**<CLIENT NAME>**

(Registration no: <UEN>)

**FINANCIAL STATEMENTS**

**<SET OF ACCOUNTS>**

**<FIRM NAME>**

**PUBLIC ACCOUNTANTS AND**

**CHARTERED ACCOUNTANTS**

**SINGAPORE**

The director{s} present{s} {the/their} statement to the members together with the audited consolidated financial statements for the year ended <Current Year End - Ending>.

The director{s} present{s} {the/their} report to the members together with the audited financial statements of the company for the period from <Current Year End - Beginning> (date of incorporation) to <Current Year End - Ending>.

**Opinion of the director{s}**

In the opinion of the director{s}, the financial statements are drawn up so as to give a true and fair view of the financial position of the {Group and the Company} as at <Current Year End - Ending> and the financial performance, changes in equity and cash flows of the {Group/Company} for the year then ended and at the date of this statement, there are reasonable grounds to believe that the {Group/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, authorized these financial statements for issue.

**Director{s} of the Company**

The director{s} in office at the date of this statement{is/are}:

<Directors name and date of appointment>

**Arrangements to enable director{s} to acquire shares or debentures**

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object is to enable the director{s} to acquire benefits through the acquisition of shares in or debentures of the company or any other body corporate.

**Director{s’} interest in shares or debentures**

According to the register of directors’ shareholdings kept by the company for the purpose of Section 164 of the Companies Act, Cap. 50 (the “Act”), the director{s} who held office at the end of the financial year had no interests in the shares of the Company and its related corporations.

According to the register of directors’ shareholdings kept by the company for the purpose of Section 164 of the Companies Act, Cap. 50 (the “Act”), the director{s} who held office at the end of the financial year had no interests in the shares of the Company and its related corporations except as stated below:-

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Statement by director (header) | | | | | |
|  | | **Direct interest** | | **Deemed interest** | |
| **Name of director{s}** | | Beginning of financial year | End of financial year | Beginning of financial year | End of financial year |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Statement by director | | | | |
| {New Line} |  |  |  |  |
| {Director} | {Beginning of financial year} | {End of Direct Interest} | {Beginning of Deemed Interest} | {End of Deemed Interest} |
| **{Company type}** |  |  |  |  |
| **Corporate Shareholder** **{s}** |  |  |  |  |
| {Company name} | {Beginning of financial year} | {End of Direct Interest} | {Beginning of Deemed Interest} | {End of Deemed Interest} |
| {Sub-director} |  |  |  |  |
| Woelly | 50,000 | 50,000 | - | - |
| William | 150,000 | 150,000 | - | - |
| **Ultimate Holding Company**  Holding Company Pte. Ltd.  Woelly William | - | - | 100,000 | 100,000 |
|  |  |  |  |  |
| **Intermediate Holding Company**  Another Company Pte. Ltd.  Woelly William | - | - | 100,000 | 100,000 |
|  |  |  |  |  |
| **Immediate Holding Company**  Other Company Pte. Ltd.  Woelly William | - | - | 100,000 | 100,000 |
|  |  |  |  |  |
| **Corporate Shareholders**  Tzhe One Company Pte. Ltd.  Woelly William | - | - | 100,000 | 100,000 |
|  |  |  |  |  |
| The Other Company Pte. Ltd.  Woelly William | - | - | 100,000 | 100,000 |

*If there is holding company that shares common directors*

The directors, Mr. Woelly and Mr. William are also directors of Holding Company Pte. Ltd., incorporated in the Republic of Singapore, which owns all the shares of the Company. Their interest in shares are recorded in the register of directors’ shareholdings kept under section 164 of the Singapore Companies Act by holding company and are therefore not disclosed in this directors’ statement.

#### Share options

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the year by virtue of the exercise of options to take up unissued shares of the company whether granted before or during the year.

There were no unissued shares of the company under option as at the end of the year.

**Auditors**

Messrs. <FIRM NAME> has expressed its willingness to accept re-appointment.

<title>

|  |  |
| --- | --- |
| Signature statement by director | |
| {two-column} | content |
| {one-column} |  |

Date: Report's Date

##### INDEPENDENT AUDITORS’ REPORT

To the members of **<CLIENT NAME>**

**Report on the Audit of the Financial Statements**

*Opinion Title*

<Opinion Content>

*Basis for* *Opinion Title*

<Basis for opinion - content>

*<Key audit matter>*

*Other information*

<Other information - content>

*Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized 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 and the Company}’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 Company or to cease operations, or has no realistic alternative but to do so.

The directors’ responsibilities include overseeing the {Group and the Company}’s financial reporting process.

*Auditor’s Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high-level 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 judgment and maintain professional skepticism throughout the audit. We also:

* Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the {Group and the Company}’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 and the Company}’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the {Group and the Company} 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.

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.

**Report on Other Legal and Regulatory Requirements**

<Report on Other Legal and Regulatory Requirements>

**<FIRM NAME>**

Public Accountants and

Chartered Accountants

Singapore Report's Date

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Statement of financial position (header)(group)(first set) | | | | |
|  |  | Group |  | Company |
|  |  | Year |  | Year |
|  | Note | $ |  | $ |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Statement of financial position (group)(first set) | | | | |
| {New Line} |  |  |  |  |
| **{Description – bold}** |  |  |  |  |
| ***{Description – bold italic}*** |  |  |  |  |
| {Description – normal} | {no} | {value – 1} |  | {value – 2} |
| {Last description} | {no} | {value – 1} |  | {value – 2} |
| **{Last description - bold}** | {no} | {value – 1} |  | {value – 2} |
| {Subtotal} |  | {Subtotal 1} |  | {Subtotal 2} |
| **{Overall total}** |  | {Total – 1} |  | {Total – 2} |
| {Last Line space} |  |  |  |  |
| **Assets** |  |  |  |  |
| ***Non-current assets*** |  |  |  |  |
| Investment in subsidiaries | 6 | - |  | - |
| Investment in associates | 7 | - |  | - |
|  |  | - |  | - |
| ***Current assets*** |  |  |  |  |
| Inventories | 14 | - |  | - |
| Contract assets | 15 | - |  | - |
|  |  | - |  | - |
| **Total assets** |  | - |  | - |
|  |  |  |  |  |
| **Equity and liabilities** |  |  |  |  |
| ***Equity*** |  |  |  |  |
| Revenue reserves |  | - |  | - |
| Other reserves | 20 | - |  | - |
|  |  | - |  | - |
| ***Non-current liabilities*** |  |  |  |  |
| Deferred tax liability | 21 | - |  | - |
| Loan and borrowings | 22 | - |  | - |
|  |  | - |  | - |
| ***Current liabilities*** |  |  |  |  |
| Loan and borrowings | 22 | - |  | - |
| Provision | 23 | - |  | - |
|  |  | - |  | - |
| **Total liabilities** |  | - |  | - |
| **Total equity and liabilities** |  | - |  | - |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Statement of financial position (header)(group)(not first set) | | | | | | |
|  |  | Group | |  | Company | |
|  |  | Year | Year |  | Year | Year |
|  | Note | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Statement of financial position (group)(not first set) | | | | | | |
| {New Line} |  |  |  |  |  |  |
| **{Description – bold}** |  |  |  |  |  |  |
| ***{Description – bold italic}*** |  |  |  |  |  |  |
| {Description – normal} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| {Last description} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| **{Last description - bold}** | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
|  |  |  |  |  |  |  |
| {Subtotal} |  | {Subtotal 1} | {Subtotal 2} |  | {Subtotal 3} | {Subtotal 4} |
| **{Overall total}** |  | {Total – 1} | {Total – 2} |  | {Total – 3} | {Total – 4} |
| {Last Line space} |  |  |  |  |  |  |
| **Assets** |  | - | - |  | - | - |
| ***Non-current assets*** |  |  |  |  |  |  |

< New Line >

|  |  |  |
| --- | --- | --- |
| Statement of financial position (header)(company)(first set) | | |
|  |  | Company |
|  |  | Year |
|  | Note | $ |

< New Line >

|  |  |  |
| --- | --- | --- |
| Statement of financial position (company)(first set) | | |
| {New Line} |  |  |
| **{Description – bold}** |  |  |
| ***{Description – bold italic}*** |  |  |
| {Description – normal} | {no} | {value c – 1} |
| {Last description} | {no} | {value c – 1} |
| **{Last description - bold}** | {no} | {value c – 1} |
| {Subtotal} |  | {Subtotal 1} |
| **{Overall total}** |  | {Total c – 1} |
| {Last Line space} |  |  |
| **Assets** |  | - |
| ***Non-current assets*** |  |  |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Statement of financial position (header)(company)(not first set) | | | |
|  |  | Company | |
|  |  | Year | Year |
|  | Note | $ | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Statement of financial position (company)(not first set) | | | |
| {New Line} |  |  |  |
| **{Description – bold}** |  |  |  |
| ***{Description – bold italic}*** |  |  |  |
| {Description – normal} | {no} | {value c – 1} | {value c – 2} |
| {Last description} | {no} | {value c – 1} | {value c – 2} |
| **{Last description - bold}** | {no} | {value c – 1} | {value c – 2} |
| {Subtotal} |  | {Subtotal 1} | {Subtotal 2} |
| **{Overall total}** |  | {Total c – 1} | {Total c – 2} |
| {Last Line space} |  |  |  |
| **Assets** |  | - | - |
| ***Non-current assets*** |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Statement of comprehensive income (header)(group)(first set) | | | | |
|  |  | Group |  | Company |
|  |  | Year |  | Year |
|  | Note | $ |  | $ |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Statement of comprehensive income (group)(first set) | | | | | | |
| {New Line} |  |  | |  |  | |
| {Description – normal} | {no} | {value – 1} | |  | {value – 2} | |
| *{Description – italic}* | {no} | {value – 1} | |  | {value – 2} | |
| {Last description} | {no} | {value – 1} | |  | {value – 2} | |
| {Subtotal} |  | {Subtotal 1} | |  | {Subtotal 2} | |
| {Overall total} |  | {Total – 1} | |  | {Total – 2} | |
| {Last Line space} |  |  |  |  |  |  |
| Revenue |  | - | |  | - | |
| Other income |  | - | |  | - | |
|  |  | - | |  | - | |
|  |  |  | |  |  | |
| Changes in inventories |  | - | |  | - | |
| Purchase and related costs |  | - | |  | - | |
| Employee benefits expense | 3 | - | |  | - | |
| Other expenses |  | - | |  | - | |
| Finance costs |  | - | |  | - | |
|  |  | - | |  | - | |
|  |  |  | |  |  | |
| *Profit before tax* | 4 | - | |  | - | |
| Taxation | 5 | - | |  | - | |
| *Profit after tax* |  | - | |  | - | |
| Other comprehensive income; net of tax |  | - | |  | - | |
| Total comprehensive income for the year |  | - | |  | - | |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Statement of comprehensive income (header)(group)(not first set) | | | | | | |
|  |  | Group | |  | Company | |
|  |  | Year | Year |  | Year | Year |
|  | Note | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Statement of comprehensive income (group)(not first set) | | | | | | |
| {New Line} |  |  |  |  |  |  |
| {Description – normal} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| *{Description – italic}* | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| {Last description} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| {Subtotal} |  | {Subtotal 1} | {Subtotal 2} |  | {Subtotal 3} | {Subtotal 4} |
| {Overall total} |  | {Total – 1} | {Total – 2} |  | {Total – 3} | {Total – 4} |
| {Last Line space} |  |  |  |  |  |  |
| Revenue |  | - | - |  | - | - |
| Other income |  | - | - |  | - | - |
|  |  | - | - |  | - | - |
|  |  |  |  |  |  |  |
| Changes in inventories |  | - | - |  | - | - |
| Purchase and related costs |  | - | - |  | - | - |
| Employee benefits expense | 3 | - | - |  | - | - |
| Other expenses |  | - | - |  | - | - |
| Finance costs |  | - | - |  | - | - |
|  |  | - | - |  | - | - |
|  |  |  |  |  |  |  |
| *Profit before tax* | 4 | - | - |  | - | - |
| Taxation | 5 | - | - |  | - | - |
| *Profit after tax* |  | - | - |  | - | - |
| Other comprehensive income; net of tax |  | - | - |  | - | - |
| Total comprehensive income for the year |  | - | - |  | - | - |

< New Line >

|  |  |  |
| --- | --- | --- |
| Statement of comprehensive income (header)(company)(first set) | | |
|  |  | Company |
|  |  | Year |
|  | Note | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Statement of comprehensive income (company)(first set) | | | |
| {New Line} |  |  |  |
| {Description – normal} | {no} | {value c – 1} | |
| *{Description – italic}* | {no} | {value c – 1} | |
| {Last description} | {no} | {value c – 1} | |
| {Subtotal} |  | {Subtotal 1} | |
| {Overall total} |  | {Total c – 1} | |
| {Last Line space} |  |  |  |
| Revenue |  | - | |
| Other income |  | - | |
|  |  | - | |
|  |  |  |  |
| Changes in inventories |  | - | |
| Purchase and related costs |  | - | |
| Employee benefits expense | 3 | - | |
| Other expenses |  | - | |
| Finance costs |  | - | |
|  |  | - | |
|  |  |  |  |
| *Profit before tax* | 4 | - | |
| Taxation | 5 | - | |
| *Profit after tax* |  | - | |
| Other comprehensive income; net of tax |  | - | |
| Total comprehensive income for the year |  | - | |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Statement of comprehensive income (header)(company)(not first set) | | | |
|  |  | Company | |
|  |  | Year | Year |
|  | Note | $ | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Statement of comprehensive income (company)(not first set) | | | |
| {New Line} |  |  |  |
| {Description – normal} | {no} | {value c – 1} | {value c – 2} |
| *{Description – italic}* | {no} | {value c – 1} | {value c – 2} |
| {Last description} | {no} | {value c – 1} | {value c – 2} |
| {Subtotal} |  | {Subtotal 1} | {Subtotal 2} |
| {Overall total} |  | {Total c – 1} | {Total c – 2} |
| {Last Line space} |  |  |  |
| Revenue |  | - | - |
| Other income |  | - | - |
|  |  | - | - |
|  |  |  |  |
| Changes in inventories |  | - | - |
| Purchase and related costs |  | - | - |
| Employee benefits expense | 3 | - | - |
| Other expenses |  | - | - |
| Finance costs |  | - | - |
|  |  | - | - |
|  |  |  |  |
| *Profit before tax* | 4 | - | - |
| Taxation | 5 | - | - |
| *Profit after tax* |  | - | - |
| Other comprehensive income; net of tax |  | - | - |
| Total comprehensive income for the year |  | - | - |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Statement of changes in equity (group) | | | | | |
| {Header display} | Group | | | | |
| {Header title} | {Title} | {Title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | S$ | S$ | S$ | S$ | S$ |
| {New Line} |  | | | | |
| **{Description – bold}** |  |  |  |  |  |
| {Description – normal} | {value 1} | {value 2} | {value 3} | {value 4} | {value 5} |
| {Last description – normal} | {value 1} | {value 2} | {value 3} | {value 4} | {value 5} |
| {Overall total} | {value 1} | {value 2} | {value 3} | {value 4} | {value 5} |
| {Last Line space} |  |  |  |  |  |
|  | Group | | | | |
|  | Share capital | Revenue reserves | Fair value reserves | Translation reserves | Total |
|  | S$ | S$ | S$ | S$ | S$ |
| **Current year** |  |  |  |  |  |
| Balance at 1 January 2018 | - | - | - | - | - |
| Interim dividend of S$7.25 per share | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | - |
| Balance at 31 December 2018 | - | - | - | - | - |
|  |  |  |  |  |  |
| **Prior year** |  |  |  |  |  |
| Balance at 1 January 2017, originally stated | - | - | - | - | - |
| Prior year adjustment | - | - | - | - | - |
| Balance at 1 January 2017, restated | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | - |
| Balance at 31 December 2017 | - | - | - | - | - |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Statement of changes in equity (company) | | | | | |
| {Header display} | Company | | | | |
| {Header title} | {Title} | {Title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | S$ | S$ | S$ | S$ | S$ |
| {New Line} |  | | | | |
| **{Description – bold}** |  |  |  |  |  |
| {Description – normal} | {value 1} | {value 2} | {value 3} | {value 4} | {value 5} |
| {Last description – normal} | {value 1} | {value 2} | {value 3} | {value 4} | {value 5} |
| {Overall total} | {value 1} | {value 2} | {value 3} | {value 4} | {value 5} |
| {Last Line space} |  |  |  |  |  |
|  | Company | | | | |
|  | Share capital | Revenue reserves | Fair value reserves | Translation reserves | Total |
|  | S$ | S$ | S$ | S$ | S$ |
| **Current year** |  |  |  |  |  |
| Balance at 1 January 2018 | - | - | - | - | - |
| Interim dividend of S$7.25 per share | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | - |
| Balance at 31 December 2018 | - | - | - | - | - |
|  |  |  |  |  |  |
| **Prior year** |  |  |  |  |  |
| Balance at 1 January 2017, originally stated | - | - | - | - | - |
| Prior year adjustment | - | - | - | - | - |
| Balance at 1 January 2017, restated | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | - |
| Balance at 31 December 2017 | - | - | - | - | - |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Statement of cash flows (header)(group)(not first set) | | | | | | |
|  |  | Group | |  | Company | |
|  |  | Year | Year |  | Year | Year |
|  | Note | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Statement of cash flows (group)(not first set) | | | | | | |
| {New Line} |  |  |  |  |  |  |
| {Description – normal} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| *{Description – italic}* |  |  |  |  |  |  |
| {Last Description – normal} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| {Sub Description – normal} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| {Last Sub Description – normal} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| {Overall total} | {no} | {value – 1} | {value – 2} |  | {value – 3} | {value – 4} |
| {Last Line space} |  |  |  |  |  |  |
| *Operating activities* |  |  |  |  |  |  |
| Profit before tax |  | - | - |  | - | - |
| Adjustments for:- |  |  |  |  |  |  |
| Depreciation | 12 | - | - |  | - | - |
| Plant and equipment written off |  | - | - |  | - | - |
| Gain on disposal of plant and equipment |  | - | - |  | - | - |
| Reversal of allowance |  | - | - |  | - | - |
| Changes in working capital |  |  |  |  |  |  |
| Trade and other receivables |  | - | - |  | - | - |
| Trade and other payables | 1 | - | - |  | - | - |
| Net cash from operations |  | - | - |  | - | - |
| Payment of tax |  | - | - |  | - | - |
| Net cash movement in operating activities |  | - | - |  | - | - |
|  |  |  |  |  |  |  |
| *Investing activities* |  |  |  |  |  |  |
| Amount due from related parties |  | - | - |  | - | - |
| Amount due from a shareholder |  | - | - |  | - | - |
| Net cash movement in operating activities |  | - | - |  | - | - |
|  |  |  |  |  |  |  |
| *Financing activities* |  |  |  |  |  |  |
| Amount due to related parties |  | - | - |  | - | - |
| Amount due to a shareholder |  | - | - |  | - | - |
| Dividend paid |  | - | - |  | - | - |
| Net cash movement in financing activities |  | - | - |  | - | - |
|  |  |  |  |  |  |  |
| Changes in cash and cash equivalents |  | - | - |  | - | - |
| Cash and equivalent at beginning of the year |  | - | - |  | - | - |
| Cash and equivalent at end of the year |  | - | - |  | - | - |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Statement of cash flows (header)(group)(first set) | | | | |
|  |  | Group |  | Company |
|  |  | Year |  | Year |
|  | Note | $ |  | $ |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Statement of cash flows (group)(first set) | | | | |
| {New Line} |  |  |  |  |
| {Description – normal} | {no} | {value – 1} |  | {value – 2} |
| *{Description – italic}* |  |  |  |  |
| {Last Description – normal} | {no} | {value – 1} |  | {value – 2} |
| {Sub Description – normal} | {no} | {value – 1} |  | {value – 2} |
| {Last Sub Description – normal} | {no} | {value – 1} |  | {value – 2} |
| {Overall total} | {no} | {value – 1} |  | {value – 2} |
| {Last Line space} |  |  |  |  |
| *Description* |  |  |  |  |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Statement of cash flows (header)(company)(not first set) | | | |
|  |  | Company | |
|  |  | Year | Year |
|  | Note | $ | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Statement of cash flows (company)(not first set) | | | |
| {New Line} |  |  |  |
| {Description – normal} | {no} | {value – 3} | {value – 4} |
| *{Description – italic}* |  |  |  |
| {Last Description – normal} | {no} | {value – 3} | {value – 4} |
| {Sub Description – normal} | {no} | {value – 3} | {value – 4} |
| {Last Sub Description – normal} | {no} | {value – 3} | {value – 4} |
| {Overall total} | {no} | {value – 3} | {value – 4} |
| {Last Line space} |  |  |  |
| *Description* |  |  |  |

< New Line >

|  |  |  |
| --- | --- | --- |
| Statement of cash flows (header)(company)(first set) | | |
|  |  | Company |
|  |  | Year |
|  | Note | $ |

< New Line >

|  |  |  |
| --- | --- | --- |
| Statement of cash flows (company)(first set) | | |
| {New Line} |  |  |
| {Description – normal} | {no} | {value – 2} |
| *{Description – italic}* |  |  |
| {Last Description – normal} | {no} | {value – 2} |
| {Sub Description – normal} | {no} | {value – 2} |
| {Last Sub Description – normal} | {no} | {value – 2} |
| {Overall total} | {no} | {value – 2} |
| {Last Line space} |  |  |
| *Description* |  |  |

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

1. **DOMICILE AND ACTIVITIES**

The Company is a company incorporated in <Client – country>. The registered office address of the Company is <Client – address>.

The {Group and the Company} is primarily involved in the provision of freight transport, manufacture of paper and paper-related products, the cultivation of trees and the sale of wood.

The ultimate holding company is <Ultimate Holding Company – name>, which is incorporated in <Ultimate Holding Company – country>.

With effect from <Change of company name – Date of resolution> the name of the Company was changed from <Client name – Previous>

1. **SIGNIFICANT ACCOUNTING POLICIES**
   1. **Basis of preparation**

The financial statements have been prepared on a going concern basis in accordance with Singapore Financial Reporting Standards (FRS). These financial statements have been prepared under historical cost convention, except as disclosed in the accounting policies below.

The financial statements are prepared on a realization basis because management intends to liquidate the Company within the next 12 months from the reporting date. These financial statements have been prepared under historical cost convention, except as disclosed in the accounting policies below.

During the year, the {Group and the Company} adopted the new or amended FRS and Interpretations to FRS (INT FRS) that are applicable in the current financial year. The adoption of these standards had no material effect on the financial statements.

**FRS and INT FRS not yet effective**

Certain FRS and INT FRS have been issued as of the end of the financial period but are not yet effective. The management has assessed those standards and interpretations issued. The initial application of these standards and interpretations are not expected to have material impact on the financial statements.

* 1. **Use of estimates and judgments**

The preparation of the financial statements in conformity with FRS 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 recognized in the period in which the estimates are revised and in any future periods affected.

A number of the accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of FRS, including the level in the fair value hierarchy in which the valuations should be classified.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized 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).

The {Group and the Company} recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

* 1. **Functional and presentation currency**

Items included in the financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company. The financial statements of the Company are presented in <Functional Presentation Currency>, which is the functional currency of the Company.

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company. The financial statements of the Company are presented in *<Presentation Curreny - Last Year>*, whereas the functional currency of the Company is *<Functional Currency - Last Year>*.

The financial statements were presented in *<Presentation Curreny - Last Year>* because the managements are based in *<Presentation Curreny Country - Last Year>*.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Functional currency of the Company changed from <Functional Currency - Last Year> to <Functional Currency - Current Year> because of <Functional Currency - Reason of changing>.

* 1. **Foreign currency transactions and balances**

Transactions in foreign currencies are translated to the respective functional currencies of {Group and the Company} entities at 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 amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized 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 generally recognized in profit or loss. However, foreign currency differences arising from the translation of the following items are recognized in Other Comprehensive Income (OCI):

* an investment in equity securities designated as at Fair Value through Other Comprehensive Income (FVOCI);
* a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
* qualifying cash flow hedges to the extent that the hedge is effective.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to functional currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to functional currency at exchange rates at the dates of the transactions.

Foreign currency differences are recognized 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 Non-Controlling Interest (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 and the Company} 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 and the Company} 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.

* 1. **Group accounting**
  2. *Business Combination*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the date of acquisition as:

* + - the fair value of the consideration transferred; plus
    - the recognized amount of any Non-Controlling Interest (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 recognized 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 recognized immediately in profit or loss.

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

Any contingent consideration payable is recognized 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 re-measured, 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 recognized in profit or loss.

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 recognized 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 FRS.

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

Changes in the interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognized in profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

* 1. *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 subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

* 1. *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 recognized at the carrying amounts recognized previously in the Group controlling shareholder’s consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognized directly in equity.

* 1. *Loss of control*

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

* 1. *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.

* 1. *Transactions eliminated on consolidation*

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

These financial statements are the separate financial statements of *Subsidiary Pte Ltd.* The Company is exempted from the requirement to prepare consolidated financial statements as the Company is *a wholly-owned subsidiary of Holding Company Limited,* a *Singapore*-incorporated company which produces consolidated financial statements available for public use. The registered office of *Holding Company Limited,* where those consolidated financial statements can be obtained, is as follows: *15 Phillip Street, #10-00 TEK Building, Singapore 048694.*

* 1. **Revenue**

Revenue is measured based on the consideration to which the {Group and the Company} expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the {Group and the Company} satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

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

* 1. *Sale of goods and services*

Revenue from sale of goods and services in the ordinary course of business is recognized when the {Group and the Company} satisfies a performance obligation (PO) by transferring control of a promised good or service to the customer. The amount of revenue recognized is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand- alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

* 1. *Sales of development properties*

Revenue from sale of development properties is recognized when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

For development properties whereby the {Group and the Company} is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognized over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For development properties whereby the {Group and the Company} does not have an enforceable right to payment for performance completed to date, revenue is recognized when the customer obtains control of the asset.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. A contract asset is recognized when the {Group and the Company} has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognized when the {Group and the Company} has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognized as revenue as the {Group and the Company} performs under the contract.

Incremental costs of obtaining a contract are capitalized if these costs are recoverable. Costs to fulfil a contract are capitalized if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalized contract costs are subsequently amortized on a systematic basis as the {Group and the Company} recognizes the related revenue. An impairment loss is recognized in profit or loss to the extent that the carrying amount of the capitalized contract costs exceeds the remaining amount of consideration that the {Group and the Company} expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognized as expenses.

* 1. *Interest income*

Interest income is recognized on a time proportion basis using the effective interest method.

* 1. *Dividend income*

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

* 1. *Rental income*

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognized as a reduction of rental income over the lease term on a straight-line basis.

* 1. **Employee benefits**
  2. *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 recognized as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

* 1. *Short-term employee benefit obligation*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized 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.

* 1. *Share-based payment transactions*

The grant date fair value of equity-settled share-based payment awards granted to employee is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the fair value of the liability are recognized as employee benefits expense in profit or loss.

* 1. **Leases**

1. *Lessee*

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

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

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

1. *Lessor*

Leases in which the {Group and the Company} does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income in the period in which they are earned.

* 1. **Borrowing costs**

Borrowing costs are capitalized as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalization of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalized until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

* 1. **Taxation**

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority and the company intends to settle its current tax assets and liabilities on a net basis simultaneously.

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognized as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognized directly in equity. <Deferred Tax Arising>

The Company accounts for investment tax credits similar to accounting for other tax credits where deferred tax asset is recognized for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilized.

* 1. **Investment in associate and joint ventures**

Associates are entities over which the {Group and the Company} has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the {Group and the Company} holds 20% or more but not exceeding 50% of the voting power of another entity.

A joint venture is an arrangement in which the {Group and the Company} has joint control, whereby the {Group and the Company} has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the {Group and the Company}’s share of the profit or loss and Other Comprehensive Income (OCI) of equity-accounted investees, after adjustments to align the accounting policies with those of the {Group and the Company}, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the {Group and the Company}’s share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the {Group and the Company} has an obligation to fund the investee’s operations or has made payments on behalf of the investee.

A joint operation is an arrangement in which the {Group and the Company} has joint control whereby the {Group and the Company} has rights to the assets, and obligations for the liabilities, relating to an arrangement. The {Group and the Company} accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

* 1. **Intangible assets**

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

Intangible assets with finite useful lives are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortized. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

* 1. *Research and development costs*

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognized as an intangible asset when the {Group and the Company} can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the deferred development costs as an intangible asset, it is carried at cost less accumulated amortization and any accumulated impairment losses. Amortization of the intangible asset begins when development is complete, and the asset is available for use. Deferred development costs have a finite useful life and are amortized over the period of expected sales from the related project (ranging from 4 to 8 years) on a straight-line basis.

* 1. *Other intangible assets*

Intangible assets acquired separately are amortized on a straight-line basis over its finite useful life as follows:

* 1. **Investment properties**

Investment properties include properties that are held for long-term rental yields and/or for capital appreciation and land under operating leases that is held for long-term capital appreciation or for a currently indeterminate use.

<Investment Properties – Model Content>

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalized and the carrying amounts of the replaced components are recognized in profit or loss. The cost of maintenance, repairs and minor improvements is recognized in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognized in profit or loss.

* 1. **Property, plant and equipment**

Property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and any impairment in value. The cost of property, plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the buildings at the end of the reporting period. Any revaluation surplus is recognized in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case the increase is recognized in profit or loss. A revaluation deficit is recognized in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

The depreciation is based on the cost of an asset less its residual value.

Depreciation is calculated on the <Depreciation method> method over their estimated useful life as follows

<PPE table>

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

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

* 1. **Impairment of non-financial assets**

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

Recoverable amount of an asset is the higher of the fair value of an asset or cash-generating unit less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized previously. Such reversal is recognized in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

* 1. **Inventories**

Inventories are stated at the lower of cost and net realizable value on net realizable value on<Inventories – Net Realizable Value>. The cost of inventories excludes borrowing costs. Cost also includes any gains or losses on qualifying cash flow hedges of foreign currency purchases of inventories.

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

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Allowance is made where necessary for obsolete, slow-moving and defective inventories.

* 1. **Financial instruments**

1. *Financial assets*

Financial assets are recognized when the {Group and the Company} becomes a party to the contractual provisions of the financial instruments.

At initial recognition, the {Group and the Company} measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement of debt instruments depends on the {Group and the Company}’s business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortized cost, Fair value through other comprehensive income (FVOCI) and Fair value through profit or loss:

* Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Financial assets are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognized in profit or loss when the assets are derecognized or impaired, and through amortization process.
* Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognized in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognized in profit or loss. The cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognized.
* Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which it arises.

On initial recognition of an investment in equity instrument that is not held for trading, the {Group and the Company} may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognized in profit or loss when the {Group and the Company}’s right to receive payments is established. For investments in equity instruments which the {Group and the Company} has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognized in profit or loss.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognized in profit or loss.

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

1. *Financial liabilities*

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

All financial liabilities are recognized initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognized in profit or loss.

* 1. **Impairment of financial assets**

The {Group and the Company} recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the {Group and the Company} expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognized for credit losses expected over the remaining life of the exposure, irrespective of timing of the default.

For trade receivables and contract assets, the {Group and the Company} applies a simplified approach in calculating ECLs. Therefore, the {Group and the Company} does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The {Group and the Company} has established a provision that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the {Group and the Company} applies the low credit risk simplification. At every reporting date, the {Group and the Company} evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the {Group and the Company} reassesses the internal credit rating of the debt instrument. In addition, the {Group and the Company} considers that there has been a significant increase in credit risk when the contractual payments are more than 90 days past due.

The {Group and the Company} considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the {Group and the Company} may also consider a financial asset to be in default when internal or external information indicates that the {Group and the Company} is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the {Group and the Company}. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

* 1. **Provision**

Provisions are recognized when the {Group and the Company} have a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Provisions are not recognized for future operating losses.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Changes in the estimated timing or amount of the expenditure or discount rate are recognized in profit or loss when the changes arise.

<Provision Content>

* 1. **Contingencies**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the {Group and the Company}; or a present obligation that arises from past events but is not recognize because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

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

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

* 1. **Share capital**

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

* 1. **Financial guarantee**

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

* 1. **Convertible redeemable preference shares**

Convertible redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond. This amount is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption in accordance with the accounting policy.

The remainder of the proceeds is allocated to the conversion option that is recognized and included in shareholders’ equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible redeemable preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

* 1. **Cash and cash equivalents**

Cash and cash equivalents in the statement of cash flows comprise cash on hand and demand deposits, bank overdrafts, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

* 1. **Related party**

A related party is defined as follows:

1. A person or a close member of that person’s family is related to the company if that person:
   * has control or joint control over the {Group and the Company};
   * has significant influence over the {Group and the Company} or
   * is a member of the key management personnel of the Company or of a parent of the {Group and the Company};
2. An entity is related to the {Group and the Company} if any of the following conditions applies:
   * The entity and the {Group and the Company} are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
   * One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a {Group and the Company} of which the other entity is a member).
   * Both entities are joint ventures of the same third party
   * The entity is a post- employment benefit plan for the benefit of employees of either the {Group and the Company} or an entity related to the {Group and the Company}. If the {Group and the Company} is itself such a plan, the sponsoring employers are also related to the Company;
   * The entity is controlled or jointly controlled by a person identified in (i);
   * A person identified in (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
   1. **Significant accounting estimates and judgments**

Estimates and assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the {Group and the Company} accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

1. *Determination of functional currency*

In determining the functional currency of the {Group and the Company}, judgment is used by the {Group and the Company} to determine the currency of the primary economic environment in which the {Group and the Company} operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

1. *Useful* *life of property, plant and equipment*

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly.

1. *Inventory valuation method*

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines. The realizable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realizable value.

1. *Provision for expected credit losses*

The {Group and the Company} uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the {Group and the Company}’s historical observed default rates. The {Group and the Company} will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The {Group and the Company}’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future.

1. *Provision for taxation*

The {Group and the Company} recognizes liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the income tax and deferred tax positions in the period in which such determination is made.

< Main Category Display >

1. **INVESTMENT IN SUBSIDIARIES**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 6 - Investment in subsidiaries (table\_1) (first set) | | | | |
|  |  |  |  | Company |
|  |  |  |  | Year |
|  |  |  |  | $ |
| {New line} |  |  |  |  |
| {Description} |  |  |  | {value 1} |
| {Overall total} |  |  |  | {value 1} |
| {Last line space} |  |  |  |  |
| Shares, at cost |  |  |  | - |
| Discount on loans to subsidiaries |  |  |  | - |
| Issuance of shares for acquisition of subsidiary |  |  |  | - |
| Impairment losses |  |  |  | - |
|  |  |  |  | - |
|  |  |  |  |  |

< New Line >

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Note 6 - Investment in subsidiaries (table\_1) (not first set) | | | | | | | | | | | |
|  | |  | |  | |  | | Company | | | |
|  | |  | |  | |  | | Year | | Year | |
|  | |  | |  | |  | | $ | | $ | |
| {New line} | |  | |  | |  | |  | |  | |
| {Description} | |  | |  | |  | | {value 1} | | {value 2} | |
| {Overall total} | |  | |  | |  | | {value 1} | | {value 2} | |
| {Last line space} | |  | |  | |  | |  | |  | |
| Shares, at cost | |  | |  | |  | | - | | - | |
| Discount on loans to subsidiaries | |  | |  | |  | | - | | - | |
| Issuance of shares for acquisition of subsidiary | |  | |  | |  | | - | | - | |
| Impairment losses | |  | |  | |  | | - | | - | |
|  | |  | |  | |  | | - | | - | |
|  | |  | |  | |  | |  | |  | |

* + 1. Composition of the Group

The Group has the following significant investments in subsidiaries.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 6 - Investment in subsidiaries (i) (table\_1)(Small FRS) | | | | |
| Name of | Country of | Principal | Proportion of ownership | |
| entity | incorporation | activities | Year | Year |
|  |  |  |  |  |
| {New line} |  |  |  |  |
| {Description | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last item tr} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |

*Significant restrictions:*

The nature and extent of significant restrictions on the Group’s ability to use or access assets and settle liabilities of subsidiaries with material non-controlling interests are:

Cash and cash equivalents of $49,000 (2017: $35,000) held in People’s Republic of China are subject to local exchange control regulations. These regulations places restriction on the amount of currency being exported other than through dividends.

* + 1. Summarized financial information about subsidiary with material NCI

Summarized financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non- controlling interests are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 6 - Investment in subsidiaries (ii) (table\_1) | | | | |
| {Header title} | {Title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | $ | $ | $ | $ |
| {New Line} |  |  |  |  |
| **{Title - bold}** |  |  |  |  |
| {Description - normal} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last Line space} |  |  |  |  |
|  | Subsidiary1 | Subsidiary2 | Subsidiary3 | Subsidiary4 |
|  | $ | $ | $ | $ |
| **31 December 2018** |  |  |  |  |
| Non-current assets | - | - | - | - |
| Current assets | - | - | - | - |
| Non-current liabilities | - | - | - | - |
| Current liabilities | - | - | - | - |
| Revenue | - | - | - | - |
| Profit before tax | - | - | - | - |
| Tax expense | - | - | - | - |
| Other comprehensive income | - | - | - | - |
|  |  |  |  |  |
| **31 December 2017** |  |  |  |  |
| Non-current assets | - | - | - | - |
| Current assets | - | - | - | - |
| Non-current liabilities | - | - | - | - |
| Current liabilities | - | - | - | - |
| Revenue | - | - | - | - |
| Profit before tax | - | - | - | - |
| Tax expense | - | - | - | - |
| Other comprehensive income | - | - | - | - |
|  |  |  |  |  |

1. **INVESTMENT IN ASSOCIATES**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| At cost | - |  | - |
| Impairment loss | - |  | - |
| Share of post-acquisition loss | - |  | - |
| Exchange difference | - |  | - |
| Carrying amount | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| At cost | - | - |  | - | - |
| Impairment loss | - | - |  | - | - |
| Share of post-acquisition loss | - | - |  | - | - |
| Exchange difference | - | - |  | - | - |
| Carrying amount | - | - |  | - | - |
|  |  |  |  |  |  |

Details of the associates are as follows: -

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_2) | | | | | |
| Name of | Country of | Principal | Proportion of ownership | |
| entity | incorporation | activities | Year | Year |
|  |  |  |  |  |
| {New line} |  |  |  |  |
| {Description | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last item tr} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |

Summarized financial information of the associates for the {Group/Company} is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_3)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_3) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Non-current assets | - |  | - |
| Current assets | - |  | - |
| Non-current liabilities | - |  | - |
| Current liabilities | - |  | - |
| Revenue | - |  | - |
| Profit before tax | - |  | - |
| Tax expense | - |  | - |
| Other comprehensive income | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_3)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 7 - Investment in associates (table\_3) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Non-current assets | - | - |  | - | - |
| Current assets | - | - |  | - | - |
| Non-current liabilities | - | - |  | - | - |
| Current liabilities | - | - |  | - | - |
| Revenue | - | - |  | - | - |
| Profit before tax | - | - |  | - | - |
| Tax expense | - | - |  | - | - |
| Other comprehensive income | - | - |  | - | - |
|  |  |  |  |  |  |

1. **INVESTMENT IN JOINT VENTURE**

Details of the joint ventures are as follows: -

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 8 - Investment in joint venture (table\_1) | | | | | |
| Name of | Country of | Principal | Proportion of ownership | |
| entity | incorporation | activities | Year | Year |
|  |  |  |  |  |
| {New line} |  |  |  |  |
| {Description | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last item tr} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |

Summarized financial information of the joint ventures for the {Group and the Company} is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 8 - Investment in joint venture (table\_2)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 8 - Investment in joint venture (table\_2) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Non-current assets | - |  | - |
| Current assets | - |  | - |
| Non-current liabilities | - |  | - |
| Current liabilities | - |  | - |
| Revenue | - |  | - |
| Profit before tax | - |  | - |
| Tax expense | - |  | - |
| Other comprehensive income | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 8 - Investment in joint venture (table\_2)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 8 - Investment in joint venture (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Non-current assets | - | - |  | - | - |
| Current assets | - | - |  | - | - |
| Non-current liabilities | - | - |  | - | - |
| Current liabilities | - | - |  | - | - |
| Revenue | - | - |  | - | - |
| Profit before tax | - | - |  | - | - |
| Tax expense | - | - |  | - | - |
| Other comprehensive income | - | - |  | - | - |

<Section break>

1. **INtangible ASSETS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 9 - Intangible assets (table\_1) | | | | |
| {Header display} | Group | | | |
| {Header title} | {Title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | $ | $ | $ | $ |
| {New Line} |  |  |  |  |
| **{Title - bold}** | | | | |
| {Description - normal} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Top border description} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Subtotal} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last Line space} |  |  |  |  |
|  | Group | | | |
|  | Brands | Club membership | Development costs | Total |
|  | $ | $ | $ | $ |
|  |  |  |  |  |
| **COST** |  |  |  |  |
| At 1.1.2017 | - | - | - | - |
| Additions | - | - | - | - |
| Disposal | - | - | - | - |
| At 31.12.2017 | - | - | - | - |
| Additions | - | - | - | - |
| Disposal | - | - | - | - |
| At 31.12.2018 | - | - | - | - |
|  |  |  |  |  |
| **ACCUMULATED AMORTIZATION AND IMPAIRMENT** | | | | |
| At 1.1.2017 | - | - | - | - |
| Charge for the year | - | - | - | - |
| Disposal | - | - | - | - |
| At 31.12.2017 | - | - | - | - |
| Charge for the year | - | - | - | - |
| Disposal | - | - | - | - |
| At 31.12.2018 | - | - | - | - |
|  |  |  |  |  |
| **CARRYING AMOUNT** |  |  |  |  |
| At 31.12.2018 | - | - | - | - |
| At 31.12.2017 | - | - | - | - |
|  |  |  |  |  |

<Section break>

<Checkbox content>

1. **INsured benefits**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 10 - Insured benefits (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 10 - Insured benefits (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
|  |  |  |  |
| Beginning balance | - |  | - |
| Premium paid | - |  | - |
| Interest receivable | - |  | - |
| Policy charges | - |  | - |
| Exchange difference | - |  | - |
| Ending balance | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 10 - Insured benefits (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 10 - Insured benefits (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
|  |  |  |  |  |  |
| Beginning balance | - | - |  | - | - |
| Premium paid | - | - |  | - | - |
| Interest receivable | - | - |  | - | - |
| Policy charges | - | - |  | - | - |
| Exchange difference | - | - |  | - | - |
| Ending balance | - | - |  | - | - |
|  |  |  |  |  |  |

Insured benefits are policy purchased to cover the life of one of the directors of the Company. Management has intention to keep this policy for long term. The policy yields interest of $13,072 and incurred policy expense charge of $35,646 during the year.

The policy with sum insured of USD1,000,000 is pledged as collateral for banking facilities granted by a bank. The insurer guarantees minimal interest income of 2& per annum.

<Section break>

1. **INVESTMENT PROPERTIES**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 11 - Investment properties cost\_model (table\_1) | | | |
| {Header title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | $ | $ | $ |
| {New Line} |  |  |  |
| *{Title - italic}* |  |  |  |
| {Description - normal} | {value 1} | {value 2} | {value 3} |
| {Top border description} | {value 1} | {value 2} | {value 3} |
| {Subtotal} | {value 1} | {value 2} | {value 3} |
| {Overall total} | {value 1} | {value 2} | {value 3} |
| {Last Line space} |  |  |  |
|  | Completed investment properties | Investment property under construction | Total |
|  | $ | $ | $ |
|  |  |  |  |
| **COST** |  |  |  |
| At 1.1.2017 | - | - | - |
| Additions | 7,737 | 837 | 8,574 |
| Disposal | - | - | - |
| At 31.12.2017 | 7,737 | 837 | 8,574 |
| Additions | - | - | - |
| Disposal | - | - | - |
| At 31.12.2018 | 7,737 | 837 | 8,574 |
|  |  |  |  |
| **ACCUMULATED DEPRECIATION** | |  |  |
| At 1.1.2017 | - | - | - |
| Charge for the year | 7,737 | 837 | 8,574 |
| Disposal | - | - | - |
| At 31.12.2017 | 7,737 | 837 | 8,574 |
| Charge for the year | - | - | - |
| Disposal | - | - | - |
| At 31.12.2018 | 7,737 | 837 | 8,574 |
|  |  |  |  |
| **CARRYING AMOUNT** |  |  |  |
| At 31.12.2018 | - | - | - |
| At 31.12.2017 | - | - | - |
|  |  |  |  |

<Section break>

Fair value of properties at reporting date are:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 11 - Investment properties (table\_2)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 11 - Investment properties (table\_2) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Completed investment properties | - |  | - |
| Investment property under construction | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 11 - Investment properties (table\_2)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 11 - Investment properties (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} |  |  |  |  |  |
| {Last line description} |  |  |  |  |  |
| {Last line space} |  |  |  |  |  |
| Completed investment properties | - | - |  | - | - |
| Investment property under construction | - | - |  | - | - |
|  |  |  |  |  |  |

< New Line >

<Section break>

|  |  |  |  |
| --- | --- | --- | --- |
| Note 11 - Investment properties (table\_3) | | | |
| {Header title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | $ | $ | $ |
| {New Line} |  |  |  |
| {Description - normal} | {value 1} | {value 2} | {value 3} |
| {Top border description} | {value 1} | {value 2} | {value 3} |
| {Overall total} | {value 1} | {value 2} | Value 3} |
| {Last Line space} |  |  |  |
|  | Completed investment properties | Investment property under construction | Total |
|  | $ | $ | $ |
|  |  |  |  |
| At 1.1.2017 | - | - | - |
| Additions | - | - | - |
| Net fair value gain recognized in profit or loss | - | - | - |
| Disposal | - | - | - |
| At 31.12.2017 | - | - | - |
| Additions | - | - | - |
| Transfers to completed properties | - | - | - |
| Net fair value loss recognized in profit or loss | - | - | - |
| Disposal | - | - | - |
| At 31.12.2018 | - | - | - |
|  |  |  |  |

<Section break>

The {Group and the Company} has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The {Group and the Company} engages external, independent and qualified valuers to determine the fair value of the properties at the end of every financial year based on the properties’ highest and best use.

< Checkbox content for Investment properties >

The investment properties held by the {Group and the Company} as at end of the reporting date are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 11 - Investment properties (table\_4) | | | |
| Description and Location | Existing Use | Tenure | Unexpired lease term |
|  |  |  |  |
| {New line} |  |  |  |
| {Description | {value 1} | {value 2} | {value 3} |
| {Last item tr} | {value 1} | {value 2} | {value 3} |
| {Last line space} |  |  |  |

The following amounts are recognized in profit and loss: -

|  |  |  |  |
| --- | --- | --- | --- |
| Note 11 - Investment properties (table\_5)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 11 - Investment properties (table\_5) (first set) | | | |
| {Title - normal} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Rental income | - |  | - |
| Direct operating expenses arising from: |  |  |  |
| - Investment properties that generate rental income | - |  | - |
| - Investment properties that do not generate rental income | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 11 - Investment properties (table\_5)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 11 - Investment properties (table\_5) (not first set) | | | | | |
| {Title - normal} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Rental income | - | - |  | - | - |
| Direct operating expenses arising from: |  |  |  |  |  |
| - Investment properties that generate rental income | - | - |  | - | - |
| - Investment properties that do not generate rental income | - | - |  | - | - |
|  |  |  |  |  |  |

<Section break>

1. **PROPERTY, PLANT and EQUIPMENT**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 12 - Property, plant and equipment (table\_1) | | | | | |
| {Header title} | {Title} | {Title} | | | {Title} |
| {Dollar Sign} | $ | $ | | | $ |
| {New Line} |  |  | | |  |
| *{Title - italic}* |  |  | | |  |
| {Description - normal} | {value 1} | {value 2} | | | {value 3} |
| {Top border description} | {value 1} | {value 2} | | | {value 3} |
| {Subtotal} | {value 1} | {value 2} | | | {value 3} |
| {Overall total} | {value 1} | {value 2} | | | {value 3} |
| {Last Line space} |  |  | | |  |
|  | Computer | | Office Equipment | Total | |
|  | $ | | $ | $ | |
| *COST* |  | |  |  | |
| At 1.1.2017 | - | | - | - | |
| Additions | - | | - | - | |
| Disposal | - | | - | - | |
| At 31.12.2017 | - | | - | - | |
| Additions | - | | - | - | |
| Disposal | - | | - | - | |
| At 31.12.2018 | - | | - | - | |
|  |  | |  |  | |
| *ACCUMULATED DEPRECIATION* |  | |  |  | |
| At 1.1.2017 | - | | - | - | |
| Charge for the year | - | | - | - | |
| Disposal | - | | - | - | |
| At 31.12.2017 | - | | - | - | |
| Charge for the year | - | | - | - | |
| Disposal | - | | - | - | |
| At 31.12.2018 | - | | - | - | |
|  |  | |  |  | |
| *CARRYING AMOUNT* |  | |  |  | |
| At 31.12.2018 | - | | - | - | |
| At 31.12.2017 | - | | - | - | |
|  |  | |  |  | |

<Section break>

<Checkbox content>

1. **AVAILABLE for sale**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 13 - Available for sale (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 13 - Available for sale (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description - underline} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Quoted equity investment at fair value |  |  |  |
| Balance b/f | - |  | - |
| Disposal | - |  | - |
| Change in fair value | - |  | - |
| Balance c/f | - |  | - |
|  |  |  |  |
| Unquoted equity investment at cost |  |  |  |
| Balance b/f | - |  | - |
| Addition | - |  | - |
| Disposal | - |  | - |
| Balance c/f | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 13 - Available for sale (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 13 - Available for sale (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description - underline} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Quoted equity investment at fair value |  |  |  |  |  |
| Balance b/f | - | - |  | - | - |
| Disposal | - | - |  | - | - |
| Change in fair value | - | - |  | - | - |
| Balance c/f | - | - |  | - | - |
|  |  |  |  |  |  |
| Unquoted equity investment at cost |  |  |  |  |  |
| Balance b/f | - | - |  | - | - |
| Addition | - | - |  | - | - |
| Disposal | - | - |  | - | - |
| Balance c/f | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

<Available for sale content>

1. **inventories**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 14 - Inventories (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 14 - Inventories (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Cost of inventories recognized as expense during the year | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 14 - Inventories (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 14 - Inventories (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Cost of inventories recognized as expense during the year | - | - |  | - | - |
|  |  |  |  |  |  |

<Inventories content>

1. **CONTRACT ASSETS AND CONTRACT LIABILITIES**

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 15 - Contract assets and contract liabilities (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 15 - Contract assets and contract liabilities (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Receivables from contracts with customers | 24,176 |  | 24,176 |
| Contract assets | 3,751 |  | 3,751 |
| Capitalized contract costs | 658 |  | 658 |
| Contract liabilities | 926 |  | 926 |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 15 - Contract assets and contract liabilities (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 15 - Contract assets and contract liabilities (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Receivables from contracts with customers | 24,176 | 24,341 |  | 24,176 | 24,341 |
| Contract assets | 3,751 | 6,928 |  | 3,751 | 6,928 |
| Capitalized contract costs | 658 | 690 |  | 658 | 690 |
| Contract liabilities | 926 | 1,309 |  | 926 | 1,309 |
|  |  |  |  |  |  |

<Contract assets and contract liabilities content>

1. **TRADE AND OTHER RECEIVABLES**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_1)(header)(first set) | | | | |
|  | Group |  | | Company |
|  | Year | |  | Year | |
|  | $ | |  | $ | |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description - underline} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Subtotal} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Trade receivables: |  |  |  |
| Third parties | - |  | - |
| Holding Companies | - |  | - |
| Subsidiaries | - |  | - |
| Associates | - |  | - |
| Joint ventures | - |  | - |
| Related parties | - |  | - |
|  | - |  | - |
|  |  |  |  |
| Other receivables: |  |  |  |
| Third parties | - |  | - |
| Holding Companies | - |  | - |
| Subsidiaries | - |  | - |
| Associates | - |  | - |
| Joint ventures | - |  | - |
| Related parties | - |  | - |
| Directors | - |  | - |
| Deposits | - |  | - |
| Staff loan | - |  | - |
|  | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_1)(header)(not first set) | | | | | | | |
|  | Group | |  | | Company | | |
|  | Year | Year | |  | | Year | Year | |
|  | $ | $ | |  | | $ | $ | |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description - underline} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Subtotal} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Trade receivables: |  |  |  |  |  |
| Third parties | - | - |  | - | - |
| Holding Companies | - | - |  | - | - |
| Subsidiaries | - | - |  | - | - |
| Associates | - | - |  | - | - |
| Joint ventures | - | - |  | - | - |
| Related parties | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |
| Other receivables: |  |  |  |  |  |
| Third parties | - | - |  | - | - |
| Holding Companies | - | - |  | - | - |
| Subsidiaries | - | - |  | - | - |
| Associates | - | - |  | - | - |
| Joint ventures | - | - |  | - | - |
| Related parties | - | - |  | - | - |
| Directors | - | - |  | - | - |
| Deposits | - | - |  | - | - |
| Staff loan | - | - |  | - | - |
|  | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

Trade receivables denominated in foreign currencies are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_2)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_2) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Singapore dollars | - |  | - |
| Euro | - |  | - |
| United States dollars | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_2)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Singapore dollars | - | - |  | - | - |
| Euro | - | - |  | - | - |
| United States dollars | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days’ terms. They are recognized at their original invoice amounts which represent their fair values on initial recognition.

Receivables that are due but not impaired

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

|  |  |  |  |
| --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_3)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_3) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Past due 1 to 30 days | - |  | - |
| Past due 30 to 60 days | - |  | - |
| Past due more than 60 days | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_3)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_3) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Past due 1 to 30 days | - | - |  | - | - |
| Past due 30 to 60 days | - | - |  | - | - |
| Past due more than 60 days | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

Receivables that are impaired

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

|  |  |  |  |
| --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_4)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_4) (first set) | | | |
| {New line} |  |  |  |
| {Description - underline} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Cost | - |  | - |
| Allowance for doubtful debts | - |  | - |
| Carrying amount | - |  | - |
|  |  |  |  |
| Allowance for doubtful debts |  |  |  |
| Beginning balance | - |  | - |
| Addition | - |  | - |
| Reversal of allowance | - |  | - |
| Bad debts written off | - |  | - |
| Ending balance | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_4)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 16 - Trade and other receivables (table\_4) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description - underline} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Cost | - | - |  | - | - |
| Allowance for doubtful debts | - | - |  | - | - |
| Carrying amount | - | - |  | - | - |
|  |  |  |  |  |  |
| Allowance for doubtful debts |  |  |  |  |  |
| Beginning balance | - | - |  | - | - |
| Addition | - | - |  | - | - |
| Reversal of allowance | - | - |  | - | - |
| Bad debts written off | - | - |  | - | - |
| Ending balance | - | - |  | - | - |
|  |  |  |  |  |  |

Trade receivables are individually determined for impairment at the end of the reporting period relate to trade receivables that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Other receivables

* Amounts due from related companies are non-trade related, unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.
* Amounts due from subsidiaries and loans to subsidiaries are unsecured, bear interest of SIBOR + 1% p.a. (2017: SIBOR + 1% p.a.) and are to be settled in cash. The former are due on 30 June 2021 while the latter are due on 30 June 2022.
* Loans to associates bear interest at SIBOR + 2% p.a. (2017: SIBOR + 2% p.a.), have an average maturity of 1.5 years (2017: 2.5 years), secured by corporate guarantees issued by their respective holding companies and are to be settled in cash.
* Loan to a fellow subsidiary is unsecured, bears interest at SIBOR + 2% p.a. (2017: SIBOR + 2% p.a.), repayable on 30 September 2020 and is to be settled in cash.
* Staff loans are unsecured and non-interest bearing. Non-current amounts have an average maturity of 1.5 years (2017: 1.5 years). The loans are recognized initially at fair value. The difference between the fair value and the absolute loan amount represents payment for services to be rendered during the period of the loan and is recorded as part of prepaid operating expenses.

Related parties

Related parties’ balances refers to balances with subsidiaries, associates, joint ventures, directors and other related parties. These balances are unsecured, non-interest bearing and repayable on demand.

1. **other current assets**

Other current assets comprise of: -

|  |  |  |  |
| --- | --- | --- | --- |
| Note 17 - Other current assets (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 17 - Other current assets (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Prepaid expenses | - |  | - |
| Advance payment to suppliers | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 17 - Other current assets (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 17 - Other current assets (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Prepaid expenses | - | - |  | - | - |
| Advance payment to suppliers | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

1. **cash and short-term deposits**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Bank and cash balances | - |  | - |
| Short term deposits | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Bank and cash balances | - | - |  | - | - |
| Short term deposits | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

< Cash and short-term deposits content >

Cash and short-term deposits denominated in foreign currencies are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_2)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_2) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Bank and cash balances | - |  | - |
| Short term deposits | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_2)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Bank and cash balances | - | - |  | - | - |
| Short term deposits | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following at the end of the reporting period:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_3)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_3) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Subtotal} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Bank and cash balances | - |  | - |
| Short term deposits | - |  | - |
|  | - |  | - |
| Less: Short term deposits pledged | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_3)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 18 - Cash and short-term deposits (table\_3) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Subtotal} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Bank and cash balances | - | - |  | - | - |
| Short term deposits | - | - |  | - | - |
|  | - | - |  | - | - |
| Less: Short term deposits pledged | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

1. **deferred tax liabilities**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 21 - Deferred tax liabilities (table\_1) (first set) | | | | | |
|  | Group |  | | Company | |
|  | Year | |  | | Year |
|  | $ | |  | | $ |
|  |  | |  | |  |
| Beginning balance | - | |  | | - |
| Origination/(Reversal) of deferred tax liability | - | |  | | - |
| Ending balance | - | |  | | - |
|  |  | |  | |  |

< New Line >

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Note 21 - Deferred tax liabilities (table\_1) (not first set) | | | | | | | |
|  | Group | |  | | Company | | |
|  | Year | Year | |  | | Year | Year |
|  | $ | $ | |  | | $ | $ |
|  |  |  | |  | |  |  |
| Beginning balance | - | - | |  | | - | - |
| Origination/(Reversal) of deferred tax liability | - | - | |  | | - | - |
| Ending balance | - | - | |  | | - | - |
|  |  |  | |  | |  |  |

Deferred taxation is due to the excess of carrying amount over the tax written down value of property, plant and equipment.

1. **loans and borrowings**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_5)(header)(first set) | | | | |
|  | Group |  | Company | |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_5) (first set) | | | | | |
| {New line} |  | |  |  |
| **{Title - bold}** |  | |  |  |
| *{Title - italic}* |  | |  |  |
| {Description} | {value 1} | |  | {value 2} |
| {Subtotal} | {value 1} | |  | {value 2} |
| {Subtotal with description} | {value 1} | |  | {value 2} |
| {Overall total with description} | {value 1} | |  | {value 2} |
| {Last line space} |  | |  |  |
| **Non-current** |  | |  |  |
| *Later than a year but less than 5 years* | |  |  |  |
| Obligation under finance lease | - | |  | - |
| Bank loan | - | |  | - |
|  | - | |  | - |
| *Later than 5 years* |  | |  |  |
| Obligation under finance lease | - | |  | - |
| Bank loans | - | |  | - |
|  | - | |  | - |
| Total non-current loans and borrowings | - | |  | - |
|  |  | |  |  |
| **Current** |  | |  |  |
| *Not later than a year* |  | |  |  |
| Obligation under finance lease | - | |  | - |
| Bank loans | - | |  | - |
| Bank overdraft | - | |  | - |
| Redeemable preference shares | - | |  | - |
| Total current loans and borrowings | - | |  | - |
| Total loans and borrowings | - | |  | - |
|  |  | |  |  |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_5)(header)(not first set) | | | | | | |
|  | Group | |  | Company | | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_5) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| **{Title - bold}** |  |  |  |  |  |
| *{Title - italic}* | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Subtotal} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Subtotal with description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total with description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| **Non-current** |  |  |  |  |  |
| *Later than a year but less than 5 years* | |  |  |  |  |
| Obligation under finance lease | - | - |  | - | - |
| Bank loan | - | - |  | - | - |
|  | - | - |  | - | - |
| *Later than 5 years* |  |  |  |  |  |
| Obligation under finance lease | - | - |  | - | - |
| Bank loans | - | - |  | - | - |
|  | - | - |  | - | - |
| Total non-current loans and borrowings | - | - |  | - | - |
|  |  |  |  |  |  |
| **Current** |  |  |  |  |  |
| *Not later than a year* |  |  |  |  |  |
| Obligation under finance lease | - | - |  | - | - |
| Bank loans | - | - |  | - | - |
| Bank overdraft | - | - |  | - | - |
| Redeemable preference shares | - | - |  | - | - |
| Total current loans and borrowings | - | - |  | - | - |
| Total loans and borrowings | - | - |  | - | - |
|  |  |  |  |  |  |

Obligation under finance lease

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_2)(header) | | | | | |
|  | Group | |  | Company | |
|  | Minimum  payments | Present value of  payments |  | Minimum  payments | Present value of  payments |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_2) | | | | | |
| {New line} |  |  |  |  |  |
| **{Title - bold}** |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Subtotal with description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total with description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| **31 December 2018** |  |  |  |  |  |
| Not later than one year | - | - |  | - | - |
| Later than one year but not later than five years | - | - |  | - | - |
| Later than five years | - | - |  | - | - |
| Total minimum lease payment | - | - |  | - | - |
| Less: future finance charges | - | - |  | - | - |
| Present value of minimum lease payments | - | - |  | - | - |
|  |  |  |  |  |  |
| **31 December 2017** |  |  |  |  |  |
| Not later than one year | - | - |  | - | - |
| Later than one year but not later than five years | - | - |  | - | - |
| Later than five years | - | - |  | - | - |
| Total minimum lease payment | - | - |  | - | - |
| Less: future finance charges | - | - |  | - | - |
| Present value of minimum lease payments | - | - |  | - | - |
|  |  |  |  |  |  |

<Loans and borrowings content>

Bank loans

Bank loans bear interest at LIBOR + 4.1% p.a. (2017: LIBOR + 3.8% p.a.).

Bank overdrafts

Bank overdrafts bear interest at SIBOR + 3.0% p.a. (2017: SIBOR + 3.0% p.a.).

Redeemable preference shares

As at end of reporting date, there were 505,000 Convertible Redeemable Preference Shares (CRPS) issued and fully paid. The shares were issued at $1 each and are convertible at the option of the shareholders into ordinary shares of the Company on 1 January 2021 on the basis of one ordinary share for every preference share held. Any preference shares not converted will be redeemed on 31 December 2023 at a price of $1.20 per share. The preference shares carry a dividend of 8% p.a., payable half-yearly in arrears on 30 June and 31 December. The dividend rights are non-cumulative, and the shareholders have no voting rights.

On 4 January 2018, the Company issued 30 million cumulative redeemable preference shares at S$1 per share to its immediate holding corporation. The shares are mandatorily redeemable at S$1 per share on 4 January 2021 or by the Company at any time before that date. The shares pay fixed dividends of 6.5% per annum.

Loans and borrowings are secured by:

1. *Leasehold property of the company and*
2. *Director and shareholders’ joint and several guarantees*
3. *Corporate guarantee by holding company*

Loans and borrowings are denominated in:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_3)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_3) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Singapore dollars | - |  | - |
| Euro | - |  | - |
| United States dollars | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_3)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 22 - Loans and borrowings (table\_3) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Singapore dollars | - | - |  | - | - |
| Euro | - | - |  | - | - |
| United States dollars | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

1. **provision**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 23 - Provision (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 23 - Provision (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Beginning balance | - |  | - |
| Arose during the financial year | - |  | - |
| Utilized | - |  | - |
| Unused amounts reversed | - |  | - |
| Discount rate adjustment | - |  | - |
| Exchange differences | - |  | - |
| Ending balance | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 23 - Provision (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 23 - Provision (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Beginning balance | - | - |  | - | - |
| Arose during the financial year | - | - |  | - | - |
| Utilized | - | - |  | - | - |
| Unused amounts reversed | - | - |  | - | - |
| Discount rate adjustment | - | - |  | - | - |
| Exchange differences | - | - |  | - | - |
| Ending balance | - | - |  | - | - |
|  |  |  |  |  |  |

<Checkbox content>

1. **trade and other payables**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 24 - Trade and other payables (table\_1) (first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |
|  |  |  |  |
| Trade payables: |  |  |  |
| Third parties | - |  | - |
| Holding Companies | - |  | - |
| Subsidiaries | - |  | - |
| Associates | - |  | - |
| Joint ventures | - |  | - |
| Related parties | - |  | - |
|  | - |  | - |
|  |  |  |  |
| Other payables: |  |  |  |
| Third parties | - |  | - |
| Holding Companies | - |  | - |
| Subsidiaries | - |  | - |
| Associates | - |  | - |
| Joint ventures | - |  | - |
| Related parties | - |  | - |
| Directors | - |  | - |
| Accruals. | - |  | - |
| Non-trade payables | - |  | - |
|  | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 24 - Trade and other payables (table\_1) (not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |
|  |  |  |  |  |  |
| Trade payables: |  |  |  |  |  |
| Third parties | - | - |  | - | - |
| Holding Companies | - | - |  | - | - |
| Subsidiaries | - | - |  | - | - |
| Associates | - | - |  | - | - |
| Joint ventures | - | - |  | - | - |
| Related parties | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |
| Other payables: |  |  |  |  |  |
| Third parties | - | - |  | - | - |
| Holding Companies | - | - |  | - | - |
| Subsidiaries | - | - |  | - | - |
| Associates | - | - |  | - | - |
| Joint ventures | - | - |  | - | - |
| Related parties | - | - |  | - | - |
| Directors | - | - |  | - | - |
| Accruals. | - | - |  | - | - |
| Non-trade payables | - | - |  | - | - |
|  | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

Trade payables/other payables

These amounts are non-interest bearing. Trade payables are normally settled on 60-day terms while other payables have an average term of 6 months.

Trade and other payables are denominated in:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 24 - Trade and other payables (table\_2) (first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |
|  |  |  |  |
| Singapore dollars | - |  | - |
| Euro | - |  | - |
| United States dollars | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 24 - Trade and other payables (table\_2) (not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |
|  |  |  |  |  |  |
| Singapore dollars | - | - |  | - | - |
| Euro | - | - |  | - | - |
| United States dollars | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

1. **other current liabilities**

Other current liabilities comprise of: -

|  |  |  |  |
| --- | --- | --- | --- |
| Note 25 - Other current liabilities (table\_1) (first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |
|  |  |  |  |
| Advance receipt from customers | - |  | - |
| Deferred revenue | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 25 - Other current liabilities (table\_1) (not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |
|  |  |  |  |  |  |
| Advance receipt from customers | - | - |  | - | - |
| Deferred revenue | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

1. **share capital**

*If company issues share during the year.*

During the year, the Company issued 200,000 ordinary shares for S$280,000 for cash for the purpose of working capital.

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

1. **other reserves**
   * 1. *Fair value adjustment reserve*

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed of or impaired.

* + 1. *Asset revaluation reserve*

The asset revaluation reserve represents increases in the fair value of buildings, net of tax, and decreases to the extent that such decrease relates to an increase on the same asset previously recognized in other comprehensive income.

* + 1. *Statutory reserve fund*

In accordance with the Foreign Enterprise Law applicable to the subsidiary in the People’s Republic of China (PRC), the subsidiary is required to make appropriation to a Statutory Reserve Fund (SRF). At least 10% of the statutory profits after tax as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the subsidiary’s registered capital. Subject to approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital of the subsidiary. The SRF is not available for dividend distribution to shareholders.

* + 1. *Foreign currency translation reserve*

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group/Company’s presentation currency.

* + 1. *Employee share option reserve*

Employee share option reserve represents the equity-settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and is reduced by the expiry or exercise of the share options.

* + 1. *Equity component of convertible redeemable preference shares*

This represents the residual amount of convertible redeemable preference shares (CRPS) after deducting the fair value of the liability component. This amount is presented net of transaction costs and deferred tax liability arising from the CRPS.

1. **EMPLOYEE BENEFITS EXPENSE**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Employee benefits expense (header)(first set) | | | | |
|  | Group |  | Company | |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Employee benefits expense (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Directors' remuneration | - |  | - |
| Directors' fee | - |  | - |
| Employer CPF contribution | - |  | - |
| FWL and SDL | - |  | - |
| Medical fees | - |  | - |
| Staff salaries | - |  | - |
| Staff welfare | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Employee benefits expense (header)(not first set) | | | | | | |
|  | Group | |  | Company | | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Employee benefits expense (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Directors' remuneration | - | - |  | - | - |
| Directors' fee | - | - |  | - | - |
| Employer CPF contribution | - | - |  | - | - |
| FWL and SDL | - | - |  | - | - |
| Medical fees | - | - |  | - | - |
| Staff salaries | - | - |  | - | - |
| Staff welfare | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

<Employee share option plans>

1. **profit before tax**

The following items have been included in arriving at profit before tax

|  |  |  |  |
| --- | --- | --- | --- |
| Profit Before Tax (first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |
| *Income:* |  |  |  |
| Bad debts recovered | - |  | - |
| Reversal of allowance for doubtful debts | - |  | - |
|  |  |  |  |
| *Expenses:* |  |  |  |
| Allowance for doubtful debts | - |  | - |
| Bad debts written off | - |  | - |
| Impairment of plant and equipment | - |  | - |
| Inventories written off | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Profit Before Tax (not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |
| *Income:* |  |  |  |  |  |
| Bad debts recovered | - | - |  | - | - |
| Reversal of allowance for doubtful debts | - | - |  | - | - |
|  |  |  |  |  |  |
| *Expenses:* |  |  |  |  |  |
| Allowance for doubtful debts | - | - |  | - | - |
| Bad debts written off | - | - |  | - | - |
| Impairment of plant and equipment | - | - |  | - | - |
| Inventories written off | - | - |  | - | - |
|  |  |  |  |  |  |

1. **Tax expense**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 5 - Tax expense (table\_1)(header)(first set) | | | | |
|  | Group |  | Company | |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 5 - Tax expense (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Current tax | - |  | - |
| Deferred tax | - |  | - |
|  | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Note 5 - Tax expense (table\_1)(header)(not first set) | | | | | | |
|  | Group | |  | Company | | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 5 - Tax expense (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Current tax | - | - |  | - | - |
| Deferred tax | - | - |  | - | - |
|  | - | - |  | - | - |
|  |  |  |  |  |  |

A reconciliation between tax expense and the product of accounting result multiplied by the applicable corporate tax rate for the years is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 5 - Tax expense (table\_2)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 5 - Tax expense (table\_2) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Overall total with description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Profit before tax | - |  | - |
|  |  |  |  |
| Tax at 17% | - |  | - |
| Non-deductible expenses | - |  | - |
| Non-taxable income | - |  | - |
| Capital allowances and tax credit | - |  | - |
| Tax exemption | - |  | - |
| Utilization of tax losses b/f | - |  | - |
| Deferred tax assets not recognized | - |  | - |
| Others | - |  | - |
| Prior years' tax (over)/under provision | - |  | - |
| Current tax expense | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 5 - Tax expense (table\_2)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 5 - Tax expense (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total with description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Profit before tax | - | - |  | - | - |
|  |  |  |  |  |  |
| Tax at 17% | - | - |  | - | - |
| Non-deductible expenses | - | - |  | - | - |
| Non-taxable income | - | - |  | - | - |
| Capital allowances and tax credit | - | - |  | - | - |
| Tax exemption | - | - |  | - | - |
| Utilization of tax losses b/f | - | - |  | - | - |
| Deferred tax assets not recognized | - | - |  | - | - |
| Others | - | - |  | - | - |
| Prior years' tax (over)/under provision | - | - |  | - | - |
| Current tax expense | - | - |  | - | - |
|  |  |  |  |  |  |

At the end of the reporting period, the {Group and the Company} has tax losses of approximately $867,000 (2017: $682,000) and unabsorbed capital allowances of approximately $200,000 (2017:nil) and unutilized donation of approximately $15,000 (2017: nil) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognized due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The tax losses have no expiry date except for an amount of $101,000 (2017: $101,000) which will expire between 2019 to 2022.

1. **related party transactions**
   * 1. *Sale and purchase of goods and services*

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

|  |  |  |  |
| --- | --- | --- | --- |
| Note 26 - Related party transactions (table\_1) (first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |
|  |  |  |  |
| Sale of goods to: |  |  |  |
| - associates | - |  | - |
| - holding company | - |  | - |
| - subsidiary | - |  | - |
| - related parties | - |  | - |
| Purchase of services from: |  |  |  |
| - associates | - |  | - |
| - holding company | - |  | - |
| - subsidiary | - |  | - |
| - related parties | - |  | - |
| Management fees from joint venture | - |  | - |
| Interest income from: |  |  |  |
| - corporate shareholder | - |  | - |
| - fellow subsidiaries | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 26 - Related party transactions (table\_1) (not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |
|  |  |  |  |  |  |
| Sale of goods to: |  |  |  |  |  |
| - associates | - | - |  | - | - |
| - holding company | - | - |  | - | - |
| - subsidiary | - | - |  | - | - |
| - related parties | - | - |  | - | - |
| Purchase of services from: |  |  |  |  |  |
| - associates | - | - |  | - | - |
| - holding company | - | - |  | - | - |
| - subsidiary | - | - |  | - | - |
| - related parties | - | - |  | - | - |
| Management fees from joint venture | - | - |  | - | - |
| Interest income from: |  |  |  |  |  |
| - corporate shareholder | - | - |  | - | - |
| - fellow subsidiaries | - | - |  | - | - |
|  |  |  |  |  |  |

* + 1. *Compensation of key management personnel*

*If there is directors’ fee or remuneration*

Key management personnel refer to directors of the company and the compensation consists of the directors’ remuneration and directors’ fee as disclosed in the employee benefits expense note. These are short term benefits.

*If there is no directors’ fee or remuneration*

Key management personnel refer to directors of the company. However, there is no such compensation paid during the year.

1. **commitments**
   * 1. *Capital commitments*

Capital expenditure contracted for as at the end of the reporting period but not recognized in the financial statements are as follows:

* + 1. *Operating lease commitments – as lessee*

the {Group and the Company} has entered into commercial leases on office unit. These leases have an average tenure of between three and six years with no renewal option. There is no contingent rent provision included in the contracts. The {Group and the Company} is restricted from subleasing to third parties.

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_1)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_1) (first set) | | | |
| {New line} |  |  |  |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Operating lease commitment recognized in the profit or loss as an expense | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_1)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Operating lease commitment recognized in the profit or loss as an expense | - | - |  | - | - |
|  |  |  |  |  |  |

Future minimum rental payable under non-cancellable operating leases at the end of the reporting period are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_2)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_2) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Not later than one year | - |  | - |
| Later than one year but not later than five years | - |  | - |
| Later than five years | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_2)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Not later than one year | - | - |  | - | - |
| Later than one year but not later than five years | - | - |  | - | - |
| Later than five years | - | - |  | - | - |
|  |  |  |  |  |  |

* + 1. *Operating lease commitments – as lessor*

The {Group and the Company} has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining lease terms of between two and eight years. All leases do not include a clause to enable upward revision of the rental charge/ on an annual basis based on prevailing market conditions.

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_3)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_3) (first set) | | | |
| {New line} |  |  |  |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Operating lease commitment recognized in the profit or loss as an expense | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_3)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_3) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Operating lease commitment recognized in the profit or loss as an expense | - | - |  | - | - |
|  |  |  |  |  |  |

Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_4)(header)(first set) | | | |
|  | Group |  | Company |
|  | Year |  | Year |
|  | $ |  | $ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 27 - Commitments (table\_4) (first set) | | | |
| {New line} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Not later than one year | - |  | - |
| Later than one year but not later than five years | - |  | - |
| Later than five years | - |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_4)(header)(not first set) | | | | | |
|  | Group | |  | Company | |
|  | Year | Year |  | Year | Year |
|  | $ | $ |  | $ | $ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 27 - Commitments (table\_4) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Not later than one year | - | - |  | - | - |
| Later than one year but not later than five years | - | - |  | - | - |
| Later than five years | - | - |  | - | - |
|  |  |  |  |  |  |

1. **contingencies**
   * 1. *Contingent liabilities*

Legal claim

During the year, a customer has commenced an action against the Group and the Company in respect of construction works claimed to be sub-standard. The estimated pay-out is $250,000 should the action be successful. A trial date has not yet been set and therefore it is not practicable to state the timing of any payment. The Group and the Company has been advised by its legal counsel that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in these financial statements.

Guarantees

The {Group and the Company} has provided the following guarantees at the end of the reporting period:

* It has guaranteed part of the bank overdraft of the associate to a maximum amount of $300,000 (2017: nil), which it is severally liable for in the event of default by the associate.
* The Company has provided a corporate guarantee to a bank for a $5,400,000 (2017: $5,400,000) loan taken by a subsidiary.
  + 1. *Contingent assets*
* A legal claim for defamation of $500,000 was lodged against one of the Group’s competitors in October 2017. Based on advice from the legal counsel, the Group is confident that the dispute will be settled in its favor.
* The Group is claiming amounts (such as variations and additional works under the construction contracts) and pending proceedings and disputes with clients. It is not possible to reasonably determine the extent and timing of possible inflow of economic benefits. These claims are therefore not recognized in these financial statements.

1. **financial risk management**

The {Group and the Company}’s activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The management review and agree policies and procedures for the management of these risks, which are executed by the management team. It is and has been throughout the current and previous financial year, the {Group and the Company}’s policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the {Group and the Company}’s exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the {Group and the Company}’s exposure to these financial risks or the manner in which it manages and measures the risks.

* 1. *Credit risk*

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the {Group and the Company}. The {Group and the Company}’s exposure to credit risk arises primarily from trade and other receivables and loan to the holding company. For other financial assets (including investment securities and cash), the {Group and the Company} minimizes credit risk by dealing exclusively with high credit rating counterparties.

The {Group and the Company} has adopted a policy of only dealing with creditworthy counterparties. The {Group and the Company} performs ongoing credit evaluation of its counterparties’ financial condition and generally do not require a collateral.

The {Group and the Company} considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The {Group and the Company} has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimize credit risk, the {Group and the Company} has developed and maintained the {Group and the Company}’s credit risk gradings to categories exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the {Group and the Company}’s own trading records to rate its major customers and other receivable. The {Group and the Company} considers available reasonable and supportive forward-looking information which includes the following indicators:

* Internal credit rating
* External credit rating
* Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the receivable’s ability to meet its obligations
* Actual or expected significant changes in the operating results of the receivable
* Significant increases in credit risk on other financial instruments of the same receivable
* Significant changes in the expected performance and behavior of the receivable, including changes in the payment status of receivables in the group and changes in the operating results of the receivable.

Regardless of the analysis above, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making contractual payment.

The {Group and the Company} determined that its financial assets are credit-impaired when:

* There is significant difficulty of the receivable
* A breach of contract, such as a default or past due event
* It is becoming probable that the receivable will enter bankruptcy or another financial reorganization
* There is a disappearance of an active market for that financial asset because of financial difficulty

*Excessive risk concentration*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the {Group and the Company}’s performance to developments affecting a particular industry.

*Exposure to credit risk*

The {Group and the Company} has no significant concentration of credit risk other than those balances with holding company and related companies. The {Group and the Company} has credit policies and procedures in place to minimize and mitigate its credit risk exposure.

* 1. *Liquidity risk*

Liquidity risk refers to the risk that the {Group and the Company} will encounter difficulties in meeting its short-term obligations due to shortage of funds. The {Group and the Company}’s exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The {Group and the Company}’s objective is to maintain a balance between continuity of funding and flexibility through the use of standby credit facilities. The {Group and the Company} finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The management is satisfied that funds are available to finance the operations of the {Group and the Company}.

The table below summarizes the maturity profile of the {Group and the Company}’s financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 29.2 - Financial Risk Management (table\_1)(header)(group) | | | | |
|  | Group | | | |
|  | Within | Within | More than |  |
|  | 12 months | 2 to 5 years | 5 years | Total |
|  | $ | $ | $ | $ |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 29.2 - Financial Risk Management (table\_1) (group) | | | | |
| {New line} |  |  |  |  |
| *{Title - Italic}* |  |  |  |  |
| **{Title - bold}** |  |  |  |  |
| {Description} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Subtotal} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Overall total with description} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |
| *31 December 2018* |  |  |  |  |
| **Financial assets:** |  |  |  |  |
| Trade and other receivables | - | - | - | - |
| Cash and short-term deposits | - | - | - | - |
|  | - | - | - | - |
| **Financial liabilities:** |  |  |  |  |
| Trade and other payables | - | - | - | - |
| Loans and borrowings | - | - | - | - |
|  | - | - | - | - |
| Total net undiscounted financial assets/ (liabilities) | - | - | - | - |
|  |  |  |  |  |
| *31 December 2017* |  |  |  |  |
| **Financial assets:** |  |  |  |  |
| Trade and other receivables | - | - | - | - |
| Cash and short-term deposits | - | - | - | - |
|  | - | - | - | - |
| **Financial liabilities:** |  |  |  |  |
| Trade and other payables | - | - | - | - |
| Loans and borrowings | - | - | - | - |
|  | - | - | - | - |
| Total net undiscounted financial assets/ (liabilities) | - | - | - | - |
|  |  |  |  |  |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 29.2 - Financial Risk Management (table\_1)(header)(company) | | | | |
|  | Company | | | |
|  |  | Between |  |  |
|  | Less than a year | 1 to 5 years | More than 5 years | Total |
|  | $ | $ | $ | $ |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 29.2 - Financial Risk Management (table\_1) (company) | | | | |
| {New line} |  |  |  |  |
| *{Title - Italic}* |  |  |  |  |
| **{Title - bold}** |  |  |  |  |
| {Description} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Subtotal} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Overall total with description} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |
| *31 December 2018* |  |  |  |  |
| **Financial assets:** |  |  |  |  |
| Trade and other receivables | - | - | - | - |
| Cash and short-term deposits | - | - | - | - |
|  | - | - | - | - |
| **Financial liabilities:** |  |  |  |  |
| Trade and other payables | - | - | - | - |
| Loans and borrowings | - | - | - | - |
|  | - | - | - | - |
| Total net undiscounted financial assets/ (liabilities) | - | - | - | - |
|  |  |  |  |  |
| *31 December 2017* |  |  |  |  |
| **Financial assets:** |  |  |  |  |
| Trade and other receivables | - | - | - | - |
| Cash and short-term deposits | - | - | - | - |
|  | - | - | - | - |
| **Financial liabilities:** |  |  |  |  |
| Trade and other payables | - | - | - | - |
| Loans and borrowings | - | - | - | - |
|  | - | - | - | - |
| Total net undiscounted financial assets/ (liabilities) | - | - | - | - |
|  |  |  |  |  |

* 1. *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group’s financial instruments will fluctuate because of changes in market interest rates. The Group’s exposure to interest rate risk arises primarily from their floating rate borrowings.

The interest rate profile of the Group’s interest-bearing financial instruments based on the carrying amount as at the end of the reporting period is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_1)(header)(first set) | | | |
|  | *Group* |  | *Company* |
|  | Year |  | Year |
|  | S$ |  | S$ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_1) (first set) | | | |
| {New line} |  |  |  |
| *{Title}* |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| *Floating rate instruments* |  |  |  |
| Bank overdraft | 11,922 |  | - |
| Bankers' acceptance | 2,800,000 |  | - |
| Term loans | 7,397,413 |  | - |
| Trust receipts | 9,900,000 |  | - |
| Revolving credits | 20,000,000 |  | - |
| Net exposure | 40,109,335 |  | - |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_1)(header)(not first set) | | | | | |
|  | *Group* | |  | *Company* | |
|  | Year | Year |  | Year | Year |
|  | S$ | S$ |  | S$ | S$ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_1) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| *{Title}* |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| *Floating rate instruments* |  |  |  |  |  |
| Bank overdraft | 11,922 | 2,833,923 |  | - | - |
| Bankers' acceptance | 2,800,000 | 5,013,000 |  | - | - |
| Term loans | 7,397,413 | 5,206,731 |  | - | - |
| Trust receipts | 9,900,000 | 9,437,429 |  | - | - |
| Revolving credits | 20,000,000 | 18,000,000 |  | - | - |
| Net exposure | 40,109,335 | 40,491,083 |  | - | - |
|  |  |  |  |  |  |

An increase of 25 basis point would have increased loss before taxation by MYR 100,273 (2017: MYR 101,228) and a corresponding decrease would have an equal but opposite effect. This analysis assumes that all other variables remain constant.

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_2)(header)(first set) | | | |
|  | *Group* |  | *Company* |
|  | Year |  | Year |
|  | S$ |  | S$ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_2) (first set) | | | |
| {New line} |  |  |  |
| *{Title}* |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Last line description} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| *Fixed rate instruments* |  |  |  |
| Fixed deposits with maturity less than 90 days | - |  | - |
| Obligation under finance lease | - |  | (5,880,738) |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_2)(header)(not first set) | | | | | |
|  | *Group* | |  | *Company* | |
|  | Year | Year |  | Year | Year |
|  | S$ | S$ |  | S$ | S$ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 29.3 - Financial Risk Management (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| *{Title}* |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| *Fixed rate instruments* |  |  |  |  |  |
| Fixed deposits with maturity less than 90 days | - | - |  | - | 9,090,934 |
| Obligation under finance lease | - | - |  | (5,880,738) | (11,464,316) |
|  |  |  |  |  |  |

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

* 1. *Foreign currency risk*

Foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the {Group and the Company} does not have any formal policy for hedging against currency risk. The {Group and the Company} ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The {Group and the Company} has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company and its subsidiaries, primarily United States Dollar (USD) and Euro (EUR).

The {Group and the Company}’s currency exposures at the reporting date were as follows:

<Section break>

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.4 - Financial Risk Management (table\_1) (group) | | | |
| {Header display} | Group | | |
| {Header title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | $ | $ | $ |
| {New Line} |  |  |  |
| *{Title - italic}* |  |  |  |
| {Description - normal} | {value 1} | {value 2} | {value 3} |
| {Top border description} | {value 1} | {value 2} | {value 3} |
| {Subtotal} | {value 1} | {value 2} | {value 3} |
| {Overall total} | {value 1} | {value 2} | {value 3} |
| {Last Line space} |  |  |  |
|  | Group | | |
|  | SGD | USD | Total |
|  | $ | $ | $ |
| *As at 31 December 2018* |  |  |  |
| Trade receivables | - | - | - |
| Cash and bank balances | - | - | - |
|  | - | - | - |
| Less: Financial assets denominated in functional currency | - | - | - |
| Currency exposure | - | - | - |
|  |  |  |  |
| *As at 31 December 2017* |  |  |  |
| Trade receivables | - | - | - |
| Cash and bank balances | - | - | - |
|  | - | - | - |
| Less: Financial assets denominated in functional currency | - | - | - |
| Currency exposure | - | - | - |
|  |  |  |  |

< New Line >

<Section break>

<Section break>

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.4 - Financial Risk Management (table\_1) (company) | | | |
| {Header display} | Company | | |
| {Header title} | {Title} | {Title} | {Title} |
| {Dollar Sign} | $ | $ | $ |
| {New Line} |  |  |  |
| *{Title - italic}* |  |  |  |
| {Description - normal} | {value 1} | {value 2} | {value 3} |
| {Top border description} | {value 1} | {value 2} | {value 3} |
| {Subtotal} | {value 1} | {value 2} | {value 3} |
| {Overall total} | {value 1} | {value 2} | {value 3} |
| {Last Line space} |  |  |  |
|  | Company | | |
|  | SGD | USD | Total |
|  | $ | $ | $ |
| *As at 31 December 2018* |  |  |  |
| Trade receivables | - | - | - |
| Cash and bank balances | - | - | - |
|  | - | - | - |
| Less: Financial assets denominated in functional currency | - | - | - |
| Currency exposure | - | - | - |
|  |  |  |  |
| *As at 31 December 2017* |  |  |  |
| Trade receivables | - | - | - |
| Cash and bank balances | - | - | - |
|  | - | - | - |
| Less: Financial assets denominated in functional currency | - | - | - |
| Currency exposure | - | - | - |
|  |  |  |  |
|  |  |  |  |

<Section break>

A 10% strengthening of the functional currency against the following currencies at the reporting date would have increased/(reduced) profit by the amounts shown below. The analysis assumes that all other variables, in particular interest rates remain constant.

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.4 - Financial Risk Management (table\_2)(header)(first set) | | | |
|  | *Group* |  | *Company* |
|  | Year |  | Year |
|  | S$ |  | S$ |

< New Line >

|  |  |  |  |
| --- | --- | --- | --- |
| Note 29.4 - Financial Risk Management (table\_2) (first set) | | | |
| {New line} |  |  |  |
| {Title} |  |  |  |
| {Description} | {value 1} |  | {value 2} |
| {Overall total} | {value 1} |  | {value 2} |
| {Last line space} |  |  |  |
| Increase/(Decrease) profit: |  |  |  |
| Singapore Dollars |  |  |  |
| Euro |  |  |  |
| Japanese Yen |  |  |  |
| Hong Kong Dollars |  |  |  |
| Great British Pound |  |  |  |
| Swiss Franc |  |  |  |
|  |  |  |  |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 29.4 - Financial Risk Management (table\_2)(header)(not first set) | | | | | |
|  | *Group* | |  | *Company* | |
|  | Year | Year |  | Year | Year |
|  | S$ | S$ |  | S$ | S$ |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 29.4 - Financial Risk Management (table\_2) (not first set) | | | | | |
| {New line} |  |  |  |  |  |
| {Title} |  |  |  |  |  |
| {Description} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} |  | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |  |
| Increase/(Decrease) profit: |  |  |  |  |  |
| Singapore Dollars |  |  |  |  | 190,037 |
| Euro |  |  |  |  | 237,771 |
| Japanese Yen |  |  |  |  | (1,777) |
| Hong Kong Dollars |  |  |  |  | (12,436) |
| Great British Pound |  |  |  |  | (253,978) |
| Swiss Franc |  |  |  |  | - |
|  |  |  |  |  | 159,617 |
|  |  |  |  |  |  |

A 10% weakening of the functional currency against the above currencies at the reporting date would have had the equal but opposite effect on the profit, on the basis that all other variables remain constant.

1. **fair value of assets**

The {Group and the Company} classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Observable inputs for the same/similar securities

Level 3 - Unobservable inputs (assumptions not based on market data)

As at the reporting date, all of the {Group and the Company}’s available for sale investments measured at fair value are classified as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 30 - Fair Value of assets (table\_1)(header)(group) | | | | |
|  | Group | | | |
|  | Level 1 | Level 2 | Level 3 | Total |
|  | $ | $ | $ | $ |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 30 - Fair Value of assets (table\_1) (group) | | | | |
| {New line} |  |  |  |  |
| *{Title - Italic}* |  |  |  |  |
| {Description} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Overall total} | {value 1} | {value 2} | {value 3} | {value 4} |
| {Last line space} |  |  |  |  |
|  |  |  |  |  |
| *As at 31 December 2018* |  |  |  |  |
| Quoted shares | - | - | - | - |
| Unquoted shares | - | - | - | - |
|  | - | - | - | - |
| *As at 31 December 2017* |  |  |  |  |
| Quoted shares | - | - | - | - |
| Unquoted shares | - | - | - | - |
|  | - | - | - | - |
|  |  |  |  |  |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 30 - Fair Value of assets (table\_1)(header)(company) | | | | |
|  | Company | | | |
|  | Level 1 | Level 2 | Level 3 | Total |
|  | $ | $ | $ | $ |

< New Line >

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Note 30 - Fair Value of assets (table\_1) (company) | | | | | | | | | |
| {New line} | |  | |  | |  | |  | |
| *{Title - Italic}* | |  | |  | |  | |  | |
| {Description} | | {value 1} | | {value 2} | | {value 3} | | {value 4} | |
| {Overall total} | | {value 1} | | {value 2} | | {value 3} | | {value 4} | |
| {Last line space} | |  | |  | |  | |  | |
| *As at 31 December 2018* | |  | |  | |  | |  | |
| Quoted shares | | - | | - | | - | | - | |
| Unquoted shares | | - | | - | | - | | - | |
|  | | - | | - | | - | | - | |
| *As at 31 December 2017* | |  | |  | |  | |  | |
| Quoted shares | | - | | - | | - | | - | |
| Unquoted shares | | - | | - | | - | | - | |
|  | | - | | - | | - | | - | |
|  | |  | |  | |  | |  | |

1. **financial instrument by category**

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortized cost were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 31 - Financial Instrument by category (table\_1) (first set) | | | |
|  | *Group* |  | *Company* |
|  | Year |  | Year |
|  | S$ |  | S$ |
| *Financial assets - Loans and receivables* | | | |
| Trade and other receivables | 116,055,874 |  | 1,081,124 |
| Cash and short-term deposits | 30,846,640 |  | 18,550,915 |
|  | 146,902,514 |  | 19,632,039 |
|  | | | |
| Trade and other payables | 122,787,288 |  | 3,773,226 |
| Borrowings | 45,990,073 |  | - |
|  | 168,777,361 |  | 3,773,226 |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 31 - Financial Instrument by category (table\_1) (not first set) | | | | | |
|  | *Group* | |  | *Company* | |
|  | Year | Year |  | Year | Year |
|  | S$ | S$ |  | S$ | S$ |
| *Financial assets - Loans and receivables* | | | | | |
| Trade and other receivables | 116,055,874 | 110,755,938 |  | 1,081,124 | 33,913 |
| Cash and short-term deposits | 30,846,640 | 34,822,847 |  | 18,550,915 | 24,501,276 |
|  | 146,902,514 | 145,578,785 |  | 19,632,039 | 24,535,189 |
| *Financial liabilities at amortized costs* | | | | | |
| Trade and other payables | 122,787,288 | 95,737,862 |  | 3,773,226 | 3,445,204 |
| Borrowings | 45,990,073 | 51,955,399 |  | - | - |
|  | 168,777,361 | 147,693,261 |  | 3,773,226 | 3,445,204 |
|  |  |  |  |  |  |

1. **capital management**

The {Group and the Company}’s primary objectives when managing capital are:

* To safeguard the {Group and the Company}’s ability to continue as a going concern;
* To support the {Group and the Company}’s stability and growth;
* To provide capital for the purpose of strengthening the {Group and the Company}’s risk management capability; and
* To provide an adequate return to shareholders.

The {Group and the Company} actively and regularly review and manage its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the {Group and the Company} and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The {Group and the Company} currently does not adopt any formal dividend policy.

The {Group and the Company} monitor capital on the basis of its equity ratio, which is calculated as being equity as a percentage of total assets. The {Group and the Company}’s equity ratios are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Note 32 - Capital Management (table\_1) (first set) | | | |
|  | *Group* |  | *Company* |
|  | Year |  | Year |
|  | S$ |  | S$ |
|  |  |  |  |
| Total equity | 65,557,203 |  | 209,149,486 |
| Total assets | 246,257,534 |  | 212,922,712 |
| Equity ratio | 27% |  | 98% |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 32 - Capital Management (table\_1) (not first set) | | | | | |
|  | *Group* | |  | *Company* | |
|  | Year | Year |  | Year | Year |
|  | S$ | S$ |  | S$ | S$ |
|  |  |  |  |  |  |
| Total equity | 65,557,203 | 68,839,864 |  | 209,149,486 | 214,772,370 |
| Total assets | 246,257,534 | 234,549,916 |  | 212,922,712 | 218,217,574 |
| Equity ratio | 27% | 29% |  | 98% | 98% |
|  |  |  |  |  |  |

There were no changes in the {Group and the Company}’s approach to capital management during the financial year.

The {Group and the Company} are not subject to externally imposed capital requirements.

1. **events occurring after the reporting period**

Subsequent to year end, Company issued 400,000 ordinary shares for $400,000 for cash for the purpose of working capital.

1. **comparative figures**

*For change in classification*

The Company modified the classification of depreciation expense on certain office space to reflect more appropriately the way in which economic benefits are derived from its use. Comparative amounts in the statement of profit or loss and other comprehensive income were restated for consistency. As a result, $15,000 was reclassified from ‘administrative and other expenses’ to ‘selling and distribution expenses’.

Since the amounts are reclassifications within operating activities in the statement of profit or loss and other comprehensive income, this reclassification did not have any effect on the statements of financial position and cash flows.

**OR**

*For new incorporation*

Newly incorporated entities presenting their first set of accounts. The financial statements cover the period since incorporation on [date] to [date]. These being the first set of accounts, there are no comparative figures.

**OR**

*For unequal period*

The comparative figures presented in the financial statements are not entirely comparable as the financial statements for the year ended 31 December 2018 cover from period [date] to [date] whereas the comparative figures presented in the financial statements cover a period from [date] to [date].

**OR**

*For change of financial year end*

The current financial period comprises [X] months from [date] to [date] as the Company changed its financial year end from [date] to [date]. The comparative figures presented in the financial statements are not entirely comparable as they cover a period from [date] to [date].

1. **prior years adjustment**

|  |  |  |  |
| --- | --- | --- | --- |
| Note 35 - Prior year adjustment (table\_1) | | | |
|  |  |  | Previously |
|  | Restated |  | reported |
|  | Year |  | Year |
|  | S$ |  | S$ |
| **Statement of financial position:** |  |  |  |
| **Revenue reserve:** |  |  |  |
| Accumulated fund | 288,571 |  | 190,683 |
| **Assets** |  |  |  |
| Plant and equipment | 104,994 |  | 7,106 |
|  |  |  |  |
| **Profit or loss:** |  |  |  |
| Contributions and donations | 207,293 |  | 154,893 |
| Depreciation | 18,406 |  | 5,191 |
|  |  |  |  |
|  |  |  | Previously |
|  | Restated |  | reported |
|  | Year |  | Year |
|  | S$ |  | S$ |
| **Statement of financial position:** |  |  |  |
| **Revenue reserve:** |  |  |  |
| Accumulated fund | 152,929 |  | 94,226 |
| **Assets** |  |  |  |
| Plant and equipment | 71,000 |  | 12,297 |
|  |  |  |  |
| **Profit or loss:** |  |  |  |
| Contributions and donations | 175,948 |  | 115,288 |
| Depreciation | 7,109 |  | 5,152 |
|  |  |  |  |

Restatement of comparatives due to the omitted recording of scoring equipment donated by Singapore Sports Council in the prior year’s amounting to S$60,660 and S$52,400 in 2014 and 2013 respectively. Consequently, revenue, depreciation, carrying amount of the plant and equipment and accumulated fund in the prior years were understated. The adjustment to correct prior year’s omission has been accounted for retrospectively.

1. **loss per ordinary share**

The basic and diluted loss per share are calculated by dividing the net loss attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the financial year.

|  |  |  |  |
| --- | --- | --- | --- |
| Note 36 - Loss per ordinary share (table\_1) (first set) | | | |
|  | *Company* |  | *Group* |
|  | Year |  | Year |
|  | S$ |  | S$ |
|  |  |  |  |
|  |  |  |  |
| Net loss attributable to equity holders of the Group | - |  | (3,295,822) |
| Weighted average number of ordinary shares for purpose of calculating basic and diluted loss per share | - |  | 402,265,400 |
| Basic (loss) / earnings per share | - |  | (0.0082) |
| Diluted (loss) / earnings per share | - |  | (0.0082) |
|  |  |  |  |

< New Line >

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Note 36 - Loss per ordinary share (table\_1) (not first set) | | | | | |
|  | *Company* | |  | *Group* | |
|  | Year | Year |  | Year | Year |
|  | S$ | S$ |  | S$ | S$ |
|  |  |  |  |  |  |
|  | - | - |  |  |  |
| Net loss attributable to equity holders of the Group | - | - |  | (3,295,822) | (19,546,635) |
| Weighted average number of ordinary shares for purpose of calculating basic and diluted loss per share | - | - |  | 402,265,400 | 112,751,437 |
| Basic (loss) / earnings per share | - | - |  | (0.0082) | (0.1734) |
| Diluted (loss) / earnings per share | - | - |  | (0.0082) | (0.1734) |
|  |  |  |  |  |  |

1. **segmental reporting**

The Chairman and Managing Director monitors the Group’s operating results regularly for the purpose of making decisions about resource allocation and performance assessment. Consolidated results are also reviewed regularly by the Chairman and Managing Director.

No information by operating segments is presented as the principal operation of the Group relates entirely to one sole business segment; i.e. the provision of piling contract services. Neither does the Group have any vertical integrated operations in rendering its piling contract services.

Geographical information

The operating results by geographical location of the Group for the reporting period are as follows: -

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 37 - Segmental Reporting (table\_1)(group) | | | | |
|  | *Group* | | | |
|  | Singapore | Malaysia | Australia | Total |
|  | S$ | S$ | S$ | S$ |
| *31 December 2018* |  |  |  |  |
| Contract revenue | 235,508,074 | - | - | 235,508,074 |
| Gross profit | 21,406,942 | - | - | 21,406,942 |
| Other income | 2,734,385 | 267,487 | - | 3,001,872 |
| Administrative expenses | (15,754,082) | (3,249,695) | (31,523) | (19,035,300) |
| Other expenses | - | (2,740,067) | - | (2,740,067) |
| Finance costs | (3,699,860) | (68,738) | - | (3,768,598) |
| *Loss before tax* | 4,687,385 | (5,791,013) | (31,523) | (1,135,151) |
| Taxation | (2,160,671) | - | - | (2,160,671) |
| *Loss after tax* | 2,526,714 | (5,791,013) | (31,523) | (3,295,822) |
|  |  |  |  |  |
| *31 December 2017* |  |  |  |  |
| Contract revenue | 244,243,853 | - | - | 244,243,853 |
| Gross profit | 30,374,302 | - | - | 30,374,302 |
| Other income | 736,713 | 1,257,779 | - | 1,994,492 |
| Administrative expenses | (8,615,361) | (1,649,370) | (6,512) | (10,271,243) |
| Other expenses | (2,809,707) | - | - | (2,809,707) |
| Finance costs | (5,819,160) | - | - | (5,819,160) |
| Reverse Take-Over transaction costs (taken to profit or loss) | - | (3,943,194) | - | (3,943,194) |
| Reverse acquisition listing expense | - | (25,089,135) | - | (25,089,135) |
| *Loss before tax* | 13,866,787 | (29,423,920) | (6,512) | (15,563,645) |
| Taxation | (3,982,990) | - | - | (3,982,990) |
| *Loss after tax* | 9,883,797 | (29,423,920) | (6,512) | (19,546,635) |
|  |  |  |  |  |

< New Line >

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Note 37 - Segmental Reporting (table\_1)(company) | | | | |
|  | *Company* | | | |
|  | Singapore | Malaysia | Australia | Total |
|  | S$ | S$ | S$ | S$ |
| *31 December 2018* |  |  |  |  |
| Contract revenue | 235,508,074 | - | - | 235,508,074 |
| Gross profit | 21,406,942 | - | - | 21,406,942 |
| Other income | 2,734,385 | 267,487 | - | 3,001,872 |
| Administrative expenses | (15,754,082) | (3,249,695) | (31,523) | (19,035,300) |
| Other expenses | - | (2,740,067) | - | (2,740,067) |
| Finance costs | (3,699,860) | (68,738) | - | (3,768,598) |
| *Loss before tax* | 4,687,385 | (5,791,013) | (31,523) | (1,135,151) |
| Taxation | (2,160,671) | - | - | (2,160,671) |
| *Loss after tax* | 2,526,714 | (5,791,013) | (31,523) | (3,295,822) |
|  |  |  |  |  |
| *31 December 2017* |  |  |  |  |
| Contract revenue | 244,243,853 | - | - | 244,243,853 |
| Gross profit | 30,374,302 | - | - | 30,374,302 |
| Other income | 736,713 | 1,257,779 | - | 1,994,492 |
| Administrative expenses | (8,615,361) | (1,649,370) | (6,512) | (10,271,243) |
| Other expenses | (2,809,707) | - | - | (2,809,707) |
| Finance costs | (5,819,160) | - | - | (5,819,160) |
| Reverse Take-Over transaction costs (taken to profit or loss) | - | (3,943,194) | - | (3,943,194) |
| Reverse acquisition listing expense | - | (25,089,135) | - | (25,089,135) |
| *Loss before tax* | 13,866,787 | (29,423,920) | (6,512) | (15,563,645) |
| Taxation | (3,982,990) | - | - | (3,982,990) |
| *Loss after tax* | 9,883,797 | (29,423,920) | (6,512) | (19,546,635) |
|  |  |  |  |  |

1. **going concern**

The financial statements of the {Group and the Company} have been prepared on a going concern basis notwithstanding the negative revenue reserve exceeds its share capital by approximately $1,490,024 (2017: $1,746,227) and current liabilities exceeding current assets by $1,490,024 (2017: $1,747,393). These factors indicate the existence of a material uncertainty which may cast significant doubt over the Company’s ability to continue as a going concern.

The ability of the {Group and the Company} to continue as a going concern is dependent on the undertaking of its *holding company*, to provide continuing financial support to enable the {Group and the Company} to meet its liabilities as and when they fall due.

If the {Group and the Company} were unable to continue in operational existence for the foreseeable future, the {Group and the Company} may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that the assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the {Group and the Company} may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

|  |  |  |
| --- | --- | --- |
| Statement of detailed profit or loss | | |
| {New Line} |  |  |
| *{Main Account Category}* |  |  |
| {Sub Account Category} | {This year end – total value} | {Last year end – total value} |
|  |  |  |
| {Subtotal display} | {This year end – total value} | {Last year end – total value} |
|  |  |  |
| *{Last Category / Subtotal Display 2}* | {value 1} | {value 2} |
| {Final total} | {This year value} | {Last year value} |
| *Revenue* | - | - |
|  |  |  |
| *Less: Cost of sales* |  |  |
| Opening inventories | - | - |
| Purchases | - | - |
| Freight inwards | - | - |
| Less: Closing inventories | - | - |
|  | - | - |
| *Gross Profit* | - | - |
|  |  |  |
| *Add: Other income* |  |  |
| Exchange gain | - | - |
| Payables written back | - | - |
| Rental income | - | - |
| Reimbursement of expenses | - | - |
| Reversal of allowance for doubtful debts | - | - |
| Other income | - | - |
|  | - | - |
|  |  |  |
| *Less: Operating expenses (As per schedule)* | - | - |
| Profit for the year | - | - |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| Schedule of operating expenses | | |
| {New Line} |  |  |
| *{Main Account Category}* |  |  |
| {Sub Account Category} | {This year end – total value} | {Last year end – total value} |
|  |  |  |
| {Subtotal display} | {This year end – total value} | {Last year end – total value} |
| {Total operating expenses} | {This year value} | {Last year value} |
|  |  |  |
| *Other expenses* |  |  |
| Accounting fees | - | - |
| Allowance for doubtful debts | - | - |
| Audit fees | - | - |
| Depreciation | - | - |
| Donation | - | - |
| Enterprise and additional tax | - | - |
| Entertainment | - | - |
| Exchange loss | - | - |
| General expenses | - | - |
| Gifts | - | - |
| Insurance | - | - |
| Internet, fax and telephone charges | - | - |
| Legal fees | - | - |
| Loss on disposal of plant and equipment | - | - |
| Membership and subscriptions | - | - |
| Office expenses | - | - |
| Penalties | - | - |
| Plant and equipment expensed off | - | - |
| Plant and equipment written off | - | - |
| Postage and courier charges | - | - |
| Printing and stationery | - | - |
| Professional fees | - | - |
| Property tax | - | - |
| Repair and maintenance | - | - |
| Secretarial fees | - | - |
| Transportation | - | - |
| Travelling | - | - |
|  | - | - |
| Finance costs |  |  |
| Overdraft interest | - | - |
| Hire purchase interest | - | - |
| Term loan interest | - | - |
|  | - | - |
| Total operating expenses | - | - |