HIGH JOYFUL INTERNATIONAL LIMITED

BVI Company No. : 1824038

(Incorporated in British Virgin Islands)

Audited Financial Statements

From 15 May 2014 (the date of incorporation) to 31 December 2014

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Island)

AUDITED FINANCIAL STATEMENTS
FROM 15 MAY 2014 (DATE OF INCORPORATION) TO 31 DECEMBER 2014

CONTENTS

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Islands)

STATEMENT BY DIRECTORS

I, LAU KIN WAI, being the sole Director of HIGH JOYFUL INTERNATIONAL LIMITED, do hereby state that in our opinion, the financial statements set out on pages 4 to 32 are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards , so as to give a true and fair view of:

(i) the state of affairs of the Group and the Company as at 31 December 2014 and of the results of the Group and the Company for the period ended on that date; and

(ii) the cash flows of the Group and the Company for the financial period from 15 May 2014 (date of incorporation) to 31 December 2014.

Signed in accordance with a resolution of the Director.

LAU KIN WAI
Director
Petaling Jaya, Malaysia
Dated : 24 March 2015

TY TEOH INTERNATIONAL 迪威
Strength Beyond Figures ™

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIGH JOYFUL INTERNATIONAL LIMITED
BVI Company No.: 1824038
(Incorporated in British Virgin Islands)

Report on the Financial Statements

We have audited the financial statements of High Joyful International Limited, which comprise the statement of financial position as at 31 December 2014 of the Group and the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the period then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 32.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIGH JOYFUL INTERNATIONAL LIMITED
BVI Company No.: 1824038
(Incorporated in British Virgin Islands)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2014 and of its financial performance and cash flows for the period from 15 May 2014 (date of incorporation) to 31 December 2014.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements. The Group incurred a loss of SGD260,745 during the period ended 31 December 2014, and, of that date, the Group's current liabilities exceeded its current assets by SGD81,860 and its total liabilities exceeded its total assets by SGD68,248. However, the financial statements have been prepared on the basis that the Group is a going concern as the corporate shareholder has given written confirmation of its continual financial support for the Group.

Other Matters

This report is made solely to the members of the Company and for no other purpose. We do not assume responsibility to any other person for the content of this report.

TY Teoh International
No. AAL0057
Chartered Accountants

Teoh Toh Lim
MIA 26850
Chartered Account

Petaling Jaya, Malaysia
Dated: 24 March 2015

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Islands)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	Group 2014 SGD	Company 2014 SGD
ASSETS			
Non-current Assets			
Property, plant and equipment	4	13,612	-
Investment in subsidiary	5	-	98,847
Goodwill on consolidation	6	-	-
		13,612	98,847
Current Assets			
Trade and other receivables	7	68,742	56,008
Amount due from a shareholder	8	4	4
Amount due from holding company	9	105,810	105,810
Bank balances	10	24,925	-
		199,481	161,822
Total assets		213,093	260,669
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	11	261,896	261,896
Accumulated loss		(249,210)	(3,762)
Foreign currency translation reserve		9,701	-
Equity attributable to owner of parent		22,387	258,134
Non - controlling interests		(90,635)	-
Total equity		(68,248)	258,134
Current Liabilities			
Other payables and accruals	12	130,275	2,535
Amount due to holding company	9	148,500	-
Amount due to a Director	13	2,566	-
		281,341	2,535
Total equity and liabilities		213,093	260,669

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

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Islands)

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD 15 MAY 2014 (THE DATE OF INCORPORATION) TO 31 DECEMBER 2014

	Note	Group 15 . 05 . 2014 to 31 . 12 . 2014 SGD	Company 15 . 05 . 2014 to 31 . 12 . 2014 SGD
Revenue	14	37,161	-
Cost of sales		(194)	-
Gross profit		36,967	-
Other operating income	15	3,510	-
Other operating expenses		(181,176)	-
Administration expenses		(120,046)	(3,762)
Loss before taxation	16	(260,745)	(3,762)
Taxation	17	-	-
Loss for the period		(260,745)	(3,762)
Total and other comprehensive income for the period		(260,745)	(3,762)
Loss attributable to :			
Owner of the parents		(249,210)	-
Non - controlling interest		(11,535)	-
		(260,745)	-
Total comprehensive income attributable to :			
Owner of the parents		(249,210)	-
Non - controlling interest		(11,535)	-
		(260,745)	-

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

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Islands)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD 15 MAY 2014 (THE DATE OF INCORPORATION) TO 31 DECEMBER 2014

Group

		Distributable	**Non-distributable**			
	Share Capital SGD	Accumulated Loss SGD	Foreign Currency Translation Reserve SGD	Total Equity Attributable to Owner of the Parent SGD	Non-controlling Interests SGD	Total Equity SGD
At 15 May 2014 (Date of incorporation)	261,896	-	-	261,896	-	261,896
Arising from acquisition of a subsidiary	-	-	-	-	(79,100)	(79,100)
Total comprehensive income for the period	-	(249,210)	9,701	(239,509)	(11,535)	(251,044)
At 31 December 2014	261,896	(249,210)	9,701	22,387	(90,635)	(68,248)

Company

		Distributable	
	Share Capital SGD	Accumulated Loss SGD	Total SGD
At 15 May 2014 (Date of incorporation)	261,896	-	261,896
Total comprehensive income for the period	-	(3,762)	(3,762)
At 31 December 2014	261,896	(3,762)	258,134

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

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Islands)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD 15 MAY 2014 (THE DATE OF INCORPORATION) TO 31 DECEMBER 2014

	Group 15.05.2014 to 31.12.2014 SGD	Company 15.05.2014 to 31.12.2014 SGD
Cash flows from operating activities		
Loss before taxation	(260,745)	(3,762)
Adjustments for :		
Depreciation on property, plant and equipment (Note 4)	5,784	-
Interest income	(42)	-
Impairment loss on trade receivables	2,297	-
Impairment loss on goodwill	181,176	-
Unrealised loss on foreign exchange - non-trade	5,532	-
Operating loss before working capital changes	(65,998)	(3,762)
Increase in trade and other receivables	(171,919)	(161,822)
Increase in other payables and accruals	90,629	2,535
Net cash used in operating activities	(147,288)	(163,049)
Interest received	42	-
Net cash used in operating activities	(147,246)	(163,049)
Cash flows from investing activities		
Acquisition of subsidiary (Note 5)	(90,113)	(98,847)
Purchase of property, plant and equipment (Note 4)	(9,619)	-
Net cash used in investing activities	(99,732)	(98,847)
Cash flows from financing activity		
Proceeds from issuance of share capital	261,896	261,896
Net cash generated from financing activity	261,896	261,896
Net increase in cash and cash equivalents	14,918	-
Cash and cash equivalents at the date of incorporation	-	-
Foreign exchange difference	10,007	-
Cash and cash equivalents at end of period	24,925	-
Cash and cash equivalents comprise:		
Bank balance	24,925	-

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

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Islands)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2014

1. CORPORATE INFORMATION

The Company is incorporated in British Virgin Islands on 15 May 2014 under the BVI Business Companies Act, 2004.

The registered office is located at Portcullis TrustNet Chambers, P.O. Box 3444, Road Town, Tortola, British Virgin Islands.

The company is principally engaged in internet venture businesses. The Company has not commence operation since the date of incorporation. The principal activity of its subsidiary is set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year under review.

The Company is a subsidiary company of Fatfish Internet Pte Ltd, a company incorporated in Singapore. The Company regards Fatfish Internet Group Limited, a company incorporated in Australia and listed on the Australian Stock Exchange as the ultimate holding company.

The financial statements were authorised for issued by the Board of Directors in accordance with a resolution of the Directors on 24 March 2015.

2. GOING CONCERN BASIS

The Group incurred a loss of SGD260,745 during the period ended 31 December 2014, and, of that date, the Group's current liabilities exceeded its current assets by SGD81,860 and its total liabilities exceeded its total assets by SGD68,248. However, the financial statements have been prepared on the basis that the Group is a going concern as the corporate shareholder has given written confirmation of its continual financial support for the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). At the beginning of the current financial year, the Group and the Company adopted new and revised MFRS which are mandatory for financial periods beginning on or after 1 January 2014 as described fully in Note 3 (b).

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

BVI Company No. : 1824038

HIGH JOYFUL INTERNATIONAL LIMITED
(Incorporated in British Virgin Islands)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (Cont'd)

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with MFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The critical accounting estimates and assumptions used and area involving a high degree of judgements are described below:

(i) Income tax

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(ii) Impairment loss on receivables

Allowances for bad and doubtful debts are based on an assessment of the recoverability of trade and other receivables. Allowances are applied to trade and other receivables where event or changes in circumstances indicate that the balances may not be collectable. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the expected outcome is different from the original estimate, such difference will impact carrying value of trade and other receivables and doubtful debt expenses in the period in which such estimate has been changed.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (Cont'd)

(iii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the tax losses and capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(iv) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 5 years. The net carrying amount of the Group's property, plant and equipment as at 31 December 2014 is SGD13,612. Changes in the expected level of usage and technological development,s could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(v) Impairment of property, plant and equipment

The Group reviews the carrying amounts of the property, plant and equipment as at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount or value in use is estimated. Determining the value in use of property, plant and equipment, require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets. The preparations of the estimated future cash flows involve significant judgment and estimations. While the Group believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable amounts and may lead to future impairment charges.

(vi) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash generating unit to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate to calculate the present value of those cash flows.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Interpretation and amendments to published standards effective in 2014

On date of incorporation, the Company adopted the new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2014.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non- Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivaties and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21: Levies	1 January 2014

(c) Standards, amendments and interpretations issued but not yet effective

The Company has not adopted the following standards, amendments and interpretations that have been issued but not yet effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 119: Defined Benefit Plans: Employee Contribution	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127 : Equity method in Separate Financial Statements	1 January 2016

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Standards, amendments and interpretations issued but not yet effective (Cont'd)

	Effective for annual periods beginning on or after
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets Between an investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarifications of Acceptable Methods of Depreciation and Amortisations	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016
Annual improvements to MFRS 2012 - 2014 Cycle	1 January 2016
MFRS 14: Regulatory Deferral Accounts	1 January 2016
MFRS 15: Revenue from Contracts with Customers	1 January 2017
MFRS 9: Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2018

The Directors are of opinion that the standards and interpretations above will have no material impact on the financial statements in the year of initial adoption.

(d) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to the end of the financial year. The financial statements of the subsidiaries are prepared for the same reporting date as the Group.

Subsidiaries are consolidated using the acquisition method of accounting under which the difference between the cost of the acquisition and the Group's interest in the value of the net assets of the subsidiaries acquired at the date of acquisition is recognised in the consolidated statements of financial position as goodwill or negative goodwill arising on consolidation. Goodwill on consolidation is stated at cost less impairment losses, if any, and is recognised in the consolidated statements of financial position. Negative goodwill arising on consolidation is recognised immediately in consolidated statements of comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Basis of Consolidation (Cont'd)

The results of subsidiaries acquired or disposed of during the financial period are included in the consolidated statements of comprehensive income from the date of acquisition, being the date on which the Group obtains control, or up to the date of disposal, being the date on which such control ceases. On disposal of subsidiaries, the difference between net disposal proceeds and their carrying amounts is recognised in the consolidated statements of comprehensive income.

Accounting policies of subsidiaries have, where necessary, been changed in consistency with the policies of the Group to ensure the uniform accounting policies adopted in the consolidated financial statements. Intergroup transactions and intragroup balances, and resulting unrealised gains are eliminated on consolidation. Unrealised losses resulting from intragroup transactions are also eliminated on consolidation unless costs can not be recovered.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial position, separately from parent shareholders' equity. Transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

(e) Investment in Subsidiary

Subsidiary are those entities in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits form their activities, generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Investments in subsidiaries are stated at cost less impairment losses, if any.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Goodwill on Consolidation

Goodwill on consolidation represents the excess of the cost of acquisition over the Group's interest in the net value of the identifiable assets and liabilities of subsidiaries at the date of acquisition. Goodwill on consolidation is stated at cost less accumulated impairment losses, if any.

Negative goodwill represents the excess of the Group's interest in the value of the identifiable assets and liabilities of a subsidiary at the date of acquisition over the cost of acquisition. Negative goodwill is recognised immediately in the statements of comprehensive income.

(g) Share Capital

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

(h) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment is calculated on a straight-line method to write off the cost of property, plant and equipment over the estimated useful lives at the following annual rates:

Office equipment and signage	20%
Furniture and fittings	20%
Renovation	20%

Upon the disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and the net carrying amount is recognised in the statement of comprehensive income.

The cost of property, plant and equipment includes its purchases price and any cost that is directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration costs is also included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Property, Plant and Equipment and Depreciation (Cont'd)

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

The carrying amount of property, plant and equipment are reviewed yearly in order to assess whether their carrying amount need to be written down to recoverable amounts. Recoverable amount is defined as the higher of value in use and net selling price.

Fully depreciated assets are retained in the books of accounts until they are no longer in use.

(i) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(j) Financial Liabilities

The Group's financial liabilities recognised in the statement of financial position are trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges is recognised as an expense in "finance cost" in the statement of comprehensive income.

Payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Financial Assets

Financial assets, other than cash and hedging instruments, can be divided into the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the assets were acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting date with the exception that the designation of financial assets at fair value through profit and loss is not revocable.

All financial assets are recognised on their trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. At the end of the reporting period, the Company carries only loan and receivables on its statement of financial position.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at the end of each reporting period whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Non-compounding interest and other cash flows resulting from holding financial assets are recognised in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

<u>Loans and receivables</u>

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the company provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Loans and receivables include trade and other receivables. They are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Impairment of Financial Assets

The Group assess at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. If there is objective evidence that the asset has been impaired, the financial asset is measured at the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. The impairment or write back is recognised in the statement of comprehensive income.

(m) Impairment of Non-Financial Assets

The carrying amount of the Group's non-financial assets subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belongs will be identified.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units that include goodwill are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever event or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss, if any, is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised, if any, may no longer exist.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Impairment of Non-Financial Assets (Cont'd)

An impairment loss is charged to the statement of comprehensive income.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

An impairment loss is reversed only to the extend that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

A reversal of an impairment loss is credited as income in the statement of comprehensive income.

(n) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the period and is measured using the tax rates that have been enacted at the end of reporting period.

Deferred tax is provided for, using liability method, on temporary differences at the end of reporting year date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credit can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of reporting year. Deferred tax is recognised in the statement of comprehensive income, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Provisions

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

(p) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency that best reflects the economics substances of the underlying events and circumstances relevant to the Group ("the functional currency"). The financial statements of the Group are presented in Singapore Dollar, which is also the functional currency of the Group.

(q) Conversion of Foreign Currencies

(i) Monetary items

Monetary assets and liabilities in foreign currencies are translated into Singapore Dollar at rates of exchange closely approximating those ruling at end of the reporting period. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are recorded in the statement of comprehensive income in the period in which they arise.

(ii) Non-monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates as the date when the fair value was determined.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Financial Instruments

Financial instruments carried on the statement of financial position include cash and cash equivalents, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Disclosures on financial risk management are provided in Note 18.

(s) Related Parties

A party is considered to be related to the Company if:

(i) The party, directly or indirectly through one or more intermediaries,
  1) controls, is controlled by, or is under common control with, the Company;
  2) has an interest in the Company that give it significant influence over the Company; or
  3) has joint control over the Company.

(ii) The party is an associate;

(iii) The party is a jointly-controlled entity;

(iv) The party is a member of the key management personnel of the Company or its parent;

(v) The party is a close member of the family of any individual referred to in (i) or (iv);

(vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) The party is a post employment benefit plan for the benefit of the employees of the Company, or of any entity that is a related party of the Company.

(t) Employee Benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by the employees of the Group. Short term non-accumulating compensated absences such as paid annual leave are recognised when services are rendered by the employees that increase their entitlement to future compensated absences and sick leave are recognised when absences occurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) Employee Benefits (Cont'd)

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF") which is charged to statement of comprehensive incomes in the year to which they relate.

(u) Revenue Recognition

Revenue from the sale of goods is recognised upon passage of title to customers, which generally coincides with the delivery to and acceptance of the goods by the customers.

4. PROPERTY, PLANT AND EQUIPMENT

GROUP

Cost	Office equipment SGD	Furniture and fittings SGD	Renovation SGD	Total SGD
At 15 May 2014, the date of incorporation	-	-	-	-
Arising from acquisition of a subsidiary	19,477	-	-	19,477
Additions	1,736	1,422	6,461	9,619
Foreign exchange difference	(851)	-	-	(851)
At 31 December 2014	20,362	1,422	6,461	28,245
Accumulated depreciation				
At 15 May 2014, the date of incorporation	-	-	-	-
Arising from acquisition of a subsidiary	9,394	-	-	9,394
Charge for the year	4,170	291	1,323	5,784
Foreign exchange difference	(508)	(7)	(30)	(545)
At 31 December 2014	13,056	284	1,293	14,633
Net carrying amount				
At 31 December 2014	7,306	1,138	5,168	13,612

5. INVESTMENT IN SUBSIDIARY

	Company 2014 SGD
Unquoted shares, at cost	98,847

Details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Equity Interest Held (%) 2014	Principal Activities
Appxplore Sdn Bhd (1)	Malaysia	51%	Design and development of intellectual properties for applications and games

(1) Audited by TY Teoh International .

Acquisition of subsidiary
During the financial year, the Company acquired the following subsidiary:

(a) 51% equity interest in Appxplore Sdn. Bhd. for a cash consideration of SGD98,847.

The acquired subsidiary have contributed the following results to the Group:

	Group 2014 SGD
Revenue	37,161
Loss for the year	(112,774)

If the acquisition had occurred on 01 January 2014, the Group's revenue and loss for the year would have been SGD207,383 and SGD37,250 respectively.

5. INVESTMENT IN SUBSIDIARY (CONT'D)

The Company acquired subsidiary during the year. The fair value of the assets acquired and liabilities assumed were as follow:

	Group 2014 SGD
Property, plant and equipment	10,083
Trade and other receivables	4,934
Cash and bank balances	8,734
Trade and other payables	(182,497)
Amount due to a Director	(2,683)
Total value of net assets	(161,429)
Less: Non-controlling interests	79,100
Goodwill on acquisition (Note 6)	181,176
Total cost of acquisition	98,847
Purchase consideration satisfied by:	
Cash	98,847
	98,847
The cash outflow on acquisition is as follows:	
Purchase consideration satisfied by cash	98,847
Less: Cash and cash equivalents of subsidiaries acquired	(8,734)
Net cash outflow arising on acquisition	90,113

6. GOODWILL ON CONSOLIDATION

	Group 2014 SGD
At 15 May 2014, the date of incorporation	
Goodwill arising from acquisition of subsidiary	181,176
Less : Impairment loss	(181,176)
At end of period	-

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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2014

7. TRADE AND OTHER RECEIVABLES

	Group 2014 SGD	Company 2014 SGD
Trade receivables		
- Third parties	11,326	-
Less: Impairment loss	(2,297)	-
	9,029	-
Other receivables		
- Third parties	56,008	56,008
	56,008	56,008
Deposits	3,705	-
	68,742	56,008

Trade and other receivables are denominated in the following currencies:

	Group 2014 SGD	Company 2014 SGD
Ringgit Malaysia	3,705	-
Singapre Dollar	56,008	56,008
United States Dollar	9,029	-
	68,742	56,008

The aging analysis of trade receivables is as follows:

	Group 2014 SGD	Company 2014 SGD
Not due and not impaired		
Not past due	9,029	-

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company.

None of the Group and of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

7. TRADE AND OTHER RECEIVABLES (CONT'D)

Trade receivables that are past due and impaired

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group 2014 SGD	Company 2014 SGD
Trade receivables - gross	2,297	-
Impairment loss	(2,297)	-
	-	-
Movement during the year		
Balance at beginning	-	-
Impairment loss	(2,297)	-
Balance at period end	(2,297)	-

8. AMOUNT DUE FROM A SHAREHOLDER

The amount due from a shareholder is denominated in United States Dollar.

The amount due from a shareholder is interest free, unsecured and is repayable on demand.

9. AMOUNT DUE FROM / (TO) HOLDING COMPANY

The amount due from / (to) holding company is denominated in Singapore Dollar.

The amount due from / (to) holding company is interest free, unsecured and is repayable on demand.

10. BANK BALANCES

The bank balances are denominated in the following currencies:

	Group 2014 SGD	Company 2014 SGD
Ringgit Malaysia	11,779	-
Singapore Dollar	13,146	-
	24,925	-

11. SHARE CAPITAL

	Group and Company Number of Ordinary Share 2014	Amount 2014 SGD
Issued and fully paid :		
At 15 May 2014, the date of incorporation	10,000	261,896
Issued during the financial year	-	-
At 31 December 2014	10,000	261,896

12. OTHER PAYABLES AND ACCRUALS

	Group 2014 SGD	Company 2014 SGD
Other payables		
- Related parties	75,564	-
- Third parties	1,035	1,035
	76,599	1,035
Accruals	53,676	1,500
	130,275	2,535

Trade and other payables are denominated in the following currencies:

	Group 2014 SGD	Company 2014 SGD
Ringgit Malaysia	127,740	-
United States Dollar	2,535	2,535
	130,275	2,535

The non-trade amounts due to subsidiary and related parties are interest free, unsecured and are repayable on demand.

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13. AMOUNT DUE TO A DIRECTOR

The amount due to a Directors is denominated in Ringgit Malaysia.

The amount due to a Director is interest free, unsecured and is repayable on demand.

14. REVENUE

Revenue represents total income generated from sales of mobile game application.

15. OTHER OPERATING INCOME

	Group 2014 SGD	Company 2014 SGD
Realised gain on foreign exchange - trade	3,468	-
Interest Income	42	-
	3,510	-

16. LOSS BEFORE TAXATION

This is stated after charging / (crediting):	Group 15 . 05 . 2014 to 31 . 12 . 2014 SGD	Company 15 . 05 . 2014 to 31 . 12 . 2014 SGD
Auditors' remuneration		
- current year	2,661	1,500
Depreciation of property, plant and equipment	5,784	-
Director's remuneration		
- staff salaries and related costs	89,674	-
- EPF contribution	4,460	-
Staff cost (excluding Directors' remuneration)		
- staff salaries and related costs	97,828	-
- EPFcontribution	8,200	-
Impairment loss on goodwill	181,176	-
Impairment of trade receivables	2,297	-
Rental of office	2,564	-
Realised loss on foreign currency exchange differences		
- non trade	1,227	1,227
Unrealised loss on foreign currency exchange differences		
- non trade	5,532	-

17. TAXATION

	Group 2014 SGD
Taxation based on loss for the period:	
Income tax	-

No income tax is provided for the Company as there is no tax on profit in British Virgin

Small and medium enterprise ("SME") in Malaysia with paid-up capital of RM2.5 million and below are subject to income tax rate of 20% on chargeable income of up to RM500,000. For chargeable income in excess of RM500,000, the corporate income tax rate is 25% for the year of assessment 2014.

With effect from year of assessment 2009, SME is defined as a company resident in Malaysia with paid-up capital of ordinary shares of RM2.5 million or less at the beginning of the basis period of a year of assessment whereby such company does not control or is controlled directly or indirectly by another company which has a paid-up capital of more than RM2.5 million in respect of ordinary shares. The Group does not qualify as a SME. The corporate income tax rate is 25%.

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follow :

	Group 2014 SGD
Loss before taxation	(260,745)
Taxation at statutory rate	8,372
Tax effect on non-taxable income	(13,870)
Deferred tax liabilities on current year temporary differences not provided for	5,498
	-

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign currency exchange.

The main risks arising from the Group's financial instruments are currency risk and liquidity risk.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT"D)

18.1 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company's operational activities are mainly carried out in Ringgit Malaysia. The risk arising from movements in foreign exchange rates is minimised as the Company has minimal transactions in foreign currency.

Sensitivity analysis for foreign currency risk
The following table demonstrates the sensitivity to a reasonably possible change in the RM and USD exchange rates against SGD, with all other variables held constant, of the Company's loss before tax.

		Group 2014		Company 2014	
		SGD Loss before tax	SGD Equity	SGD Loss before tax	SGD Equity
RM	- strengthened 1%	(1,148)	(1,148)	-	-
	- weakened 1%	1,148	1,148	-	-
USD	- strengthened 1%	65	65	(25)	(25)
	- weakened 1%	(65)	(65)	25	25

18.2 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company maintains sufficient level of cash and bank balances and continued financial support from the corporate shareholder to meet its working capital requirements.

The table below analyses the maturity profile of the Company's and Company's financial liabilities based on contractual undiscounted cash flows.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT"D)

18.2 Liquidity risk (Cont'd)

	Group Less than 1 year SGD	Company Less than 1 year SGD
As at 31 December 2014		
Other payables and accruals	130,275	2,535
Amount due to holding company	148,500	-
Amount due to a Director	2,566	-
	281,341	2,535

18.3 Fair values

The fair value of a financial instrument is the amount at which the instrument can be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximate fair value
Management has determined that the carrying amount of cash and bank balances, current trade and other receivables and current trade and other payables reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.

Fair value of financial instruments
Set out below is a comparison by category of carrying amount of all the Company's financial instruments that are carried in the financial statements:

	Loans and receivables	
	Group SGD 2014	Company SGD 2014
Financial Assets		
Trade receivable	9,029	-
Other receivabls	56,008	56,008
Deposit	3,705	-
Amount due from a shareholder	4	4
Amount due from a holding company	105,810	105,810
Bank balance	24,925	-
	199,481	161,822

20. CAPITAL MANAGEMENT (CONT'D)

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

The Group is not subject to externally imposed capital requirement.

21. COMMITMENTS

	Group SGD 2014	Company SGD 2014
Capital Expenditure		
Contracted but not provided for:		
Appxplore Sdn. Bhd.	113,426	-

22. SIGNIFICANT EVENT

On the 11th day of September 2014, a shares sales agreement has been sign by the Company and Appxplore Sdn Bhd, a company incorporated in Malaysia. Based on the agreement, the Company is to acquire 75% of the total shares of Appxplore Sdn. Bhd. with a cash consideration of SGD207,948. As of 31 December 2014, the total shares transfered to the Company was only 51% with consideration of SGD98,847. The balance of 24% will be transferred to the Company within 6 months from signing the agreement and upon receipt of the balance of payment.

23. COMPARATRIVE FIGURES

As this is the first financial period, no comparative figures are presented in the financial statements.