

SHAREHOLDERS RIGHTS AND ENGAGEMENT

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

In line with continuous disclosure obligations of the Company pursuant to the Catalist Rules and the Companies Act, the Company endeavours to maintain constant and effective communications with shareholders through timely and comprehensive announcements. Material information that could have a material impact on the share price of the Company is released on a timely basis.

The Company disseminates latest corporate news, strategies, announcements, notices of meetings, annual reports, circulars and press releases promptly through SGXNET. The Group's corporate governance practices are disclosed in annual reports of the Company to enable the shareholders to have a better understanding of the Group's stewardship role.

Shareholders are informed of general meetings through the announcement released on the SGXNET and notices contained in the Annual Report or circulars sent to all shareholders. These notices are also advertised in a national newspaper. All shareholders are entitled to attend the general meetings and are provided the opportunity to participate in the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance.

On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as "Relevant Intermediary" to attend and participate in general meetings without being constrained by the two-proxy requirement. Relevant Intermediary includes corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors. With this amended legislation, the Company allows relevant intermediaries to appoint more than two proxies to attend the Company's general meetings.

CORPORATE GOVERNANCE

At the AGM and any other general meetings of the Company, shareholders are given the opportunities to express their views and ask the Board questions regarding the operations of the Company. The minutes of general meetings are available to shareholders upon request. The resolutions put to vote are by poll. The Company does not allow absentia voting as it is not practical to do so as the identity of the shareholder is difficult to verify. There are separate resolutions at general meetings on each distinct issue and are not "bundled" or made inter-conditional on each other, including resolutions on the re-election of Directors. Where the resolutions are "bundled", the reasons and material implications for doing so will be provided in the Annual Report and related documents, including the notice of general meeting.

The Chairman of the respective Board committees - AC, NC and RC will be present and available to address questions at the AGM. The External Auditors will also be present to address any shareholders queries about the auditor's report. Please refer to the table as set out on page 24 of this Annual Report detailing the number of Board and Board Committees meetings held during FY2020, along with the record of attendance of each Director during their respective terms as Directors and members of the respective Board Committees of the Company.

In addition to the half yearly and full year financial results announcements and announcements on material information, annual reports that provide information on the prospects of the Company, Board of Directors, management, report on Code and audited financial statements for the past financial year were circulated to the shareholders prior to the AGM. Shareholders were encouraged to share their views on the Company's past year performance during the AGM. The Annual Report is available for shareholders' viewing by SGXNET announcement.

There is no formal dividend policy adopted by the Company. The Board, having considered the financial performance of the Group for the financial year ended 31 March 2020, did not recommend any dividend payment.

The Company currently does not have investor relations policy and dedicated investor relations team as based on the current structure of the Company, the Board is of the view that the existing communication channels are sufficient and cost effective. The Company will consider appointing professional investor relations officer to manage the function should the need arises.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

In line with continuous disclosure obligations, the Company is committed to regular and proactive communication with its shareholders upon consideration advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders on SGXNET, as well as through scheduled general meetings.

The Company does not engage in selective disclosures of material information. All material information pertaining to the Company's developments are disseminated through SGXNET in an accurate and timely manner to ensure all shareholders are informed simultaneously, in compliance with the Catalist Rules and the Company's Act. Shareholders are also able to liaise with the Company via the respective communication channels either by mail to the Company's registered office address or through email as stated in the Corporate information section of this Annual Report.

CORPORATE GOVERNANCE

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Executive Directors and senior management actively engage with key stakeholders of the Group, which are identified through the Board, of the Group. Any updates on any relevant feedback received are communicated to the Board. The Company has in place a process to identify its various stakeholders and understand their expectations and concerns so as to improve its standards and align the business interest with those of the stakeholders so as to be able to generate sustainable value to shareholders in the long term. In this regard, please refer to the Company's Sustainability Report for the assessment process (to include material environmental, social and governance factors) and full details on how the Company conducts its stakeholder management. The Sustainability Report for FY2020 is part of this Annual Report and is found on pages 12 to 20.

OTHER MATTERS

1. Interested Person Transaction

The Group has procedures governing all Interested Persons Transactions ("**IPT**") to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

There was no interested person transaction, as defined in Chapter 9 of the Catalist Rules, above S$100,000 entered into by the Group during FY2019. The Company did not obtain any general mandate from Shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules.

2. Material Contracts

The Company had on 31 October 2019 entered into a sale and purchase agreement ("**SPA**") with Mr Lim Shao-Lin, the CEO and a controlling shareholder of the Company ("**Mr Lim**") to acquire the entire issued and paid-up share capital of Green Energy Investment Holding Private Limited ("**GEI**") and Green Waste Recycling Company Private Limited ("**GWRC**") from Mr Lim ("**Acquisition**") at an aggregate purchase consideration of S$51,381.30. The Acquisition was completed on 13 November 2019.

In respect of existing interest-free director's loans of approximately S$2,203,553 and S$22,000 extended by Mr Lim to GEI and GWRC respectively, and other interest-free related party loans of an aggregate of S$457,237 extended to GWRC as at 30 September 2019, pursuant to the SPA, Mr Lim agrees and undertakes to the Company that he will not, and shall procure that his related parties and/or associates do not, demand for repayment of any outstanding amounts due and owing by the GWRC AND GEI to him and his related parties for a period of 1 year from the date of completion and only until and unless both GWRC and GEI have sufficient funds to meet its obligations as and when due. The aforementioned loans will remain interest-free.

3. Dealings in Securities

Under the Code of Best Practices on Securities Transactions adopted by the Company in compliance with Catalist Rule 1204(19), key employees of the Group (including Directors and officers) are required to abide and comply in relation to dealing in the Company's securities.

Directors and officers should not deal in the Company's securities on short-term considerations and when they are in possession of price sensitive information that is not publicly available.

CORPORATE GOVERNANCE

The Company and its officers should not deal in the Company's securities during the period commencing one month before the announcement of the Company's half-year and full year financial statements. In addition, the officers are also reminded that the law on insider dealing is applicable at all times, notwithstanding the window periods.

4. Non-sponsor Fees

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company is RHT Capital Pte. Ltd. In compliance to Rule 1204 (21) of the Catalist Rules, there were no non-sponsor fees paid to RHT Capital Pte. Ltd. by the Company for the year ended 31 March 2020.

5. Treasury Shares

There are no treasury shares held at the end of the financial year ended 31 March 2020.

6. Additional Information on Directors seeking Re-election

The table below summarises the following Directors who will be seeking re-election as Directors of the Company pursuant to Regulation 107 of the Company's Constitution at the forthcoming annual general meeting of the Company under the Ordinary Resolutions, 2(a) to 2(g). (collectively, the "Retiring Directors" and each a "Retiring Director")

Pursuant to Catalist Rule 720(5), the information on the Retiring Directors as set out in Appendix 7F to the Catalist Rules set out below:

Name of Directors	**Mr Lim Shao-Lin**	**Mr Koh Beng Leong**	**Mr Roger Daeson Khoo Kim Peng**	**Mr Lau Ping Sum Pearce**	**Mr Lim Kok Chai (Lin Guocai)**
Date of appointment	29 July 2019	12 August 2005	1 October 2019	11 November 2019	20 September 2019
Date of last re-appointment (if applicable)	-	26 July 2019	-	-	-
Age	51	54	51	79	41
Country of principal residence	Singapore	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Lim Shao-Lin ("**Aviers**") as a Director of the Company at the AGM 2020 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Aviers' contributions, expertise and past experiences.	The re-election of Mr Koh Beng Leong ("**Mr Koh**") as a Director of the Company at the AGM 2020 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Koh's contributions, qualifications, expertise and past experiences.	The re-election of Mr Roger Daeson Khoo Kim Peng ("**Mr Khoo**") as a Director of the Company at the AGM 2020 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Khoo's contributions, expertise and past experiences.	The re-election of Mr Lau Ping Sum Pearce ("**Mr Lau**") as a Director of the Company at the AGM 2020 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lau's contributions, expertise and past experiences.	The re-election of Mr Lim Kok Chai (Lin Guocai) ("**Mr Lim**") as a Director of the Company at the AGM 2020 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lim's contributions, expertise and past experiences.
Whether appointment is executive, and if so, the area of responsibility	Executive – Strategic direction and Business Development	Executive – Business Unit Overall Management and Finance	Executive – Business Development	The appointment is non-executive	The appointment is non-executive

CORPORATE GOVERNANCE

Name of Directors	Mr Lim Shao-Lin	Mr Koh Beng Leong	Mr Roger Daeson Khoo Kim Peng	Mr Lau Ping Sum Pearce	Mr Lim Kok Chai (Lin Guocai)
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director Chief Executive Officer	Executive Director – Finance Deputy CEO (Energy)	Executive Director Deputy CEO (Lifestyle)	- Chairman, Independent Director - Chairman of Audit Committee - Member of Nominating Committee - Member of Remuneration Committee	- Independent Director - Chairman of Remuneration Committee - Member of Nominating Committee - Member of Audit Committee
Professional qualifications (if any)	Diploma from Singapore Institute of Commerce	FCPA (Australia), CPA (Kampuchea), Chartered Accountant of CA Australia and New Zealand, Master of Professional Accounting, Bachelor of Economics	GCE "A" Level from Yishun Junior College	Bachelor of Economics from the Australian National University, Diploma in Business Administration from the then University of Singapore	GCE "A" Level from Temasek Junior College
Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Spouse of Ms Leow Sau Wan, Finance Manager (Energy)	None	None	None	None
Conflict of interest (including any competing business)	None	None	None	None	None
Working experience and occupation(s) during the past 10 years	Aviers has won multiple awards including the spirit of entrepreneur award. He is also the CEO of the Gashub Group for the past 29 years, after successfully growing it from a startup to having more than 100 employees, focusing on gas engineering and spearheading the green energy industry in the region through cleaner and more energy efficient Liquefied Natural Gas.	Mr Koh was an executive director of Ann Aik Limited (2011 to 2017) and its subsidiary Ann Aik Pte Ltd (2017 till 2019) where he was involved in operation and business development. Prior to that, he was the Chief Financial Officer for Phu Thai Group of Companies (Vietnam) (2007 to 2010) and also held key management positions in various non-listed companies in Singapore and Vietnam overseeing businesses in the Asian region.	Mr Khoo is currently the director and co-founder of GA + Partners Pte. Ltd (2013 till date) and served as Regional Marketing Executive (Global Networks) with British Telecoms PLC in 1991, marketing to Fortune500 companies and MNCs, Business Director of Interior Design (Vietnam) with ONG&ONG Pte Ltd (2010-2013) working with property developers, and Business Strategy Director for GasHub Group (LNG Unit, 2017-2018) overseeing strategic partnerships with regional listed companies and state-owned enterprises in Liquefied Natural Gas.	Mr Lau is the Chairman of the Advisory Committee on translation and interpretation, an Adjunct Professor at the Singapore University of Social Sciences (SUSS) and an Associate Trainer at the Singapore Civil Service College. In addition, he is a member of the Institute of Directors.	Mr Lim is a founder and director of Hodaka Motoworld Pte Ltd (2001 till date) and My Cosy Room Pte. Ltd. (2019 till date) and a partner of My Cozy Room LLP (2010 till date).

CORPORATE GOVERNANCE

Name of Directors	Mr Lim Shao-Lin	Mr Koh Beng Leong	Mr Roger Daeson Khoo Kim Peng	Mr Lau Ping Sum Pearce	Mr Lim Kok Chai (Lin Guocai)
Undertaking submitted to the listed issuer in the form of Appendix 7H (Catalist Rule 704(6)	Yes	Yes	Yes	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest: 83,699,808 ordinary shares in the Company Deemed Interests: 80,000,000 ordinary shares in the Company	None	None	None	None
Other Principal Commitments including Directorships					
Past (for the last 5 years)	Principal Commitments Please see information under "working experience and occupation(s) during the past 10 years" Directorships in listed* and non-listed companies - FPS5 Innovation Private Limited	Principal Commitments Please see information under "working experience and occupation(s) during the past 10 years" Directorships in listed* and non-listed companies - Annaik Limited* - Ann Aik Pte. Ltd. - Annaik & Partners (S) Pte. Ltd. - Anxon Envirotech Pte. Ltd. - Anxon Engineering Pte. Ltd. - Anxon Environmental Pte. Ltd. - Anxon Eco Holdings Pte. Ltd. - Anxon Oasis Pte. Ltd (fka Wesco Steel Pte. Ltd.) - Chaoda Valve Singapore Pte. Ltd. - Ichinose Emico Valves (S) Pte. Ltd. - Metal Wang Pte. Ltd. - Pioneer Environmental Technology Pte. Ltd.	Principal Commitments Please see information under "working experience and occupation(s) during the past 10 years" Other Principal Commitments - Singapore Hash Cloud Computing LLP (Partner and Manager) Directorships in listed* and non-listed companies - GashubUnited Holding Private Limited - Livin Asia Pte Ltd	Principal Commitments Please see information under "working experience and occupation(s) during the past 10 years" Directorships in listed* and non-listed companies - Huan Hsin Holdings Ltd* - Action Information Management Pte Ltd	Principal Commitments Please see information under "working experience and occupation(s) during the past 10 years" Directorships in listed* and non-listed companies - DID Paint Pte. Ltd. - My Cozy Room Lifestyle Pte. Ltd. - Dong You Ji Pte. Ltd. - Hypoxi Lifestyle Studio Pte. Ltd.

CORPORATE GOVERNANCE

Name of Directors	Mr Lim Shao-Lin	Mr Koh Beng Leong	Mr Roger Daeson Khoo Kim Peng	Mr Lau Ping Sum Pearce	Mr Lim Kok Chai (Lin Guocai)
Present	Directorships in listed* and non listed companies - P5 Capital Holdings Ltd.* - Avier Engineering Pte Ltd - Gashub Pte Ltd - Gashubin Engineering Private Limited - Gashubin Technology Private Limited - GashubUnited Holding Private Limited - GashubUnited Utility Private Limited - Green Waste Recycling Company Private Limited - Green Energy Investment Holding Private Limited - GasHub United Malaysia LNG Sdn Bhd - GashubUnited (SEA) LNG Pte Ltd - Proton Power Pte Ltd - LNG Hub Private Limited - Lim Shao Lin Investments - P5 Pte. Ltd. - P5 Luminaire Pte. Ltd. - P5 Studio Pte. Ltd. - P5 Design Ventures Pte. Ltd. - PT. Indo Global Green Energy One	Directorships in listed* and non-listed companies - P5 Capital Holdings Ltd.* - Dalian Shicheng Property Development (S) Pte. Ltd. - Green Energy Investment Holding Private Limited - Green Waste Recycling Company Private Limited - PT. Gold Fifty One	Directorships in listed* and non-listed companies - P5 Capital Holdings Ltd.* - GA + Partners Pte. Ltd. - P5 Design Ventures Pte. Ltd.	Directorships in listed* and non-listed companies - P5 Capital Holdings Ltd.* - Cortina Holdings Limited* - Sunpower Group Ltd * - Napier Healthcare Solutions Pte. Ltd.	Other Principal Commitments - My Cozy Room LLP (Partner, Manager) Directorships in listed* and non-listed companies - P5 Capital Holdings Ltd.* - Hodaka Motoworld Pte Ltd - My Cozy Lifestyle Pte. Ltd. - My Cosy Room Pte. Ltd. - G3 Investment Holdings Pte. Ltd. - G3 Alpha Investment Holdings Pte. Ltd.

CORPORATE GOVERNANCE

Name of Directors	Mr Lim Shao-Lin	Mr Koh Beng Leong	Mr Roger Daeson Khoo Kim Peng	Mr Lau Ping Sum Pearce	Mr Lim Kok Chai (Lin Guocai)
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given					
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No	No

CORPORATE GOVERNANCE

Name of Directors	Mr Lim Shao-Lin	Mr Koh Beng Leong	Mr Roger Daeson Khoo Kim Peng	Mr Lau Ping Sum Pearce	Mr Lim Kok Chai (Lin Guocai)
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No	No

CORPORATE GOVERNANCE

Name of Directors	Mr Lim Shao-Lin	Mr Koh Beng Leong	Mr Roger Daeson Khoo Kim Peng	Mr Lau Ping Sum Pearce	Mr Lim Kok Chai (Lin Guocai)
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-					
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No	No

CORPORATE GOVERNANCE

Name of Directors	Mr Lim Shao-Lin	Mr Koh Beng Leong	Mr Roger Daeson Khoo Kim Peng	Mr Lau Ping Sum Pearce	Mr Lim Kok Chai (Lin Guocai)
Disclosure applicable to the appointment of Director only.					
Any prior experience as a director of an issuer listed on the Exchange? If Yes, Please provide details of prior experience If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable)	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.	Not applicable as this is a re-election of director.

DIRECTORS' STATEMENT

We are pleased to submit this Annual Report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2020.

In our opinion:

(a) the financial statements set out on pages 56 to 120 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2020 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International); and

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

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

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

Lim Shao-Lin	(Appointed on 29 July 2019)
Roger Daeson Khoo Kim Peng	(Appointed on 1 October 2019)
Koh Beng Leong	
Tan Mun Choy Kenneth Bertram	(Appointed on 8 August 2019)
Lau Ping Sum Pearce	(Appointed on 11 November 2019)
Tan Siew San	(Appointed on 13 August 2019)
Lim Kok Chai (Lin Guocai)	(Appointed on 20 September 2019)

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year/date of appointment, if later	Holdings at end of the year
Lim Shao-Lin		
P5 Capital Holdings Ltd.		
- ordinary shares		
- interests held	70,684,149	83,699,808
- deemed interests	96,015,659	80,000,000

DIRECTORS' STATEMENT

By virtue of Section 7 of the Act, Lim Shao-Lin is deemed to have interests in the other subsidiaries of the Company, all of which are wholly-owned, at the date of appointment and at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options 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.

Except as disclosed above, there were no other changes in the interests in the Company between the end of the financial year and 21 April 2020.

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 in or debentures of the Company or any other body corporate.

SHARE OPTIONS

During the financial year, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

AUDIT COMMITTEE

The members of the Audit Committee during the year and at the date of this report are:

Lau Ping Sum Pearce (Chairman)	Independent director
Tan Mun Choy Kenneth Bertram	Non-Executive Non-Independent director
Tan Siew San	Independent director
Lim Kok Chai (Lin Guocai)	Independent director

The Audit Committee performs the functions specified in Section 201B of the Act, the listing rules of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") and the Code of Corporate Governance.

The Audit Committee has held three meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

(i) assistance provided by the Company's officers to the external and internal auditors;

(ii) half yearly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;

(iii) interested person transactions (as defined in Chapter 9 of the Catalist Rules); and

DIRECTORS' STATEMENT

(iv) significant matters impacting the financial statements and the accounting principles and judgement of items as adopted by management for these significant matters.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors of the Company and subsidiaries, we have complied with Catalist Rules 712 and 715.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

LIM SHAO-LIN
Director

ROGER DAESON KHOO KIM PENG
Director

14 September 2020

INDEPENDENT AUDITORS' REPORT

Members of the Company
P5 Capital Holdings Ltd.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of P5 Capital Holdings Ltd. (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 March 2020, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information set out on pages 56 to 120.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

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

Key audit matters

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

INDEPENDENT AUDITORS' REPORT

THE KEY AUDIT MATTER	HOW WAS THE MATTER ADDRESSED IN OUR AUDIT
Net realisable value of inventories	
Refer to Note 2.4 – Use of estimates and judgements: Assessment of the allowance for inventory obsolescence or slow-moving inventories or for any shortfall in net realisable value ("NRV") of inventories and Note 10 – Inventories of S$2,195,325 The Group hold significant amounts of inventories related to luxury furniture and lighting products which are primarily sold to a niche market. Competitive market environment heightens risk of declining prices. Judgement is required to assess the appropriate level of provisioning for items which may be ultimately sold below costs. Such judgement includes management's expectations for future sales and inventory liquidation plans.	We reviewed the basis for inventory provisions made in relation to lighting products. We reviewed the inventory aging report to determine the consistency of provisioning in line with policy and to identify any slow-moving inventories. We also reviewed the process for identifying specific inventory obsolescence issues for luxury furniture products. We compared the carrying values of inventories to recent sale transactions and, where available, publicly available market prices of similar products carried by the Group to identify inventories which are carried at higher than their net realisable values.
Findings: We found that the Group's assessment of net realisable value of inventories and their estimated write-down of inventory values to be reasonable.	
Business combination	
During the year, the Group acquired 2 subsidiaries – Green Energy Investment Holding Private Limited ("GEI") and Green Waste Recycling Company Private Limited ("GWRC") from Mr Lim (Executive Director and controlling shareholder). The purchase consideration was $51,381 based on willing buyer, willing seller basis. There is significant management judgement involved in determining the fair value of assets acquired and liabilities assumed. Management has engaged external valuation experts to assist them with the Purchase Price Allocation ("PPA") exercise for the acquisition. Based on the PPA, the Group recognised gain on bargain purchase and intangible assets of $114,185 and $587,920, respectively.	We examined the terms and conditions of the acquisition as well as the purchase price allocation report issued by the external valuer. We evaluated the qualifications, competence and objectivity of the external valuer, and involved our valuation specialists in the review of the valuation methodologies and key assumptions used by the valuer. We tested the inputs, such as development costs, developer's margins and inflationary growth rates, used in the estimation of fair value of identifiable assets. We assessed the adequacy of disclosures relating to the acquisition, including related party transactions, in the financial statements.
Findings: The purchase price allocation was based on valuation methodologies which were noted to be in line with generally accepted valuation practices. Inflationary growth rates and developer's margins used in the valuation calculation were within range of market data. Identifiable developments costs used in the valuation, were also validated to supporting underlying documents. We also found the disclosures of this acquisition to be appropriate.	

INDEPENDENT AUDITORS' REPORT

Other information

Management is responsible for the other information contained in the Annual Report. Other information is defined as all information in the Annual Report other than the financial statements and our auditors' report thereon. We have obtained all other information prior to the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

INDEPENDENT AUDITORS' REPORT

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

The engagement partner on the audit resulting in this independent auditors' report is Ong Li Qin.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
14 September 2020

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2020

		Group		Company	
	Note	2020	2019	2020	2019
		$	$	$	$
Assets					
Property, plant and equipment	4	2,822,661	624,854	–	–
Right-of-use assets	5	872,001	–	–	–
Intangible assets	6	665,287	77,367	–	–
Subsidiaries	7	–	–	5,694,531	2,863,050
Other investment	8	–	3,676,685	–	3,676,685
Trade and other receivables	9	–	–	881,064	2,832,800
Non-current assets		4,359,949	4,378,906	6,575,595	9,372,535
Inventories	10	2,195,325	1,951,420	–	–
Contract assets	17	72,873	81,412	–	–
Trade and other receivables	9	1,868,148	2,493,966	65,032	29,421
Cash and cash held with financial institutions	11	10,873,031	8,327,945	9,798,969	6,756,188
Current assets		15,009,377	12,854,743	9,864,001	6,785,609
Total assets		19,369,326	17,233,649	16,439,596	16,158,144
Equity					
Share capital	12	19,263,691	19,263,691	19,263,691	19,263,691
Reserves	13	1,102	–	–	–
Accumulated losses		(5,999,116)	(5,235,207)	(3,234,170)	(3,256,564)
Total equity		13,265,677	14,028,484	16,029,521	16,007,127
Liabilities					
Deferred tax liabilities	14	99,946	–	–	–
Lease liabilities	15	233,459	114,438	–	–
Non-current liabilities		333,405	114,438	–	–
Trade and other payables	16	3,805,469	951,378	410,075	151,017
Contract liabilities	17	1,204,404	2,115,721	–	–
Lease liabilities	15	760,371	23,628	–	–
Current liabilities		5,770,244	3,090,727	410,075	151,017
Total liabilities		6,103,649	3,205,165	410,075	151,017
Total equity and liabilities		19,369,326	17,233,649	16,439,596	16,158,144

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 March 2020

	Note	2020 $	2019 $
Revenue	17	7,706,710	10,330,928
Cost of sales		(4,343,428)	(6,235,436)
Gross profit		3,363,282	4,095,492
Other operating income	18	266,394	99,494
Distribution expenses		(1,197,651)	(1,540,987)
Administrative expenses		(4,116,718)	(3,698,481)
Other operating expenses		(201,931)	(242,648)
Impairment loss on trade receivables and contract assets		(22,561)	(53,196)
Results from operating activities		(1,909,185)	(1,340,326)
Finance income	19	1,240,294	89,935
Finance costs	19	(95,018)	(168,684)
Net finance income/(costs)		1,145,276	(78,749)
Loss before tax	20	(763,909)	(1,419,075)
Tax expense	21	–	–
Loss for the year		(763,909)	(1,419,075)
Loss per share (cents)			
Basic and diluted		(0.14)	(0.25)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2020

	2020	2019
	$	$
Loss for the year	(763,909)	(1,419,075)
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences – foreign operations	1,102	–
Other comprehensive income for the year, net of tax	1,102	–
Total comprehensive income for the year	(762,807)	(1,419,075)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2020

	Share capital $	Translation reserve $	Accumulated losses $	Total equity $
At 1 April 2018	19,263,691	–	(3,816,132)	15,447,559
Total comprehensive income for the year				
Loss for the year	–	–	(1,419,075)	(1,419,075)
Total comprehensive income for the year	–	–	(1,419,075)	(1,419,075)
At 31 March 2019	19,263,691	–	(5,235,207)	14,028,484
At 1 April 2019	19,263,691	–	(5,235,207)	14,028,484
Total comprehensive income for the year				
Loss for the year	–	–	(763,909)	(763,909)
Other comprehensive income				
Foreign currency translation differences – foreign operations	–	1,102	–	1,102
Total comprehensive income for the year	–	1,102	(763,909)	(762,807)
At 31 March 2020	19,263,691	1,102	(5,999,116)	13,265,677

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Loss for the year		(763,909)	(1,419,075)
Adjustments for:			
Depreciation of property, plant and equipment	4	172,254	191,625
Depreciation of right-of-use assets	5	811,105	–
Gain on bargain purchase	24	(114,185)	–
Loss/(gain) on disposal of property, plant and equipment	20	37,705	(2,155)
Interest expense	19	95,018	4,571
Interest income	19	(138,543)	(89,935)
Net fair value (gain)/loss on other investments	19	(923,332)	101,986
		(823,887)	(1,212,983)
Changes in:			
- Inventories		(243,905)	206,194
- Contract assets		8,539	28,479
- Trade and other receivables		2,978,150	39,673
- Contract liabilities		(911,317)	512,205
- Trade and other payables		(38,940)	(110,660)
Net cash generated from/(used in) operating activities		968,640	(537,092)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(2,375,457)	(197,086)
Acquisition of subsidiaries, net of cash acquired	24	(16,699)	–
Proceeds from disposal of investment in unquoted investment fund	8	4,600,017	–
Proceeds from disposal of discontinued operation, net of cash disposed*		–	1,861,620
Proceeds from disposal of property, plant and equipment		16,355	2,559
Interest received		138,543	89,935
Net cash generated from investing activities		2,362,759	1,757,028
Cash flows from financing activities			
Proceeds from loan from a director		86,473	–
Payment of lease liabilities (2018: Payment of finance lease liabilities)		(827,342)	(22,588)
Interest paid		(45,444)	(4,571)
Net cash used in financing activities		(786,313)	(27,159)
Net increase in cash and cash equivalents		2,545,086	1,192,777
Cash and cash equivalents at beginning of the year		8,327,945	7,135,168
Cash and cash equivalents at end of the year	11	10,873,031	8,327,945

* In 2018, the Group sold its entire Switchgear business and the remaining purchase consideration of $1,861,620 was received in 2019.

Non-cash transaction:

- In 2019, the Group acquired a motor vehicle via hire purchase agreement amounting to $87,300.

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

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 14 September 2020.

1. DOMICILE AND ACTIVITIES

P5 Capital Holdings Ltd. (the "Company") is incorporated in the Republic of Singapore and has its registered office and principal place of business at 213 Henderson Road #03-08 Henderson Industrial Park Singapore 159553.

The consolidated financial statements of the Group as at and for the year ended 31 March 2020 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

This is the first set of the Group's annual financial statements in which SFRS(I) 16 Leases has been applied. The related changes to significant accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise stated in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

2. BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgements (Cont'd)

In particular, the information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amount recognised in the financial statements and that have a significant risk of resulting in a material adjustment within the next financial year are described in the following notes:

Note 10 – assessment of the allowance for inventory obsolescence or slow-moving inventories or for any shortfall in net realisable value of inventories.

Note 24 – acquisition of subsidiaries – fair value of the assets acquired and liabilities assumed

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

Further information about the assumptions made in measuring fair values is included in Note 25 – Financial instruments.

2.5 Changes in accounting policies

New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 April 2019:

- SFRS(I) 16 *Leases*
- INT SFRS(I) 23 *Uncertainty over Income Tax Treatments*

Other than SFRS(I) 16, the application of these amendments to standards and interpretations does not have a material effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

2. BASIS OF PREPARATION (CONT'D)

2.5 Changes in accounting policies (Cont'd)

New standards and amendments (Cont'd)

SFRS(I) 16 *Leases*

The Group applied SFRS(I) 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2019. Accordingly, the comparative information presented for 2019 is not restated – i.e. it is presented, as previously reported, SFRS(I) 1-17 *Leases* and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in SFRS(I) 16 have not generally been applied to comparative information.

Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under INT SFRS(I) 4 *Determining whether an Arrangement contains a Lease*. The Group now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in SFRS(I) 16.

On transition to SFRS(I) 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Group applied SFRS(I) 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under SFRS(I) 1-17 and INT SFRS(I) 4 were not reassessed for whether there is a lease under SFRS(I) 16. Therefore, the definition of a lease under SFRS(I) 16 was applied only to contracts entered into or changed on or after 1 April 2019.

As a lessee

As a lessee, the Group leases many assets including leasehold land, leasehold building, motor vehicles and office equipment. The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under SFRS(I) 16, the Group recognises right-of-use assets and lease liabilities for most of these leases – i.e. these leases are on-balance sheet.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for leases of property the Group has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

Leases classified as operating leases under SFRS(I) 1-17

Previously, the Group classified property leases as operating leases under SFRS(I) 1-17. On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the respective lessee entities' incremental borrowing rates applicable to the leases as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

2. BASIS OF PREPARATION (CONT'D)

2.5 Changes in accounting policies (Cont'd)

New standards and amendments (Cont'd)

Leases classified as operating leases under SFRS(I) 1-17 (Cont'd)

The Group used a number of practical expedients when applying SFRS(I) 16 to leases previously classified as operating leases under SFRS(I) 1-17. In particular, the Group:

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

Leases classified as finance leases under SFRS(I) 1-17

The Group leases a number of motor vehicles. These leases were classified as finance leases under SFRS(I) 1-17. For these finance leases, the carrying amount of the asset and the lease liability at 1 April 2019 of $133,893 and $138,066 respectively, were determined at the carrying amount of the lease asset and lease liability under SFRS(I) 1-17 immediately before that date.

Impact on financial statements

Impact on transition

On transition to SFRS(I) 16, the Group recognised additional right-of-use assets, and additional lease liabilities of $481,497 on 1 April 2019.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 3.20%.

	1 April 2019 $
Group	
Operating lease commitments at 31 March 2019 as disclosed under SFRS(I) 1-17 in the Group's financial statements	1,549,988
Operating lease commencing from May 2019	(1,123,200)
Early termination of lease	(95,000)
Extension options reasonably certain to be exercised	176,395
	508,183
Discounted using the incremental borrowing rate at 1 April 2019	481,497
Finance lease liabilities recognised as at 31 March 2019	138,066
Lease liabilities recognised at 1 April 2019	619,563

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in accounting policies.

The accounting policies have been applied consistently by Group entities.

3.1 Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method in accordance with SFRS(I) 3 *Business Combinations* as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests (NCI) in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of the subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(i) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the consolidated financial statements of the Group's controlling shareholder. The components of equity of the acquired entities are added to the same components within Group entity and any gain/loss arising is recognised directly in equity.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, any related NCI and the other components of equity related to the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iv) Accounting for subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

NOTES TO THE FINANCIAL STATEMENTS
For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Financial assets: Business model assessment (Cont'd)

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

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

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

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Construction-in-progress is not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives are as follows:

Plant and machinery	5 to 10 years
Renovation, furniture and fittings	4 to 8 years
Office equipment	1 to 10 years
Motor vehicles	5 to 6 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Intangible assets

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iv) Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for the current year are as follows:

Patented technology	15 years
Unpatented technology	15 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment

(i) Non-derivative financial assets and contract assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs and contract assets (as defined in SFRS(I) 15).

Loss allowances of the Group are measured on either of the following bases:
- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:
- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset remains outstanding for more than the reasonable range of past due days, taking into consideration historical payment track records, current macroeconomics situation as well as the general industry trend.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (Cont'd)

(i) Non-derivative financial assets and contract assets (Cont'd)

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being outstanding for more than the reasonable range of past due days;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and contract assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (Cont'd)

(ii) Non-financial assets (Cont'd)

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

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

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Leases

The Group has applied SFRS(I) 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under SFRS(I) 1-17 and INT SFRS(I) 4. The details of accounting policies under SFRS(I) 1-17 and INT SFRS(I) 4 are disclosed separately.

Policy applicable from 1 April 2019

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SFRS(I) 16.

This policy is applied to contracts entered into, on or after 1 April 2019.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Leases (Cont'd)

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets and lease liabilities separately in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Leases (Cont'd)

(i) As a lessee (Cont'd)

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - Policy applicable before 1 April 2019

For contracts entered into before 1 April 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
  - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
  - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

As a lessee

In the comparative period, as a lessee the Group classified leases that transferred substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequent to initial recognition, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognised in the Group's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

3.9 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Employee benefits (Cont'd)

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.10 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.11 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Sale of goods (i.e. furniture and lightings)

Revenue is recognised when goods are delivered to the customer and all criteria for acceptance have been satisfied. Generally, invoices are generated prior to revenue recognition. For protective reasons, a portion of the contract consideration may be received upfront. As the payment terms are for reasons other than financing, no financing component has been recognised. Invoices are payable ranging from before delivery to three months.

Products usually come with a standard warranty term of 1 year under which the customers are able to replace any defective products.

Bespoke carpentry services

Revenue from bespoke carpentry services are recognised over time as performance obligations are satisfied as work progresses. Invoices are generated based on the agreed billing milestone stipulated in the contracts. Invoices are usually payable within 30 days.

Revenue is recognised progressively based on the percentage of completion method. The stage of completion is typically assessed by reference to the cost incurred relative to total estimated costs (input method), which is commensurate with the pattern of transfer of control to the customer. The related costs are recognised in profit or loss when they are incurred, unless they relate to future performance obligations.

If the value of services rendered exceeds payments received from the customer, a contract asset is recognised and presented separately on the balance sheet. The contract asset is transferred to receivables when the entitlement to payment becomes unconditional. If the amounts invoiced to the customer exceeds the value of services rendered, a contract liability is recognised and separately presented on the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other operating income' on a systematic basis in the same periods in which the expenses are recognised.

3.13 Finance income and finance costs

The Group's finance income and finance costs include:
- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised, using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.14 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets.*

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Tax (Cont'd)

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

3.15 Earnings per share

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

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer ("CEO") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

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

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

3.17 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2019 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

Management is currently assessing the impact of adopting these new standards, interpretations and amendment to standards on the Group's consolidated financial statements and the Company's statement of financial position.

- *Amendments to References to Conceptual Framework in SFRS(I) Standards*
- *Definition of a Business* (Amendments to SFRS(I) 3)
- *Definition of Material* (Amendments to SFRS(I) 1-1 and SFRS(I) 1-8)
- SFRS(I) 17 *Insurance Contracts*

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

4. PROPERTY, PLANT AND EQUIPMENT

	Construction in progress	Plant and machinery	Renovation, furniture and fittings	Office equipment	Motor vehicles	Total
	$	$	$	$	$	$
Group						
Cost						
At 1 April 2018	–	4,500	401,263	150,829	78,445	635,037
Additions	–	9,600	88,706	91,006	95,074	284,386
Disposals/Write off	–	–	(509)	–	–	(509)
At 31 March 2019	–	14,100	489,460	241,835	173,519	918,914
Additions	2,257,795	–	96,942	20,720	–	2,375,457
Disposals/Write off	–	(14,100)	(59,002)	(25,088)	–	(98,190)
Effect of movements in exchange rates	48,594	–	–	90	–	48,684
At 31 March 2020	2,306,389	–	527,400	237,557	173,519	3,244,865
Accumulated depreciation and impairment losses						
At 1 April 2018	–	150	27,288	68,565	6,537	102,540
Depreciation for the year	–	2,020	90,130	66,386	33,089	191,625
Disposals/Write off	–	–	(105)	–	–	(105)
At 31 March 2019	–	2,170	117,313	134,951	39,626	294,060
Depreciation for the year	–	235	101,848	35,419	34,752	172,254
Disposals/Write off	–	(2,405)	(22,245)	(19,480)	–	(44,130)
Effect of movement in exchange rates	–	–	–	20	–	20
At 31 March 2020	–	–	196,916	150,910	74,378	422,204
Carrying amounts						
At 1 April 2018	–	4,350	373,975	82,264	71,908	532,497
At 31 March 2019	–	11,930	372,147	106,884	133,893	624,854
At 31 March 2020	2,306,389	–	330,484	86,647	99,141	2,822,661

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Leased motor vehicles (classified as finance lease under SFRS(I) 1-17)

The Group leases motor vehicles under a numbers of finance leases. At 31 March 2020, the net carrying amount of leased motor vehicle was $99,141 (2019: $133,893).

Property, plant and equipment under construction

During the financial year, the Group acquired a synthetic diesel production equipment with the intention of producing renewable diesel and biochar. The Group has incurred costs relating to the acquisition of the machine of $2,286,859 and the construction of a shelter for the equipment of $19,530.

5. RIGHT-OF-USE ASSETS

	Leasehold building	Leasehold land	Office equipment	Total
	$	$	$	$
Group				
Cost				
As at 1 April 2019	–	–	–	–
Recognition of right-of-use asset on initial application of SFRS(I) 16	462,060	–	19,437	481,497
Adjusted balances at 1 April 2019	462,060	–	19,437	481,497
Additions	1,067,498	124,394	9,717	1,201,609
At 31 March 2020	1,529,558	124,394	29,154	1,683,106
Accumulated depreciation				
At 1 April 2019	–	–	–	–
Depreciation for the year	(799,634)	(4,147)	(7,324)	(811,105)
At 31 March 2020	(799,634)	(4,147)	(7,324)	(811,105)
Carrying amounts				
Adjusted balances at 1 April 2019	462,060	–	19,437	481,497
At 31 March 2020	729,924	120,247	21,830	872,001

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

6. INTANGIBLE ASSETS

Group	Note	Goodwill $	Patented and Unpatented Technology $	Total $
Cost				
At 1 April 2018 and 31 March 2019		77,367	–	77,367
Acquisitions through business combinations	24	–	587,920	587,920
At 31 March 2020		77,367	587,920	665,287
Accumulated amortisation				
At 1 April 2018, 31 March 2019 and 31 March 2020		–	–	–
Carrying amounts				
At 1 April 2018 and 31 March 2019		77,367	–	77,367
At 31 March 2020		77,367	587,920	665,287

Patented and unpatented technology

The patented and unpatented technology were acquired as part of the acquisition of subsidiaries in the energy segment (refer to Note 24).

The amortisation of patented and unpatented technology has not commenced as the technology is not yet available for use as at 31 March 2020.

Sources of estimation uncertainty

An impairment exists when the carrying value of the cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. Where value-in-use calculations are undertaken, management must estimate the expected future cash flows from the cash-generating unit (CGU) and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment testing for cash-generating units containing goodwill and cash-generating units containing intangible assets not yet available for use

For the purposes of impairment testing, the intangible assets are allocated to the following CGU of the Group:

Intangible asset	CGU
Goodwill	P5 Pte Ltd, a subsidiary
Patented and unpatented technology not yet available for use	Energy segment

The recoverable amounts of the CGUs are determined based on value-in-use calculations, using discounted cash flow projections derived from the CGU's five-year business plans. The key assumptions used in the calculation of the recoverable amounts are as follows:

Key assumptions	Basis	Goodwill	Patented and Unpatented Technology
Terminal growth rate	Nominal gross domestic product (GDP) rates of the country in which the operations are based in.	3.0% (2019: 3.7%)	3.0% (2019: N.A.)
Pre-tax discount rate	Weighted cost of capital of the subsidiary/segment.	13% (2019: 13%)	13% (2019: N.A.)

No sensitivity analysis was disclosed as the Group believes that any reasonable change in the key assumptions is not likely to materially cause the recoverable amount to be lower than its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

7. SUBSIDIARIES

	Company 2020 $	Company 2019 $
Investments in subsidiaries, at cost	5,694,531	3,049,050
Impairment losses	–	(186,000)
	5,694,531	2,863,050

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity held by the Group 2020 %	Effective equity held by the Group 2019 %
P5 Design Ventures Pte. Ltd. ("P5DV") [2]	Investment holding company and provision of management services	Singapore	100	–
Green Energy Investment Holding Private Limited[1]	Recycling of non-metal waste	Singapore	100	–
Subsidiaries of P5 Design Ventures Pte. Ltd.				
P5 Pte. Ltd. ("P5PL")[1]	Sale and distribution of furniture, kitchen and wardrobe systems and decorative lighting	Singapore	100	100
P5 Luminaire Pte. Ltd. ("PLPL")[1]	Sale and distribution of lightings	Singapore	100	100
P5 Studio Pte. Ltd. ("PSPL")[1]	Supply of mid-range furniture	Singapore	100	100
Subsidiaries of Green Energy Investment Holding Private Limited				
PT. Indo Global Green Energy One[2]	Sale of advanced biodiesel and activated carbon	Indonesia	88	–
PT. Gold Fifty One[2]	Sale of advanced biodiesel and activated carbon	Indonesia	100	–
Green Waste Recycling Company Private Limited[1]	Recycling of non-metal waste	Singapore	100	–

1 Audited by KPMG LLP Singapore.
2 There is no statutory audit requirement for these entities for the current year.

During the financial year, the Company capitalised loans due from its subsidiaries, PLPL and P5PL, of $2,830,000. The Company also incorporated a new wholly-owned subsidiary, P5DV, and undergone a restructuring exercise such that the cost of investment of the 3 subsidiaries under the Company, namely PLPL, P5PL and PSPL, were transferred to P5DV. Under the terms of the restructuring agreement, the purchase consideration was wholly satisfied by the issuance of new shares of P5DV to the Company.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

8. OTHER INVESTMENT

	Group		Company	
	2020	2019	2020	2019
	$	$	$	$
Non-current investment				
Unquoted investment fund	–	3,676,685	–	3,676,685

The Group disposed its investment for a net sale proceeds of approximately $4,600,017 during the current financial year.

The Group's exposure to foreign currency and equity price risk related to other investments is disclosed in Note 25.

9 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020	2019	2020	2019
	$	$	$	$
Trade receivables	749,917	987,865	–	–
Impairment losses	(136,956)	(114,395)	–	–
	612,961	873,470	–	–
Unbilled receivables	–	346,004	–	–
	612,961	1,219,474	–	–
Loans to subsidiaries	–	–	881,064	2,832,800
Grant receivables	140,671	–	13,800	–
Other receivables	12,770	14,847	11,470	14,847
Deposits	223,135	477,871	–	–
Financial assets measured at amortised costs	989,537	1,712,192	906,334	2,847,647
Prepayments	759,466	781,774	21,813	14,574
GST receivables	119,145	–	17,949	–
	1,868,148	2,493,966	946,096	2,862,221
Non-current	–	–	881,064	2,832,800
Current	1,868,148	2,493,966	65,032	29,421
	1,868,148	2,493,966	946,096	2,862,221

The loans to subsidiaries are unsecured, interest-free and are repayable on demand. The amounts are classified as non-current as the Company does not expect to receive the payment within the next 12 months. There is no allowance for doubtful debts arising from these outstanding balances as the ECL is not material.

The Group has been awarded the government grant under the Jobs Support Scheme, to provide wage support to employers to help them retain local employees as part of the COVID-19 Government Relief Measure. As at 31 March 2020, the Group and the Company have recognised grant receivables and corresponding deferred grant income (Note 16). The grant will be recognised in the profit or loss on a systematic basis over the nine month period from 1 April 2020 to 31 December 2020 of economic uncertainty in which the Group recognises the related salary costs in the calendar year 2020.

The Group and the Company's exposure to credit and foreign currency risks, impairment losses for trade and other receivables, and the sensitivity analysis for trade and other receivables is disclosed in Note 25.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

10. INVENTORIES

	Group	
	2020	2019
	$	$
Finished goods	2,051,859	1,852,231
Goods-in-transit	143,466	99,189
	2,195,325	1,951,420

The cost of inventories included in the Group's 'cost of sales' amounted to $4,054,059 (2019: $5,377,237).

The movement in allowance for inventory obsolescence during the year is as follows:

		Group	
	Note	2020	2019
		$	$
At 1 April		722,044	535,212
Allowance for inventory obsolescence (net)	20	164,225	242,648
Allowance utilised		(577,093)	(55,816)
At 31 March		309,176	722,044

Allowance for stock obsolescence of $164,225 and $242,648 were made in 2020 and 2019, respectively, based on management's assessment of future demand of certain aged products.

Source of estimation uncertainty

The Group has assessed the net realisable value of its inventories on a half-yearly basis. Inventories have been written down to net realisable value to be consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. Estimates of net realisable value are based on the most reliable evidence available at the balance sheet date. These estimates take into consideration market demand, competition, selling price and cost directly relating to events occurring after the end of the financial year, to the extent that such events confirm conditions existing at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

11. CASH AND CASH HELD WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2020	2019	2020	2019
	$	$	$	$
Cash at bank and in hand	2,768,085	2,311,309	1,694,023	739,552
Fixed deposits with banks	8,104,946	6,016,636	8,104,946	6,016,636
	10,873,031	8,327,945	9,798,969	6,756,188

The weighted average effective interest rate per annum relating to fixed deposits with banks at the reporting date for the Group and the Company are 1.32% (2019: 1.75%) and 1.32% (2019: 1.75%), respectively. Interest rates reprice at intervals of one to twelve months.

The Group and the Company's exposure to foreign currency risk for cash and cash held with financial institutions are disclosed in Note 25.

12. SHARE CAPITAL

	Company	
	2020	2019
	No. of shares	No. of shares
At 1 April and 31 March	557,524,443	557,524,443

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All issued shares are fully paid, with no par value. All ordinary shares rank equally with regard to the Company's residual assets.

Capital management

The Group defines capital as share capital, translation reserve and accumulated losses.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes on the Group's approach to capital management during the year.

The Company and its subsidiaries are not subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

13. RESERVES

	Group	
	2020	2019
	$	$
Translation reserve	1,102	–

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

14. DEFERRED TAX LIABILITIES

(a) Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	Liabilities	
	2020	2019
	$	$
Intangible assets	99,946	–

Movement in deferred tax balances

	At 1 April 2018, 31 March 2019 and 1 April 2019	Acquired in business combination (Note 24)	At 31 March 2020
	$	$	$
Intangible assets	–	99,946	99,946

14. DEFERRED TAX LIABILITIES (CONT'D)

(b) Unrecognised deferred tax assets

Deferred tax assets for the Group have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

	2020		2019	
	Gross amount	Tax effect	Gross amount	Tax effect
	$	$	$	$
Deductible temporary differences	132,282	22,488	76,871	13,068
Tax losses	3,912,618	665,145	1,977,118	336,110
	4,044,900	687,633	2,053,989	349,178

The capital allowances and tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the Group operates. The capital allowances and tax losses do not expire under current tax legislation.

15. LEASE LIABILITIES

	Group	
	2020	2019
	$	$
Lease liabilities (2019: Finance lease liabilities)	993,830	138,066
Repayable:		
Within 1 year	760,371	23,628
After 1 year but within 5 years	233,459	114,438
	993,830	138,066

Leases as lessee (SFRS(I) 16)

The Group leases land and building for its office space, warehouse and showroom. The leases typically run for a period of 2 to 5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group leases motor vehicles which were classified as finance leases under SFRS(I) 1-17.

The Group leases office equipment with contract terms of 5 years.

Information about leases for which the Group is a lessee is presented below.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

15. LEASE LIABILITIES (CONT'D)

Leases as lessee (SFRS(I) 16) (Cont'd)

Amounts recognised in profit or loss

	$
2020 – Lease under SFRS(I) 16	
Interest on lease liabilities	45,444
Expenses relating to short-term leases	65,651
2019 – Operating lease under SFRS(I) 1-17	
Lease expenses	1,096,041
Amounts recognised in statement of cash flows	
Total cash outflow for leases	938,437

Extension options

Some leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension options, would result in an increase in lease liability of $1,696,525.

Finance lease liabilities

In 2019, finance lease liabilities were payable as follows:

	2019		
	Payments $	Interest $	Principal $
Group			
Within 1 year	28,416	4,788	23,628
Between 1 and 5 years	137,729	23,291	114,438
	166,145	28,079	138,066

The finance lease liabilities relate to hire purchase liabilities secured on certain motor vehicles of the Group (see Note 4). Under the terms of the finance lease agreements, no contingent rents are payable. Interest is charged at the rate of 2.80% to 2.99% (2019: 2.80% to 2.99%) per annum.

The Group's exposure to liquidity risk, interest rate risk and foreign currency risk for finance lease liabilities are disclosed in Note 25.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

15. LEASE LIABILITIES (CONT'D)

Finance lease liabilities (Cont'd)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Lease liabilities $
Balance at 1 April 2018	73,354
Changes from financing cash flows	
Payment of finance lease liabilities	(22,588)
Interest paid	(4,571)
Total changes from financing cash flows	(27,159)
Other changes	
Liability-related	
New finance lease	87,300
Interest expense	4,571
Total liability-related other changes	91,871
Balance at 31 March 2019	138,066

	Amount due to affiliated companies $	Loan from a director $	Lease liabilities $	Total $
1 April 2019	–	–	138,066	138,066
Recognition of lease liabilities on initial application of SFRS(I) 16	–	–	481,497	481,497
Adjusted balance at 1 April 2019	–	–	619,563	619,563
Changes from financing cash flows				
Proceeds from loan from a director	–	86,473	–	86,473
Payment of lease liabilities	–	–	(827,342)	(827,342)
Interest paid	–	–	(45,444)	(45,444)
Total changes from financing cash flows	–	86,473	(872,786)	(786,313)
Change arising from business combination	415,958	2,199,103	–	2,615,061
The effect of changes in foreign exchange rates	–	43,735	–	43,735
Other changes				
New leases	–	–	1,201,609	1,201,609
Interest expense	7,885	41,689	45,444	95,018
Total other changes	7,885	41,689	1,247,053	1,296,627
Balance at 31 March 2020	423,843	2,371,000	993,830	3,788,673

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2020	2019	2020	2019
	$	$	$	$
Trade payables and accruals	765,410	745,800	180,278	151,017
Other payables	–	84,052	–	–
Deferred grant income	140,671	–	13,800	–
Accruals for employee benefits	71,392	38,961	18,256	–
Amounts due to subsidiaries	–	–	197,741	–
Loan from a director	2,371,000	–	–	–
Amounts due to affiliated companies	423,843	–	–	–
Financial liabilities	3,772,316	868,813	410,075	151,017
GST payables	33,153	82,565	–	–
	3,805,469	951,378	410,075	151,017

The Group and the Company's exposure to liquidity risk and foreign currency risk for trade and other payables are disclosed in Note 25.

Loan from a director and amounts due to his affiliated companies were part of the liabilities assumed under the acquisitions of subsidiaries during the year (see Note 24). They are non-trade in nature, unsecured and interest-free. The Director has provided an undertaking to the Company that he and his affiliated companies will not to demand for repayment for a period of 1 year from the acquisition date.

The amounts due to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

17. REVENUE

	2020	2019
	$	$
Revenue from contracts with customers	7,706,710	10,330,928

The following tables provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Furniture segment

Nature of goods or services	The Group sells and distributes furniture, kitchen, and wardrobe systems to its customers.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance has been met.
Significant payment terms	Payment is received just before or when the goods are delivered to customers. For protective reasons, a portion of the contract consideration may be received upfront. As such, no financing component has been recognised as the payment terms are for reasons other than financing.
Obligations for returns and refunds, if any	Customers are not entitled to returns or refunds; unless due to defective products.
Obligations for warranties	Products usually come with a standard warranty term of 1 year under which the customers are able to replace any defective products.

Lightings segment

Nature of goods or services	The Group sells and distributes lighting products to its customers.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance has been met.
Significant payment terms	Payment is received before or when the goods are delivered to customers. For certain corporate customers, the payment terms are governed by contracts signed with customers. For protective reasons, a portion of the contract consideration may be received upfront. As such, no financing component has been recognised as the payment terms are for reasons other than financing.
Obligations for returns and refunds, if any	Customers are not entitled to returns or refunds; unless due to defective products.
Obligations for warranties	Products usually come with a standard warranty term of 1 year under which the customers are able to replace any defective products.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

17. REVENUE (CONT'D)

Bespoke carpentry segment

Nature of goods or services	The Group supplies contract furniture and bespoke carpentry works to its customers. Bespoke carpentry services are constructed and tailored to specifications detailed in contracts with customers.
When revenue is recognised	The Group has assessed that these contracts qualify for over time revenue recognition as bespoke carpentry works have no alternative use for the Group due to the contractual restrictions, and the Group generally has enforceable rights to payment for performance completed till date. The stage of completion is assessed by reference to the contract costs incurred till date in proportion to the total estimated contract costs of each contract.
Significant payment terms	Progress billings to the customer are based on a payment schedule in the contract that is dependent on the achievement of specified milestones. If the value of the services rendered exceeds payments received from the customer, a contract asset is recognised. Where the period between the satisfaction of a performance obligation and payment by the customer exceeds a year, the Group adjust the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of good or service to a customer and the payment date is one year or less.

The construction contracts qualify for over time revenue recognition. Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs incurred to fulfil a contract are capitalised only if the costs relate directly to the contract, generate or enhance resources used in satisfying future performance obligations, and are expected to be recovered. These costs would be amortised consistently with the pattern of revenue for the related contract. Other costs are expensed as incurred. The Group has applied the practical expedient and recognised the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

17. REVENUE (CONT'D)

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition.

	Furniture		Lighting		Bespoke carpentry		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$	$	$
Primary geographical markets								
Singapore	5,420,196	6,524,666	2,253,664	1,458,343	32,850	2,347,919	7,706,710	10,330,928
Major products/ service line								
Sales of goods	5,420,196	6,524,666	2,253,664	1,458,343	–	–	7,673,860	7,983,009
Bespoke carpentry services	–	–	–	–	32,850	2,347,919	32,850	2,347,919
	5,420,196	6,524,666	2,253,664	1,458,343	32,850	2,347,919	7,706,710	10,330,928
Timing of revenue recognition								
Products transferred at a point in time	5,420,196	6,524,666	2,253,664	1,458,343	–	–	7,673,860	7,983,009
Products and services transferred over time	–	–	–	–	32,850	2,347,919	32,850	2,347,919
	5,420,196	6,524,666	2,253,664	1,458,343	32,850	2,347,919	7,706,710	10,330,928

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

17. REVENUE (CONT'D)

Contract balances

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

	Note	2020 $	2019 $
Trade receivables, net	9	612,961	1,219,474
Contract assets		72,873	81,412
Contract liabilities		(1,204,404)	(2,115,721)

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date for lighting and bespoke carpentry works. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for sale of furniture, lightings and bespoke carpentry works.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

	Contract assets		Contract liabilities	
	2020 $	2019 $	2020 $	2019 $
Revenue recognised that was included in the contract liability balance at the beginning of the year	–	–	1,936,901	1,318,111
Increases due to cash received, excluding amounts recognised as revenue during the year	–	–	(1,025,584)	(1,830,316)
Contract assets reclassified to trade receivables	(48,739)	(26,310)	–	–
Changes in measurement of progress	40,200	26,541	–	–
Impairment loss on contract assets	–	(28,710)	–	–

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

17. REVENUE (CONT'D)

Contract balances (Cont'd)

Significant judgements are used to estimate total contract costs to complete. In making these estimates, management has relied on the expertise of craftsmen to determine the progress of the construction and also on past experience of completed projects. The estimated total contract costs are reviewed every reporting period and adjusted where necessary, with the corresponding adjustment to profit margin being recognised prospectively from the date of change.

The Group's exposure to impairment losses for contract assets is disclosed in Note 25.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

18. OTHER OPERATING INCOME

		Group	
	Note	2020	2019
		$	$
Gain on disposal of property, plant and equipment		–	2,155
Gain on bargain purchase	24	114,185	–
Government grants		68,727	30,407
Miscellaneous income		83,482	66,932
		266,394	99,494

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

19. NET FINANCE INCOME/(COSTS)

	Group	
	2020	2019
	$	$
Net fair value gain on other investments	923,332	–
Interest income	138,543	89,935
Net foreign exchange gain	178,419	–
Finance income	1,240,294	89,935
Interest expense		
- lease liabilities	(45,444)	(4,571)
- accretion of interest on interest-free loans	(49,574)	–
Net foreign exchange loss	–	(62,127)
Net fair value loss on other investments	–	(101,986)
Finance costs	(95,018)	(168,684)
Net finance income/(costs) recognised in profit or loss	1,145,276	(78,749)

20. LOSS BEFORE TAX

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

	Group	
	2020	2019
	$	$
Staff costs	(2,832,503)	(2,893,239)
Contributions to defined contribution plans	(232,598)	(226,940)
Allowance for inventory obsolescence	(164,225)	(242,648)
Depreciation of property, plant and equipment	(172,254)	(191,625)
Depreciation of right-of-use assets	(811,105)	–
Audit fees paid and payable to auditors of the Company	(115,000)	(89,000)
Non-audit fees paid and payable to auditors of the Company	(13,789)	(33,620)
(Loss)/gain on disposal of property, plant and equipment	(37,705)	2,155
Operating lease expense	–	(1,096,041)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

21. TAX EXPENSE

	Group	
	2020	2019
	$	$
Current tax expense		
Current year	–	–
	–	–
Deferred tax expense		
Movements in temporary differences	–	–
Total tax expense	–	–
Reconciliation of effective tax		
Loss before tax	(763,909)	(1,419,075)
Tax calculated using Singapore tax rate of 17% (2019: 17%)	(129,865)	(241,243)
Expenses not deductible for tax purposes	51,146	69,172
Tax-exempt income	(196,876)	(33,219)
Change in unrecognised temporary differences	9,420	(9,653)
Recognition of tax effect of previously unrecognised tax losses and unutilised capital allowance	(62,860)	–
Current year losses for which no deferred tax asset is recognised	329,035	214,943
	–	–

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

22. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share has been based on the following loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	2020 $	2019 $
Basic loss per share is based on:		
Loss attributable to ordinary shareholders	(763,909)	(1,419,075)
Weighted average number of ordinary shares during the year	557,524,443	557,524,443
Basic loss per share	(0.14)	(0.25)

Diluted loss per share

There were no instruments that would have an effect of diluting the earnings of the Group that existed during or as at the end of the financial year.

23. OPERATING SEGMENTS

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

High-end Furniture	:	Sale and distribution of high-end furniture, kitchen and wardrobe systems and decorative lighting
Lighting	:	Sale and distribution of lightings
Mid-range Furniture	:	Supply of mid-range contract furniture and bespoke carpentry works
Energy	:	Production and sale of advanced biodiesel and activated carbon. This segment is not operational yet.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

23. OPERATING SEGMENTS (CONT'D)

Information about reportable segments

	High-end Furniture		Lighting		Mid-range Furniture		Energy		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$	$	$	$	$
Group										
External revenue	3,647,472	4,860,893	2,253,664	1,458,343	1,805,574	4,011,692	–	–	7,706,710	10,330,928
Interest income	–	–	–	–	–	–	46	–	46	–
Interest expense	(36,416)	(4,571)	(7,216)	–	(1,165)	–	(50,221)	–	(95,018)	(4,571)
Depreciation and amortisation	(632,522)	(72,581)	(249,676)	(45,598)	(96,457)	(73,446)	(4,704)	–	(983,359)	(191,625)
Reportable segment (loss)/ profit before tax	(492,558)	99,482	216,904	(774,366)	(361,826)	(70,901)	(1,282)	–	(638,762)	(745,785)
Other material non-cash items:										
Allowance for inventory obsolescence	41,951	23,094	119,216	219,554	3,058	–	–	–	164,225	242,648
Impairment loss on receivables	–	–	14,536	53,196	8,025	–	–	–	22,561	53,196
Capital expenditure	97,766	163,791	8,852	16,604	7,664	103,991	2,260,106	–	2,374,388	284,386
Reportable segment assets	3,586,602	3,289,066	1,323,179	1,685,009	1,797,280	1,797,280	3,658,214	–	10,365,275	6,771,355
Reportable segment liabilities	1,819,502	1,407,031	529,419	932,272	470,453	726,648	3,052,394	–	5,871,768	3,065,951

The Group initially applied SFRS(I) 16 at 1 April 2019, which requires the recognition of right-of-use assets and lease liabilities for lease contracts that were previously classified as operating leases (see Note 2.5). As a result, the Group recognised additional $481,497 of right-of-use assets and lease liabilities from these lease contracts. The assets and liabilities are included in the respective segments as at 31 March 2020. The Group has applied SFRS(I) 16 using the modified retrospective approach, under which comparative information is not restated (see Note 2.5).

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

23. OPERATING SEGMENTS (CONT'D)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2020 $	2019 $
Revenue		
Total revenue for reportable segments	7,706,710	10,330,928
Loss before tax		
Total loss for reportable segments	(638,762)	(745,785)
Unallocated amounts:		
- Interest income	138,497	89,935
- Other corporate expenses	(1,186,977)	(661,239)
- Net fair value gain/(loss) on investment	923,333	(101,986)
Consolidated loss before tax	(763,909)	(1,419,075)
Assets		
Total assets for reportable segments	10,365,275	6,771,355
Investment in unquoted investment fund	–	3,676,685
Other unallocated amounts	9,004,051	6,785,609
Consolidated total assets	19,369,326	17,233,649
Liabilities		
Total liabilities for reportable segments	5,871,768	3,065,951
Other unallocated amounts	231,881	139,214
Consolidated total liabilities	6,103,649	3,205,165

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of business operations. Segment assets are based on the geographical location of the assets.

	2020		2019	
	External revenues $	Non-current assets $	External revenues $	Non-current assets $
Singapore	7,706,710	4,220,172	10,330,928	4,378,906
Indonesia	–	139,777	–	–
	7,706,710	4,359,949	10,330,928	4,378,906

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

24. ACQUISITION OF SUBSIDIARIES

On 13 November 2019, the Group acquired 100% of the shares and voting interests in Green Energy Investment Holding Private Limited ("GEI") and Green Waste Recycling Company Private Limited ("GWRC") from the controlling shareholder, Mr Lim Shao-Lin, who is the current Chief Executive Officer and Executive Director. As a result, the Group's equity interest in GEI and GWRC increased to 100%, obtaining control of GEI and GWRC.

Taking control of GEI and GWRC will enable the Group to diversify its business into the renewable and sustainable energy industry by investing into the production of advanced biodiesel and activated carbon, including the provision of plant maintenance services.

For the year ended 31 March 2020, GEI and GWRC contributed nil revenue and loss of $13,090 to the Group's results. If the acquisition had occurred on 1 April 2019, management estimates that consolidated revenue would have been the same and consolidated loss for the year would have been approximately $767,166. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2019.

Consideration transferred

The total cash consideration transferred for the acquisition amounted to $51,381.

Acquisition-related costs

The Group incurred acquisition-related costs of $24,840 on legal fees and due diligence costs. These costs have been included in 'administrative expenses'.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Note	$
Intangible assets	6	587,920
Other receivables		2,322,371
Cash and cash equivalents		34,682
Deferred tax liabilities	14	(99,946)
Loans from a director and affiliated companies		(2,615,061)
Other payables		(64,400)
Total identifiable net assets		165,566

	$
Purchase consideration settled in cash	(51,381)
Cash and cash equivalents acquired	34,682
Cash outflow on acquisition of subsidiaries	(16,699)

Loan from a director and his affiliated companies are non-trade in nature, unsecured and interest-free. The Director has provided an undertaking to the Company that he and his affiliated companies will not to demand for repayment for a period of 1 year from the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

24. ACQUISITION OF SUBSIDIARIES (CONT'D)

Measurement of fair values

The valuation techniques used for measuring the fair value of material asset acquired are as follows:

Asset acquired	Valuation technique
Intangible assets	The cost approach uses the concept of replacement or reproduction cost as an indicator of fair value. The premise of the cost approach is that a prudent investor would pay no more for an asset than the amount for which the asset could be replaced/reproduced.
Interest-free loans from a director and affiliated companies	The fair value of interest-free loans from a director and affiliated companies are determined based on the present value of future cash flows discounted using the Singapore prime lending rate at 5.25%. The discounted cash flow model uses various assumptions, including market rates of interest and expected repayment terms.

Bargain purchase

Bargain purchase arising from the acquisition has been recognised as follows:

	$
Total consideration transferred	51,381
Fair value of identifiable net assets	(165,566)
Bargain purchase	(114,185)

The bargain purchase is attributable to the assets being acquired at less than fair value, which is expected to be integrated into the Group's new business segment to bolster future earnings. The entities are currently in the start-up phase and the acquisition will allow the Group to tap into the energy business opportunities in the renewable energy market both on a domestic and international scale and provide recurring revenue streams.

25. FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Group has exposure to the following risks from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group activities.

The Group's Audit Committee oversees how management monitors the compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment in unquoted fund investment.

The carrying amounts of financial assets and contract assets represent the Group and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not require any collateral in respect of their financial assets.

Impairment losses on financial assets and contract assets recognised in profit or loss were as follows:

	2020 $	2019 $
Impairment loss on trade receivables and contract assets arising from contracts with customers	22,561	53,196

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Details of concentration of revenue are included in Note 23.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information, and in some cases bank references. Sale limits are established for each customer and these limits are reviewed periodically. Customers failing to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

The Group limits its exposure to credit risk from trade receivables by establishing maximum payment periods of up to three months for individual and corporate customers respectively.

The Group does not require collateral in respect of trade receivables. The Group does not have trade receivables and contract assets for which no loss allowance is recognised because of collateral.

Exposure to credit risk

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group	
	Carrying amount	
	2020	2019
	$	$
Singapore	685,834	1,300,886

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Trade receivables and contract assets (Cont'd)

Exposure to credit risk (Cont'd)

The exposure to credit risk for trade receivables and contract assets at the reporting date by type of counterparties was:

	Group	
	2020	2019
	$	$
Corporate customers	613,766	724,749
Individual customers	72,068	576,137
	685,834	1,300,886

At the reporting date, the Group's credit risk is mainly from trade receivables due from ten (2019: ten) customers amounting to 93% (2019: 47%) of trade receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

A summary of the exposure to credit risk for trade receivables and contract assets is as follows:

	Group			
	2020		2019	
	Not credit-impaired	Credit-impaired	Not credit-impaired	Credit-impaired
	$	$	$	$
Trade receivables and contract assets	685,834	136,956	1,300,886	114,395
Loss allowance	–	(136,956)	–	(114,395)
Total	685,834	–	1,300,886	–

Expected credit loss assessment for customers

The Group uses an allowance matrix to measure the ECLs of trade receivables from customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the type of product purchased.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Expected credit loss assessment for customers (Cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for customers:

	Group			
	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
	%	$	$	
2020				
Current (not past due)	–	277,168	–	No
Past due 1 to 30 days	–	71,006	–	No
Past due 31 to 90 days	–	87,130	–	No
More than 90 days	35.34	387,486	(136,956)	Yes
		822,790	(136,956)	
2019				
Current (not past due)	–	720,617	–	No
Past due 1 to 30 days	–	111,214	–	No
Past due 31 to 90 days	–	65,663	–	No
More than 90 days	22.09	517,787	(114,395)	Yes
		1,415,281	(114,395)	

Loss rates are based on actual credit loss experience over the past three years. These rates are adjusted by scalar factors to reflect the differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. No scalar factors have been applied.

Movements in allowance for impairment in respect of trade receivables and contract assets

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

	Group	
	2020	2019
	$	$
Balance at 1 April	114,395	89,909
Impairment loss recognised	26,322	57,613
Amounts reversed	(3,761)	(4,417)
Amounts written off	–	(28,710)
Balance at 31 March	136,956	114,395

Contract assets with a contractual amount of $28,710 written off during 2019 are still subject to enforcement activity.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Loans to subsidiaries

The Company held loans to subsidiaries of $881,064 (2019: $2,832,800). These balances are amounts lent to subsidiaries to satisfy short term funding requirements. The Company has considered qualitative factors in the assessment of ECLs for these receivables. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $10,873,031 and $9,798,969 respectively at 31 March 2020 (2019: $8,327,945 and $6,756,188 respectively) with reputable financial institutions.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Other receivables

Other receivables are short-term in nature. Impairment on other receivables has been measured on the 12-month expected loss basis and reflects the short maturities of exposures. The Group considers its other receivables to have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on other receivables is insignificant.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (Cont'd)

The following are the expected contractual undiscounted cash outflows of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	Cash outflows Within one year	Within one to five years	More than five years
	$	$	$	$	$
Group					
31 March 2020					
Non-derivative financial liabilities					
Trade and other payables *	3,772,316	(3,892,796)	(2,941,169)	(951,627)	–
Lease liabilities	993,830	(1,012,533)	(780,353)	(230,939)	(1,241)
	4,766,146	(4,905,329)	(3,721,522)	(1,182,566)	(1,241)
31 March 2019					
Non-derivative financial liabilities					
Trade and other payables *	868,813	(868,813)	(868,813)	–	–
Finance lease liabilities	138,066	(166,145)	(28,416)	(137,729)	–
	1,006,879	(1,034,958)	(897,229)	(137,729)	–
Company					
31 March 2020					
Non-derivative financial liabilities					
Trade and other payables	410,075	(410,075)	(410,075)	–	–
31 March 2019					
Non-derivative financial liabilities					
Trade and other payables	151,017	(151,017)	(151,017)	–	–

* Excludes GST payables

25. FINANCIAL INSTRUMENTS (CONT'D)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-bearing financial instruments. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates. The Group does not use any derivative financial instruments to hedge its interest rate risk.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, was as follows:

	Group and Company	
	Carrying amount	
	2020	2019
	$	$
Fixed rate instrument		
Fixed deposits with banks	8,104,946	6,016,636

Sensitivity analysis

The Group does not account for any fixed rate financial assets and liabilities at FVTPL. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rate would have increased or decreased equity by approximately $81,049 (2019: $60,166) for the Group. This analysis assumes that all other variables, in particular foreign currency exchange rates, remains constant.

Currency risk

The Group is exposed to transactional foreign currency risk on sales, purchases, including inter-company sales, purchases and inter-company balances that are denominated in currencies other than the respective functional currencies of the Group's entities. The currencies giving rise to this risk are primarily US dollar (USD), Euro (EUR) and Indonesian Rupiah (IDR).

There is no formal hedging policy with respect to foreign currency exposure. Exposure to currency risk is monitored on an on-going basis and the Group endeavours to keep the net exposures at an acceptable level.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (Cont'd)

The Group's exposure to foreign currency risk was as follows:

	USD	EUR	IDR
	$	$	$
Group			
31 March 2020			
Trade and other receivables	394,985	199,889	11,117
Cash and cash held with financial institutions	1,089,932	–	62,853
Trade and other payables	(57,910)	(116,015)	(66)
Net financial assets	1,427,007	83,874	73,904
31 March 2019			
Trade and other receivables	–	9,511	–
Other investments	3,676,685	–	–
Cash and cash held with financial institutions	885	625	–
Trade and other payables	(5,925)	(54,472)	–
Net financial assets/(liabilities)	3,671,645	(44,336)	–

Sensitivity analysis

A 5% strengthening of the Singapore dollar against the following currencies of the Group entities at the reporting date would decrease/(increase) the Group's loss before tax by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2019 and 2020, that the reasonably possible foreign exchange rate variances were different, as indicated below:

	Group	
	Decrease/(Increase)	
	2020	2019
	$	$
US dollar	71,350	183,582
Euro	4,194	(2,217)
Indonesian Rupiah	3,695	–

25. FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (Cont'd)

Sensitivity analysis (Cont'd)

A 5% weakening of Singapore dollar against the above functional currencies of the Group entities at the reporting date would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables, in particular interest rates, remain constant.

As all the Company's transactions are denominated in Singapore dollar, the Company is not exposed to currency risk.

Price risk - sensitivity analysis

In 2019, for unquoted investment fund classified as FVTPL, a 10% increase in the underlying net asset value per share at the reporting date would have decreased loss before tax by $367,669. A 10% decrease would have had the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

Determination of fair values

A number of the Group's accounting and disclosures require the determination of fair value, for financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Other investments

The fair value of quoted equity securities is determined by reference to their closing bid price at the reporting date.

The fair value of unquoted investment fund is determined by reference to their closing net asset value per share provided by professional fund managers at the reporting date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash held with financial institutions, and trade and other payables) are reasonable approximations of their fair values because of the short period to maturity.

For loans to subsidiaries classified as non-current, the effect of discounting is assessed to be immaterial.

The carrying amount of loan from a director and amounts due to affiliated companies are discounted using the Singapore prime lending rate, which approximates the Company's cost of borrowing.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value. For the current year, the fair value disclosure of lease liabilities is not required.

		Carrying amount			Fair value			
	Note	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$	$	$	$	$	$	$
Group								
31 March 2020								
Financial assets not measured at fair value								
Trade and other receivables#	9	989,537	–	989,537				
Cash and cash held with financial institutions	11	10,873,031	–	10,873,031				
		11,862,568	–	11,862,568				
Financial liabilities not measured at fair value								
Trade and other payables*	16	–	(3,772,316)	(3,772,316)				

\# Excludes prepayments and GST receivables
* Excludes GST payables

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (Cont'd)

Fair values versus carrying amounts (Cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		$	$	$	$	$	$	$	$
Group									
31 March 2019									
Financial asset measured at fair value									
Other investment	8	3,676,685	–	–	3,676,685	–	–	3,676,685	3,676,685
Financial assets not measured at fair value									
Trade and other receivables#	9	–	1,712,192	–	1,712,192				
Cash and cash held with financial institutions	11	–	8,327,945	–	8,327,945				
		–	10,040,137	–	10,040,137				
Financial liabilities not measured at fair value									
Trade and other payables*	16	–	–	(868,813)	(868,813)				
Finance lease liabilities	15	–	–	(138,066)	(138,066)				
		–	–	(1,006,879)	(1,006,879)				

Excludes prepayments and GST receivables

* Excludes GST payables

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (Cont'd)

Fair values versus carrying amounts (Cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss $	Amortised cost $	Other financial liabilities $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Company									
31 March 2020									
Financial assets not measured at fair value									
Trade and other receivables[#]	9	–	906,334	–	906,334				
Cash and cash held with financial institutions	11	–	9,798,969	–	9,798,969				
		–	10,705,303	–	10,705,303				
Financial liability not measured at fair value									
Trade and other payables	16	–	–	(410,075)	(410,075)				
31 March 2019									
Financial asset measured at fair value									
Other investment	8	3,676,685	–	–	3,676,685	–	–	3,676,685	3,676,685
Financial assets not measured at fair value									
Trade and other receivables[#]	9	–	2,847,647	–	2,847,647				
Cash and cash held with financial institutions	11	–	6,756,188	–	6,756,188				
		–	9,603,835	–	9,603,835				
Financial liability not measured at fair value									
Trade and other payables	16	–	–	(151,017)	(151,017)				

[#] Excludes prepayments and GST receivables

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

25. FINANCIAL INSTRUMENTS (CONT'D)

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investment in unquoted fund investment	The fair values of unquoted financial assets are based on bid prices provided by brokers or valuation provided by professional fund managers. These financial assets are in diversified portfolios of various asset classes managed by professional fund managers.	Net asset value ("NAV") per share of US$1,133.14	The estimated fair value increases with higher NAV per share.

Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for level 3 fair values:

	Group	
	2020	2019
	$	$
At 1 April	3,676,685	3,778,671
Net fair value gain/(loss) on other investments	923,332	(101,986)
Disposal	(4,600,017)	–
At 31 March	–	3,676,685

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There were no transfers between Level 1, Level 2 and Level 3 during 2020 and 2019.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

26. RELATED PARTIES

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The directors and senior management team are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2020	2019
	$	$
Short-term employee benefits	792,847	722,770
Contributions to defined contribution plans	50,565	42,361
	843,412	765,131

The Company's directors receiving remuneration and fees from the Group as at the reporting date:

	Number of directors	
	2020	2019
$250,000 to $499,999	–	–
Below $250,000	7	6
	7	6

Director transactions

The aggregate value of transactions entered by the Group entities with a Director and controlling shareholder were as follows:

	Group	
	Transaction value for the year ended 31 March	
	2020	2019
Expenses paid on behalf by a Director	90,215	–
Acquisition of subsidiaries from controlling shareholder, net of cash acquired	16,699	–

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year ended 31 March 2020

27. SUBSEQUENT EVENTS

COVID-19 Impact

As a whole for the Group's business, the management expects a slower growth amidst the current economic downturn due to the COVID-19 pandemic. There is no sign of when this unplanned disruption will end. For the Group's energy division, due to the locked down and quarantine measures imposed by regional government, sales and operation processes have been impacted. For the furniture and lighting business, management is directing the team to stay resilient with increased digitalisation, up-skilling, combined with prudent capital management and strategic investments into new avenues of growth, giving greater emphasis to sustainable long-term growth rather than short term profitability especially in retailing and distribution environment. Since the safety measures were implemented, furniture and lighting businesses will shift towards eCommerce gradually.

PT. Indo Global Green Energy One

The Group's subsidiary, PT. Indo Global Green Energy One in Padang, Indonesia was setup for the purpose of facilitating and supporting the Energy business as part of its supply chain activity. However, due to some unsuccessful local negotiation, the Group decided to voluntarily wind it up and avoid paying the running costs associated.

SHAREHOLDINGS STATISTICS

as at 11 September 2020

No of Issued Share	: 557,524,443
Class of shares	: Ordinary shares
No of Subsidiary Holdings Held	: Nil
Voting rights	: 1 vote for each ordinary share (excluding treasury shares)

There are no treasury shares held by the Company as at 11 September 2020.

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 11 September 2020, 63.8% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited has been complied with.

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	22	2.01	1,028	0.00
100 – 1,000	106	9.70	65,552	0.01
1,001 - 10,000	175	16.01	927,400	0.17
10,001 - 1,000,000	738	67.52	114,887,088	20.61
1,000,001 and above	52	4.76	441,643,375	79.21
Total	1,093	100.00	557,524,443	100.00

SHAREHOLDINGS STATISTICS

as at 11 September 2020

TOP 20 SHAREHOLDERS

S/No.	Name of Shareholder	No. of Shares	%
1	Citibank Nominees Singapore Pte Ltd	121,399,466	21.77
2	Lim Shao-Lin	83,699,808	15.01
3	Yao Hsiao Tung	25,866,666	4.64
4	Raffles Nominees (Pte) Limited	15,389,500	2.76
5	Tan Boon Seng	14,666,666	2.63
6	Lim Kwang Joo	14,450,100	2.59
7	Tan Kheng Chai	14,208,500	2.55
8	Tan Beng Hui	14,000,700	2.51
9	DBS Nominees Pte Ltd	10,175,000	1.83
10	Bernon Tan Boon Siang	7,060,900	1.27
11	Tan Wee Han	6,946,500	1.25
12	Stott James Ian	6,727,000	1.21
13	Ang Leng Hong	6,483,333	1.16
14	Phillip Securities Pte Ltd	6,123,200	1.10
15	Tan Yow Tong	5,500,000	0.99
16	Tjioe Tjiong Bin	5,200,000	0.93
17	Poo Chooi Yee	4,833,333	0.87
18	Lee Wan Yee	4,779,500	0.86
19	Phoon Han Meng Linus	4,778,100	0.86
20	Pek Siew Yen @ Pek Jai Jai	4,359,000	0.78
		376,647,272	67.57

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholder	Number of shares registered in the name of the substantial shareholder	Number of shares in which the substantial shareholder is deemed to have an interest	Total	Percentage (%)
Lim Shao-Lin[1]	83,699,808	80,000,000	163,699,808	29.36
Song Wei Ming[2]	–	37,902,133	37,902,133	6.80

Note:

(1) Mr Lim Shao-Lin's deemed interest arises from the 80,000,000 shares held by Citibank Nominees Singapore Pte Ltd.

(2) Mr Song Wei Ming's deemed interest arises from the 37,902,133 shares held by Citibank Nominees Singapore Pte Ltd.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-First Annual General Meeting of P5 CAPITAL HOLDINGS LTD. (the "**Company**") will be convened and held by way of electronic means on Tuesday, 29 September 2020 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions: -

ORDINARY BUSINESS

1 To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2020, together with the Independent Auditors' Report thereon.

[Resolution 1]

2(a) To re-elect Mr Lim Shao-Lin who is retiring in accordance with Regulation 107 of the Company's Constitution, as Director of the Company.

[Resolution 2(a)]

2(b) To note the retirement of Mr Tan Mun Choy Kenneth Bertram who is not seeking re-appointment as Director of the Company in accordance with Regulation 107 of the Company's Constitution.
[See Explanatory Note (i)]

2(c) To note the retirement of Ms Tan Siew San who is not seeking re-appointment as Director of the Company in accordance with Regulation 107 of the Company's Constitution.
[See Explanatory Note (ii)]

2(d) To re-elect Mr Lim Kok Chai (Lin Guocai) who is retiring in accordance with Regulation 107 of the Company's Constitution, as Director of the Company.

[Resolution 2(b)]

[See Explanatory Note (iii)]

2(e) To re-elect Mr Roger Daeson Khoo Kim Peng who is retiring in accordance with Regulation 107 of the Company's Constitution, as Director of the Company.

[Resolution 2(c)]

2(f) To re-elect Mr Lau Ping Sum Pearce who is retiring in accordance with Regulation 107 of the Company's Constitution, as Director of the Company.

[Resolution 2(d)]

[See Explanatory Note (iv)]

2(g) To re-elect Mr Koh Beng Leong who is retiring in accordance with Regulation 103 of the Company's Constitution as Director of the Company.

[Resolution 2(e)]

3(a) To approve the payment of Directors' fees of S$60,260 for the financial year ended 31 March 2020. (2019: S$76,000)

[Resolution 3(a)]

[See Explanatory Note (v)]

3(b) To approve the payment of Directors' fees of S$110,000 for the financial year ending 31 March 2021. (2020: S$60,260)

[Resolution 3(b)]

[See Explanatory Note (v)]

4 To re-appoint Messrs KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.

[Resolution 4]

SPECIAL BUSINESS

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

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

5 **Authority to allot and issue shares in the capital of the Company and convertible securities pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore ("Companies Act") and Rule 806 of the Listing Manual Section B: Rules of Catalist ("Catalist Rules") of the Singapore Exchange Securities Trading Limited ("SGX-ST")**

That pursuant to Section 161 of the Companies Act and Rule 806 of the Catalist Rules of the SGX-ST, the Directors of the Company be authorised and empowered to:

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

(ii) make or grant offers, agreements or options (collectively "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance to the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued (including Shares to be issued in pursuance to the Instruments) other than on a *pro rata* basis to existing shareholders of the Company shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the date this Resolution is passed, after adjusting for:-

(a) new Shares arising from the conversion or exercise of any convertible securities outstanding and/or subsisting at the time this authority is given;

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

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

(3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise and the Constitution for the time being of the Company; and

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

[Resolution 5]

[See Explanatory Note (vi)]

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

6 **The Proposed Adoption of the Share Buyback Mandate**

THAT:

(a) for the purposes of Sections 76C and 76E of the Companies Act, and such other laws and regulations as may for the time being be applicable, approval be and is hereby given for the exercise by the directors of the Company ("**Directors**") of all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of: -

(i) on-market share purchases ("**On-Market Share Purchase**"), transacted on the SGX-ST or as the case may be, other stock exchange ("**Other Exchange**") for the time being on which the Shares may be listed or quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose of the share buy-back; and/or

(ii) off-market share purchases ("**Off-Market Share Purchase**") (if effected otherwise than on the SGX-ST and/or the Other Exchange, as the case may be) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules;

and otherwise in accordance with all other laws, regulations and rules of the Companies Act and the Catalist Rules as may for the time being be applicable generally and unconditionally (the "**Share BuyBack Mandate**");

(b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share BuyBack Mandate shall, at the absolute discretion of the Directors, either be cancelled, transferred for the purposes of or pursuant to any share incentive scheme(s) implemented or to be implemented by the Company, or held in treasury and dealt with in accordance with the Companies Act;

(c) the authority conferred on the Directors pursuant to the Share BuyBack Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this resolution and the expiring on the earliest of:

(i) the date on which the next annual general meeting of the Company is held or is required by law to be held;

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

(iii) the date on which the authority contained in the Share BuyBack Mandate is varied or revoked by an ordinary resolution of the shareholders of the Company in general meeting;

(d) for the purposes of this resolution:

(i) "**Prescribed Limit**" means ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of passing of this resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered after such capital reduction (excluding any treasury shares and subsidiary holdings);

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

(ii) "**Relevant Period**" means the period commencing from the date on this resolution is passed and expiring on the date of the next annual general meeting of the Company is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting;

(iii) "**Maximum Price**" in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(a) in the case of an On-Market Share Purchase, 105% of the Average Closing Price;

(b) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price (the "**Maximum Price**") in each case, excluding related expenses of the purchase or acquisition.

For the above purposes:

(iv) "**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, before the day on which Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the On-Market Purchase or as the case may be, the date of the making of offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five (5) Market Day Period;

(v) "**date of making of the offer**" means the date on which the Company makes an offer for an Off-Market Purchase, stating the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

(vi) "**Market Day**" means a day on which the SGX-ST is open for trading in securities;

(e) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing such documents as may be required) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this resolution."

[Resolution 6]

7 To transact any other business that may be properly transacted at an AGM.

By Order of the Board

Ong Bee Hoon
Company Secretary

Singapore
14 September 2020

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Tan Mun Choy Kenneth Bertram, a non-executive non-independent director and member of the Audit, Nominating and Remuneration Committees of the Company will retire pursuant to Regulation 107 of the Company's Constitution at the AGM. Mr Tan Mun Choy Kenneth Bertram will not be seeking re-election at the AGM and will *ipso facto* cease to be non-executive director and member of the Audit, Nominating and Remuneration Committees of the Company. His retirement from the Board will take effect upon the conclusion of the AGM.

(ii) Ms Tan Siew San, an independent director, Chairman of the Nominating Committee and member of the Audit and Remuneration Committees of the Company will retire pursuant to Regulation 107 of the Company's Constitution at the AGM. Ms Tan Siew San will not be seeking re-election at the AGM, and will *ipso facto* cease to be independent director, Chairman of the Nominating Committee and member of the Audit and Remuneration Committees of the Company. Her retirement from the Board will take effect upon the conclusion of the AGM.

(iii) Mr Lim Kok Chai (Lin Guocai), if re-elected, will remain as an independent director of the Company, Chairman of the Remuneration Committee and member of the Nominating and Audit Committees of the Company and will be considered as independent for the purpose of Rule 704(7) of the Catalist Rules. Please refer to the "Additional Information on Directors Seeking Re-election" section of the Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(iv) Mr Lau Ping Sum Pearce, if re-elected, will remain as an independent director, the Chairman of the Company, Chairman of the Audit Committee and member of the Nominating and Remuneration Committees of the Company and will be considered as independent for the purpose of Rule 704(7) of the Catalist Rules. Please refer to the "Additional Information on Directors Seeking Re-election" section of the Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(v) The Shareholders of the Company had approved the payment of the Directors' fees of S$76,000 for the financial year ended 31 March 2019. The Resolution 3a and 3b seeks the payment of up to S$60,260 to Directors for the financial year ended 31 March 2020 ("**FY2020**") and up to S$110,000 for the financial year ending 31 March 2021 ("**FY2021**") respectively. For FY2020, the fees payable were due to the Board changes arising from the completion of the sale and purchase agreement between the former substantial shareholders of the Company and Mr Lim Shao-Lin as explained under Principle 7 of the Corporate Governance Report found on page 33 of the Annual Report. The increase in Directors' fees from FY2020 to FY2021 is attributable to provisions for full year's fees payable to the existing and new independent or non-executive directors to comply with the Code.

(vi) The Resolution 5, if passed, will authorise and empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earliest, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments. The aggregate number of shares and/or convertible securities which the Directors may allot and issue under this Resolution shall not exceed in aggregate one hundred percent (100%) of the total issued Shares (excluding treasury shares and subsidiary holdings), of which the total number of shares and/or convertible securities issued other than on a *pro-rata* basis to existing shareholders shall not exceed fifty percent (50%) of the total issued Shares (excluding treasury shares and subsidiary holdings) at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. However, notwithstanding the cessation of this authority, the Directors are empowered to issue shares pursuant to any Instruments issued under this authority.

Notes:

1. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 published on 13 April 2020 ("COVID-19 Order") which was gazetted on 13 April 2020 and is deemed to have come into operation on 27 March 2020, and which sets out the alternative arrangements in respect of, inter alia, general meetings of companies as well as the Joint Statement by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the Singapore Exchange Regulation which was issued on 13 April 2020 (and subsequently updated on 27 April 2020 and 22 June 2020), providing a checklist (which provides further guidance on the COVID-19 Act and the COVID-19 Order) to guide listed and non-listed entities on the conduct of general meetings during the period from 27 March 2020 to 30 September 2020. For full details of the alternative arrangements to be made, Shareholders should also refer to the announcement to be made by the Company on 14 September 2020 together with the Notice of AGM.

2. Due to the current COVID-19 restriction orders in Singapore, Shareholders will NOT be able to physically attend the AGM. The Company has made alternative arrangements for (i) a "live" webcast of the AGM, which allows Shareholders to view the proceedings of the AGM contemporaneously ("**LIVE WEBCAST**"); and (ii) a "live" audio-only means (via telephone), which allows Shareholders to observe the proceedings of the AGM contemporaneously ("**LIVE AUDIO STREAM**") via mobile phones, tablets or computers. Shareholders who wish to participate will have to commence preregistration from **14 September 2020** onwards and must pre-register by **9.30 a.m. on 26 September 2020**, at the URL https://rebrand.ly/P5CH for the Company to authenticate his/her/its status as members. Authenticated members will receive email instructions on how to access the Live Webcast of the proceedings of the AGM by 28 September 2020. Members who do not receive an email by 28 September 2020, but have registered by the 26 September 2020 deadline, may contact the Company through email at the following address: Yifan@easyvideo.sg with the following details (1) the member's full name; and (2) his/her/its identification/ registration number.

3. Investors who hold Shares through relevant intermediaries as defined in Section 181(C) of the Companies Act, other than through their Depository Agents (as defined in Section 81SF of the Securities and Futures Act, Chapter 289) and wish to watch the Live Webcast of the AGM must approach their respective Depository Agents to pre-register by **9.30 a.m. on 18 September 2020** in order to allow sufficient time for their respective depository agents to in turn pre-register their interest with the Company.

4. Shareholders who pre-register to watch the Live Webcast may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by **9.30 a.m. on 25 September 2020**, in advance of the AGM by email to IR@p5.com.sg and provide their particulars as follows for verification purposes:

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

(a) Full name (for individuals)/company name (for corporates) as per CDP/SRS Account records;
(b) NRIC or Passport Number (for individuals)/Company Registration Number (for corporates);
(c) Number of shares held;
(d) Manner in which the individual holds shares in the Company (e.g. via CDP, Scrip or SRS)
(e) Contact Number; and
(f) Email Address

5. The Company will endeavour to address all substantial and relevant questions received from Shareholders and publish its responses prior to the AGM via SGXNET. The Company will publish the minutes of the AGM within one month after the conclusion of the AGM on SGXNET.

6. Shareholders will not be able to vote through the Live Webcast or attend the AGM in person. Voting at the AGM is by proxy ONLY. The Proxy Form is made available with the Notice of AGM on SGXNET on 14 September 2020. Shareholders (whether an individual or corporate) who wish to vote on any or all of the resolutions at the AGM must appoint the Chairman of the Meeting as their proxy to vote on his/her/its behalf by submitting the completed Proxy Form for the AGM.

7. Shareholders should specifically indicate how they wish to vote for or vote against (or abstain from voting on) the resolutions set out in the Notice of AGM in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

8. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the Meeting as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their voting instructions by **9.30 a.m. on 18 September 2020** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by 9.30 a.m. on 27 September 2020.

9. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner no later than 9.30 a.m. on 27 September 2020:

   (a) if in hard copy by post, to be lodged at the registered office of the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01, Singapore 068902; or
   (b) if submitted electronically, to be received by M & C Services Private Limited via email at gpb@mncsingapore.com by attaching a signed PDF copy of the Proxy Form.

10. A member who wishes to submit an instrument of proxy may also download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

11. In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.

12. The instrument appointing the Chairman of the Meeting as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

13. The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman of the Meeting as proxy).

14. In the case of a member whose Shares are entered against his/her name in the depository register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if such member is not shown to have Shares entered against his/her/its name in the depository register as at 72 hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company.

IMPORTANT REMINDERS

Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNET for updates on the AGM.

Personal Data Privacy:

"**Personal data**" in this notice of AGM has the same meaning as "personal data" in the Personal Data Protection Act 2012, which includes your name and your proxy's and/or representative's name, address and NRIC/Passport number. By submitting 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 and its proxy(ies)'s or representative'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 express 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, (iii) undertakes that the member will only use the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iv) 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. Your personal data and your proxy and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

LETTER TO SHAREHOLDERS ON ALTERNATIVE ARRANGEMENTS FOR THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 29 SEPTEMBER 2020

Dear Shareholders,

This letter is circulated together with and forms part of P5 Capital Holdings Ltd. (the "**Company**")'s Notice of Annual General Meeting ("**AGM**") dated 14 September 2020 (the "**Notice of AGM**") in respect of the upcoming AGM scheduled to be held on Tuesday, 29 September 2020 at 9.30 a.m.

The AGM is an important event in the Company's corporate calendar. Normally, we would arrange our shareholders of the Company ("**Shareholders**") to attend the AGM physically as it is an opportunity for the board of directors of the Company (the "**Board**") and management of the Company to meet and engage with Shareholders directly.

This year we are faced with an unprecedented situation due to the COVID-19 outbreak. We wish to highlight the following updates on the COVID-19 outbreak which has affected our AGM preparation:

1) the COVID-19 (Temporary Measures) Act 2020 ("**COVID-19 Act**") which was passed by Parliament on 7 April 2020 which enables the Minister of Law by order to prescribe alternative arrangements for listed companies in Singapore to, *inter alia*, conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means;

2) the COVID-19 (Temporary Measures) Act 2020 (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 published on 13 April 2020 ("**COVID-19 Order**") which was gazetted on 13 April 2020 and is deemed to have come into operation on 27 March 2020, and which sets out the alternative arrangements in respect of, *inter alia*, general meetings of companies; and

3) the Joint Statement by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the Singapore Exchange Regulation which was issued on 13 April 2020 (and subsequently updated on 27 April 2020 and 22 June 2020), providing a checklist (which provides further guidance on the COVID-19 Act and the COVID-19 Order) to guide listed and non-listed entities on the conduct of general meetings during the period from 27 March 2020 to 30 September 2020.

In light of the above developments and the evolving COVID-19 situation, the Company wishes to inform Shareholders that the Company will be conducting the AGM by way of electronic means pursuant to First Schedule of the COVID-19 Order, and the physical location for the AGM is purely to facilitate the conduct of the AGM by way of electronic means. **Due to the current COVID-19 restriction orders in Singapore, Shareholders will NOT be able to attend the AGM in person. Any Shareholders seeking to attend the AGM physically in person will be declined.**

The Company will arrange for (i) a "live" webcast of the AGM, which allows Shareholders to view the proceedings of the AGM contemporaneously ("**LIVE WEBCAST**"); and (ii) a "live" audio-only means (via telephone), which allows Shareholders to observe the proceedings of the AGM contemporaneously ("**LIVE AUDIO STREAM**"). Shareholders can ONLY participate in the AGM via LIVE WEBCAST or LIVE AUDIO STREAM (collectively, the "**electronic means**").

PRE-REGISTRATION OF AGM

1. Shareholders who would like to view the proceedings of the AGM via LIVE WEBCAST or listen to the proceedings of the AGM through LIVE AUDIO STREAM, will need to pre-register online at https://rebrand.ly/P5CH, from 14 September 2020 onward to no later than 9.30 a.m. on 26 September 2020 (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (the " **AGM Registration Deadline**") to enable the Company to verify the Shareholders' status.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

2. Authenticated Shareholders will receive an email confirmation by 28 September 2020 which contains (a) a unique link to access the LIVE WEBCAST to view the proceedings of the AGM (via smartphones, tablets or laptop/computers); and (b) a dial-in number with a conference code to access the LIVE AUDIO STREAM (via telephone) of the AGM proceedings.

3. Shareholders MUST NOT forward the abovementioned unique link or dial-in number to other persons who are not Shareholders and who are not entitled to attend the AGM. This is also to avoid any technical disruptions or overload to the LIVE WEBCAST and the LIVE AUDIO STREAM.

4. Shareholders, who would have been able to be appointed as proxies by relevant intermediaries under Section 181(1C) of the Companies Act, Chapter 50 of Singapore, such as CPF or SRS investors, should approach their respective agents, such as CPF Agent Banks or SRS Operators to participate in the AGM via electronic means.

5. Shareholders who register by the AGM Registration Deadline but do not receive an email response by 28 September 2020 may contact the Company's Share Registrar, M & C Services Private Limited at Tel 62280530 or email to yifan@easyvideo.sg for assistance.

DATE AND DOCUMENTS FOR THE AGM

1. The Board wishes to inform Shareholders that the AGM will be held by way of electronic means on **29 September 2020 at 9.30 a.m.** The following documents have been issued in connection with the AGM:

   (i) the Company's Annual Report for the financial year ended 31 March 2020 ("FY2020 AR")
   (ii) the Appendix dated 14 September 2020 to the Notice of AGM relating to the proposed adoption of the Company's share buy-back mandate to be tabled at the AGM (the "Appendix")
   (iii) the Notice of AGM; and
   (iv) the AGM Proxy Form (as defined below)

2. In line with the provisions under the COVID-19 Order, **no printed copies of the FY2020 AR, the Notice of AGM, the Appendix, the AGM Proxy Form ("Documents") will be despatched to Shareholders.** An electronic copy of each of the Documents has been made available on SGXNET.

SUBMISSION OF QUESTIONS

1. **Shareholders will not be able to ask questions during the AGM via electronic means, and therefore it is important for Shareholders to submit their questions in advance of the AGM.**

2. Shareholders may submit any questions they may have in advance in relation to any resolution set out in the **Notice of AGM by 9.30 a.m.** on 25 September 2020 via email to IR@p5.com.sg and provide their particulars as follows:

   a) Full name (for individuals) / company name (for corporates) as per CDP/CPF/SRS Account records;
   b) NRIC or Passport Number (for individuals) / Company Registration Number (for corporates);
   c) Contact Number; and
   d) Email Address.

3. The Company will provide responses to substantial queries and relevant comments from Shareholders relating to the agenda of the AGM prior to, or at, the AGM via electronic means. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or at, the AGM in respect of substantial and relevant matters. The responses from the Board and management of the Company shall thereafter be published on SGXNET, together with the minutes of the AGM, within one (1) month after the conclusion of the AGM.

4. Shareholders, who would have been able to be appointed as proxies by relevant intermediaries under Section 181(1C) of the Companies Act, Chapter 50 of Singapore, such as CPF or SRS investors, should approach their respective agents, such as CPF Agent Banks or SRS Operators, to submit their questions in relation to any resolution set out in the Notice of AGM prior to the AGM and have their substantial queries and relevant comments answered.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

PROXY VOTING at the AGM

1. **Voting at the AGM is by proxy ONLY. Please note that Shareholders will not be able to vote through the LIVE WEBCAST or LIVE AUDIO STREAM and can only vote with their proxy forms which are required to be submitted in accordance with the following paragraphs.**

2. Shareholders who wish to vote on any or all of the resolutions at the AGM must appoint the Chairman of the AGM as their proxy by completing the proxy form for the AGM. Shareholders should specifically indicate how they wish to vote for or vote against (or abstain from voting on) the resolutions set out in the Notice of AGM.

3. The instrument appointing the Chairman of the AGM as proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarial certified copy ("**AGM Proxy Form**") thereof, must:

   a) if submitted by email, be received by M & C Services Private Limited at gpb@mncsingapore.com; or

   b) if submitted by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902.

   in either case, **by 9.30 a.m. on 27 September 2020** (being not less than forty-eight (48) hours before the time appointed for holding the AGM) and in default the AGM Proxy Form for the AGM shall not be treated as valid.

4. CPF or SRS investors who wish to appoint the Chairman of the AGM to act as their proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes to the Company (a) by email, be received by M & C Services Private Limited at gpb@mncsingapore.com; or (b) by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902, at least seven (7) working days before the AGM (i.e. **by 9.30 a.m. on 18 September 2020**).

5. In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed AGM Proxy Form by post, **members are strongly encouraged to submit completed AGM Proxy Form electronically via email as early as possible to enable your votes to be counted, and to follow all government guidance and requirements.**

IMPORTANT REMINDER

Due to the constantly evolving COVID-19 situation in Singapore, we seek Shareholders' understanding that we may be required to change our arrangements for the AGM at short notice. Shareholders should check for announcements by the Company for updates on the AGM on SGXNET at the URL https://www.sgx.com/securities/company-announcements.

The Company would like to thank Shareholders for their patience and co-operation in enabling the Company to hold its AGM with the optimum safe distancing measures amidst the current COVID-19 situation.

Yours faithfully
For and on behalf of the Board of Directors of
P5 Capital Holdings Ltd.

ONG BEE HOON
COMPANY SECRETARY
14 September 2020

*This letter has been prepared by P5 Capital Holdings Ltd. (the "**Company**") and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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

The contact person for the Sponsor is Mr. Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd. at 9 Raffles Place, #29-01 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6381 6966.

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P5 CAPITAL HOLDINGS LTD.
(Company Registration No. 199806046G)
(Incorporated in the Republic of Singapore)

PROXY FORM

ANNUAL GENERAL MEETING

This proxy form has been made available on SGXNET on 14 September 2020. A printed copy of this proxy form will NOT be despatched to members of the Company.

IMPORTANT:
1. The Annual General Meeting ("**AGM**") is being convened, and will be held, by electronic means pursuant to First Schedule of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of AGM (the "**Notice**") will NOT be sent to members. Instead, the Notice will be sent to members of the Company by electronic means via publication on the SGXNET.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream, submission of questions in advance of the AGM, addressing of substantial and relevant questions, are set out in the Company's announcement dated 14 September 2020, which has been uploaded together with the Notice on SGXNET on the same day.
3. Due to the current COVID-19 restriction orders in Singapore, members of the Company will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.
4. CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators to submit their votes by 9.30 a.m. on 18 September 2020.
5. Please read the notes to this Proxy Form.

*I/We____(Name)________________________________(*NRIC/Passport/Co. Reg. No.)
of____(Address)
being a *member/members of P5 CAPITAL HOLDINGS LTD. (the "**Company**"), hereby appoint the Chairman of the AGM of the Company as *my/our proxy to attend and vote for *me/us on *my/our behalf at the AGM to be held by electronic means on Tuesday, 29 September 2020 at 9.30 a.m. and at any adjournment thereof.

*I/We direct the Chairman of the AGM of the Company, being *my/our proxy to vote for or against and/or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as proxy for that resolution(s) will be treated as invalid.**

* Delete as appropriate

No.	ORDINARY RESOLUTIONS	No. of Votes FOR**	No. of Votes AGAINST**	No. of Votes ABSTAIN**
	Ordinary Business			
1	Adoption of Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2020 and the Auditors' report thereon			
2	(a) Re-election of Mr Lim Shao-Lin as a Director of the Company			
	(b) Re-election of Mr Lim Kok Chai (Lin Guocai) as a Director of the Company			
	(c) Re-election of Mr Roger Daeson Khoo Kim Peng as a Director of the Company			
	(d) Re-election of Mr Lau Ping Sum Pearce as a Director of the Company			
	(e) Re-election of Mr Koh Beng Leong as a Director of the Company			
3	(a) Approval of Directors' fees for the financial year ended 31 March 2020			
	(b) Approval of Directors' fees for the financial year ending 31 March 2021			
4	Re-appointment of KPMG LLP as the Company's Auditors and to authorise the Directors of the Company to fix their remuneration			
	Special Business			
5	Authority for Directors to allot and issue shares and convertible securities pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual – Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited			
6	To approve the adoption of the Proposed Share Buyback Mandate			

** Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the relevant resolution or to "Abstain" from voting on the relevant resolution in respect of all your votes, please tick (√) within the relevant box provided. Alternatively, if you wish to exercise some and not all your votes 'For" and "Against" the relevant resolution and/or to "Abstain" from voting in respect of the relevant resolution please indicate the number of votes "For", the number "Against" and/or the number "Abstain" in the boxes provided for the relevant resolution.

Dated this ____________ day of _______________ 2020

____
Signature(s) of Member(s)/Corporation's Common Seal

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

Due to the fast-evolving COVID-19 situation in Singapore, the Company may be required to change its AGM arrangements at short notice. The Company is taking the relevant steps in accordance with Part 4 of the COVID-19 (Temporary Measures) Act 2020. This proxy form has been made available on SGXNET. A printed copy of the proxy form will NOT be despatched to members.

1. If the member has Shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of Shares. If the member has Shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that 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, he should insert the aggregate number of Shares entered against his name in the Depository Register and registered in his name in the Register of Members. If the number of Shares is not inserted, this form of proxy ("**proxy form**") will be deemed to relate to all the Shares held by the member.

2. Due to the current COVID-19 restriction orders in Singapore, members of the Company will not be able to attend the AGM in person. A member of the Company (whether individual or corporate) must submit his/her/its proxy form appointing the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

3. This duly executed proxy form, together with the power of attorney or other authority (if any) under which it is signed, or duly certified copy thereof, must:

   (a) if submitted by email, be received by M & C Services Private Limited at gpb@mncsingapore.com; or

   (b) if submitted by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902.

   in either case, **by 9.30 a.m. on 27 September 2020** (being not less than forty-eight (48) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy form by post, members of the Company are strongly encouraged to submit the completed proxy forms electronically via email.

4. The Chairman of the AGM, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

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

7. For investors who hold Shares in the capital of the Company under CPF Investment Scheme ("**CPF Investors**") or Supplementary Retirement Scheme ("**SRS Investors**"), this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS Investors who wish to appoint the Chairman of the AGM to act as their proxy should approach their respective CPF Agent Banks or SRS Operators to submit their voting instructions at least seven (7) working days before the AGM (i.e. by 9.30 a.m. on 18 September 2020) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.

8. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy 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 the Chairman of the AGM as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for the holding of the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 September 2020.

P5 CAPITAL HOLDINGS LTD.
(INCORPORATED IN SINGAPORE)
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