



KINGSLAND

GLOBAL

Kingsland Global Ltd And Subsidiaries Companies

Results for Announcement To The Market (ASX Appendix 4E) & Annual Financial Statement For The Financial Year Ended 31 March 2018

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KINGSLAND GLOBAL LTD AND SUBSIDIARIES COMPANIES

RESULTS FOR ANNOUNCEMENT TO THE MARKET (APPENDIX 4E)

For the financial year from 1 April 2017 to 31 March 2018

| Group | S\$ | Up/Down | % Movement |
|--|-------------|---------|------------|
| Revenue from ordinary activities | 888,417 | Down | 88% |
| Loss from ordinary activities after tax attributable to shareholders | (1,955,890) | Down | 347% |
| Net loss attributable to shareholders | (1,955,890) | Down | 347% |
| Total comprehensive loss attributable to shareholders | (1,965,594) | Down | 405% |

DIVIDEND INFORMATION

| | Amount per share (Singapore cent) | Franked amount per share (Singapore cent) | Tax rate for franking credit |
|---------------------------------|--------------------------------------|--|------------------------------|
| Final FY2018 dividend per share | NIL | NIL | NIL |

It is not proposed to pay dividends for the financial year ended 31 March 2018.

NET TANGIBLE ASSETS PER ORDINARY SHARES

| | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| Net tangible assets | \$23,534,843 | \$14,749,267 |
| Total number of issued and fully paid ordinary shares | 405,000,000 | 405,000,000 |
| Net tangible assets per ordinary share | \$0.058 | \$0.036 |

OTHER INFORMATION

This information should be read in conjunction with the FY2017 Annual Financial Report of Kingsland Global Ltd and its subsidiaries and any public announcements made in the period by Kingsland Global Ltd in accordance with the continuous disclosure requirements of the Companies Act (Chapter 50) and Listing Rules.

Additional Appendix 4E disclosure requirements can be found in the Directors' Statement and the consolidated financial statements for the financial year ended 31 March 2018.

This report is based on the consolidated financial statements which have been audited by Kong, Lim & Partners LLP according to Singapore Financial Reporting Standards.

KINGSLAND GLOBAL LTD AND SUBSIDIARIES COMPANIES GROUP PERFORMANCE REVIEW

Overview

The company had an exciting and fruitful year starting with the one year of operation of Lumiere Hotel/ 228 Oknha Peich, our first project in Cambodia. Upon the successful completion of the project and acquisition of interest in the hotel, within the year of operation, we have successfully achieved an average occupancy rate of 89.4% (Jan – May 2018). We are also proud to have hosted significant events for various notable groups, e.g. Delegates from the Singapore Chinese Chamber of Commerce & Industry for their business excursion to Cambodia. We look to build on this positive momentum and look forth to further improve on all aspects of our hotel operations.

With Lumiere Hotel in operation, the construction of our other projects are underway as per scheduled.

One18 Residences for example, our serviced apartment and hotel operated by Lumiere Hospitality Group is slated to be completed 1st quarter of 2019, and operationally ready by 2nd half 2019. Development of the project is already at the 25th level. Staying true to our company's culture, throughout the development of this project, the team has shown resilience and professionalism by going the extra mile to ensure that every development phase was completed on time, while ensuring that the safety protocols at the worksite were met with the highest standards.

With the vision to be the kingdom's first step towards a Smart City, our IT Media Hub, (Tier 3 datacenter ready) is the first data center situated in the heart of new city center. Development of the project had begun and is already at the phase of rebar installation and formworks for 1st floor slab and beam. The IT Media Hub development demonstrates the Company's objective of delivering value-added projects to the community, the IT Media Hub will be a center of exchange for professional knowledge and skills. IT Media Hub will be a meeting point for young talents to hone their talents, while providing exciting opportunities for all businesses.

The construction of Phnom Penh City Center is also well underway. The construction of this mixed use development which will concentrate and connect businesses in the Central Business District of Phnom Penh is currently at the foundation stage. (Piling works completed).

Kingsland Global aims to continue its track record of profitable growth. The reduction in profit this year as compared to last year is due to the timing of the company's recognition of revenue on its financial statement. With our governance, balanced strategy and active monitoring for development projects, we will continue to manage risks on a conservative level to ensure the best results for all stakeholders.

Completed Project

Lumiere Hotel/ 228 Oknha Peich

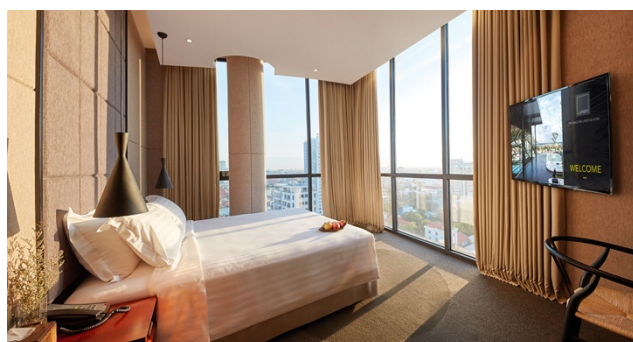
Upon the successful completion of the project and acquisition of interest in the hotel, within the year of operation, we have successfully achieved an average occupancy rate of 89.4% (Jan – May 2018). We are also pleased be awarded various awards from different tourism platforms within the first year of our operations.

Located in the Premium Khan Duan Penh District in Phnom Penh, Cambodia, the hotel comprises of 13 storeys – 88 rooms with 3 classes of suites, with a gross floor area of approximately 5,340 square meters.

Upon completion of the hotel, its unique architecture and façade have been generating a significant amount of interest around Phnom Penh. The bright lights exuded by the interior and exterior of the building bring a refreshing change to the cityscape of Street 228.



a) Lumiere Hotel (Completed)



b) Executive room



c) Reception area.

Lumiere Hotel/ 228 Oknha Peich

Awards:



Tripadvisor (2018 Certificate of Excellence) 9.3)



Booking.com (Guest Review rating



Agoda (Guest Review rating 8.9)



Ctrip (Chinese Preferred Hotel)

Ongoing Projects

One18 Residences

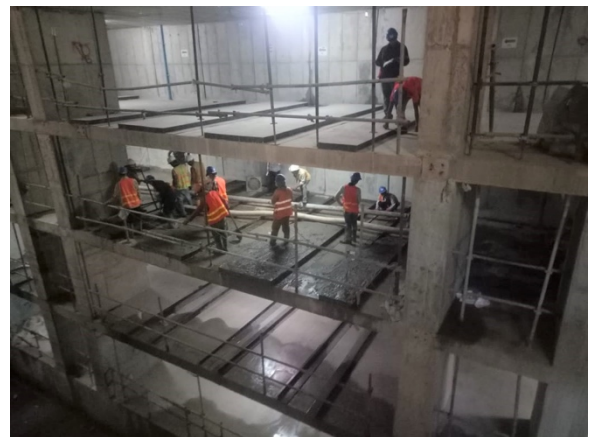
Construction of One18 Residences, a 24-storey Serviced Apartment located in 7 Makata, a top 4 investment district in Phnom Penh is progressing well on schedule. Slated to be completed 1st quarter of 2019, and operationally ready by 2nd half 2019. Development of the project is already at the 25th level.

One18 Residences will be an iconic development that will tower above the current low-rise cityscape. It will be located in the heart of Phnom Penh Inner City, within 2km from the Central Business District, Government Institutions, universities, malls and other high-end villas.



25th floor

b) Casting concrete for Robot deck of MP Parking at B3



c) Brickwork for 11th floor



d) Overview from ground level

Ongoing Projects

IT Media Hub

Global ITMH Data Center's vision is to be the kingdom's first step towards a Smart City. Global ITMH Data Center would bring high speed internet and leverage on the current key trends in the data center's industry, Internet of Things (IoT) and Big Data. Data generation mechanisms like Internet of Things (IoT) devices and smartphones have spurred data explosion, with technologies like Big Data rising to meet the challenge of processing, analyzing, and making this data actionable and meaningful. As such, the IT Media Hub is set to compliment the I.T landscape development in Cambodia.

In addition, the proposed development will also seek to establish a community hub for aspiring IT and media professionals and provide co-working spaces and networking opportunities with industry practitioners.

The Company is committed to participating in the development of Phnom Penh, Cambodia, and look to continue its developmental track record in Cambodia to enrich the landscape and provide a platform for young talents to develop their skills, hone their talents and be afforded opportunities (through talent matching). It is also envisaged that companies within the IT and media hub would also be afforded increased business opportunities and will be able to leverage off shared expertise, including the pooling of resources.

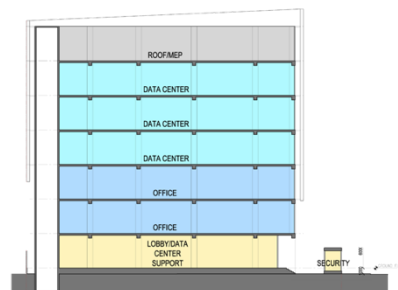
The development is already well past the foundation stage and currently at the work of casting concrete for 1st floor core wall.



I.T Media Hub (*Artist impression*)



I.T Media Hub (*Artist impression*)
IT Media Hub



I.T Media Hub (*Schematic Overview*)

Construction Updates:

a) Activity work of casting concrete for 1st floor core wall



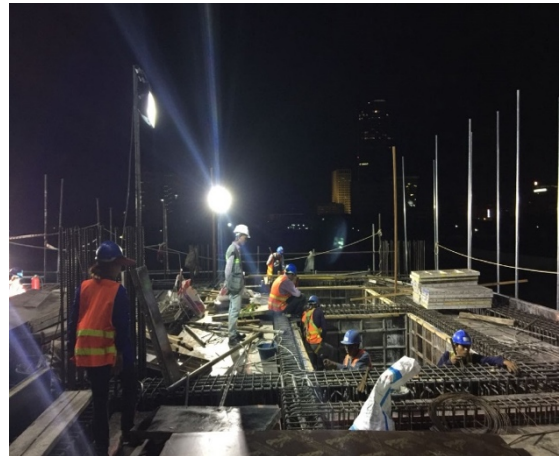
b) Site View



c) Activity work of casting concrete for Sprinkler Tank of ground floor (Zone-B)



d) Activity work of installation rebars and formworks for 1st floor slab and beam (Zone-B)



Ongoing Projects

Phnom Penh City Center

This wholesome planned development will provide multifaceted facilities and functions comprising office towers, restaurants, banking services, medical centres, a hotel, a convention centre, and an IT and media hub. It will also serve as a connecting point for businesses to enjoy enhanced communication while harnessing opportunities and improving productivity.

This mixed use development will take place over 10,000 square meters of prime real estate in the Central Business District of Phnom Penh, Cambodia. As a wholesome planned development, office towers, retail outlets, hotel and convention centre will be constructed to form lively and vibrant symbiotic relationships.

Development has broken ground and is currently at the foundation phase.



a) Phnom Penh City Center (*Artist impression*)



b) Re-install the boundary hoarding and leveling soil



c) Re-install the boundary hoarding and leveling soil

CONCLUSION

The Group's strategy remains focused on actively seeking new geographical markets and identifying growing market gaps for higher-end products which local developers cannot fulfill; while maintaining a foothold on markets that we have successfully penetrated. We continue to invest in talent; strengthen operations; to manage a substantially larger business and drive growth whilst maintaining investment excellence.

ENDS

Further information:

Singapore:

Jeremiah Lee

Managing Director

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ABOUT KINGSLAND GLOBAL LTD

Kingsland Global is a property development company that aims to expand its property development expertise and offerings through the development of:

- residential and commercial projects, including but not limited to, boutique hotels and serviced apartments; ^[L]_[SEP]
- retail projects such as shopping malls; ^[L]_[SEP]
- aged care facilities; and ^[L]_[SEP]
- industrial parks and office spaces, ^[L]_[SEP]

in countries such as Cambodia, Japan, Taiwan and Australia.



KINGSLAND
— GLOBAL —

Kingsland Global Ltd. and its subsidiaries
Company Registration Number: 201523877H
ARBN 607 085 790

Directors' Statement and Financial Statements
Financial Period Ended 31 March 2018

Kingsland Global Ltd. and its subsidiaries
General Information
As at 31 March 2018

| | |
|--------------------------------------|--|
| Directors | Mr Sok Hang Chaw (Executive Chairman) Mr Jeremiah Lee Kok Heng (Managing Director) Ms Sok Aixuan (Executive Director) Mr Zane Robert Lewis (Non-Executive Director) |
| Company Secretary (Singapore) | Ms Thum Sook Fun |
| Company Secretary (Australia) | Mr Zane Robert Lewis |
| Registered Office (Singapore) | 15 Kwong Min Road Singapore 628718 |
| Registered Office (Australia) | SmallCap Corporate Pty Ltd Unit 6, 295 Rokeby Road Subiaco WA 6008 Australia |
| Principal place of business | 15 Kwong Min Road Singapore 628718 |
| Share registrar | Link Market Services Limited Level 12 QV1 Building 250 St Georges Terrace Perth WA 6000 |
| Auditor | Kong, Lim & Partners LLP Public Accountants and Chartered Accountants 13A MacKenzie Road Singapore 228676 Partner in charge: Lim Yeong Seng |
| Principal Bankers | United Overseas Bank Limited CIMB Bank Berhad Australia and New Zealand Banking Group Limited |
| Stock exchange listing | Kingsland Global Ltd.'s shares are listed on the Australian Securities Exchange (ASX code: KLO) |
| Website | www.kingslandglobal.sg |

Kingsland Global Ltd. and its subsidiaries
Directors' Statement
For the financial year ended 31 March 2018

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Kingsland Global Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2018.

1. Opinion of the directors

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2018 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

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

Lee Kok Heng Jeremiah
Sok Hang Chaw
Sok Aixuan
Zane Robert Lewis

3. Arrangements to enable directors 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 objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

4. Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

| Name of directors | Direct Interest | | Deemed Interest | |
|---------------------------------------|------------------------------------|------------------------------|------------------------------------|------------------------------|
| | At the beginning of financial year | At the end of financial year | At the beginning of financial year | At the end of financial year |
| <i>The Company</i> | | | | |
| Lee Kok Heng Jeremiah | 70,064,500 | 70,189,499 | - | - |
| Sok Hang Chaw | - | 15,750,000 | 206,927,500 | 206,990,000 |
| Sok Aixuan | - | - | 206,927,500 | 206,990,000 |
| Zane Robert Lewis | 40,000 | 40,000 | - | - |
| <i>The Holding Company</i> | | | | |
| Kingsland Development Pte. Ltd | | | | |
| Sok Hang Chaw | 2,550,000 | 2,550,000 | - | - |
| Sok Aixuan | 1,000,000 | 1,000,000 | - | - |

There was no change in any of the above-mentioned interests in the Company between the end of the financial year ended and 30 May 2018.

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

5. 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 financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6. Auditor

Kong, Lim & Partners LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



Sok Aixuan
Director

Singapore, 30 May 2018



Lee Kok Heng Jeremiah
Director

Independent Auditor's Report to the members of Kingsland Global Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kingsland Global Ltd. (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and the Company as at 31 March 2018, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income, and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

Accounting of contract work-in-progress for property development projects

The Group recognised contract revenue and contract costs from contract work-in-progress for property development projects by reference to the state of completion of the contract activity at the end of each reporting period. The stage of completion is measured by reference to the extent of actual costs incurred bear to the total estimated costs. The accounting for such property development projects is complex due to high level of estimation uncertainty in determining the costs to complete. The uncertainty is due to nature of the operations, which may be impacted by the technological complexity of the projects, the precision of cost estimation during the budgeting process and the actual progress of each project during the financial year. The uncertainty and subjectivity involved will affect the determination of contract costs, and hence may have a significant impact on the results of the Group. Accordingly, the accounting of contract work-in-progress for property development projects is identified as a key audit matter.

Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)

Key Audit Matters (continued)

Accounting of contract work-in-progress for property development projects (continued)

As part of our audit, we:

- Reviewed contract terms and conditions and the contractual sums and substantiated project revenues and costs incurred against underlying supporting documents;
- Conducted site visits, perused customers and subcontractor correspondences and discussed the progress of the projects with project managers for any potential disputes, variation order claims, known technical issues or significant events that could impact the estimated contractual costs;
- Analysed changes in estimates of costs from prior periods and assessed the consistency of these changes with progress of projects during the year;
- Assessed the adequacy of the Group's disclosures relating to contract work-in-progress and progress billings in excess of work-in-progress included in Note 10 to the financial statements.

Carrying amount of inventory

The Group's inventory, mainly the development properties located in Malaysia, are stated at the lower of cost and net realisable value. As disclosed in Note 3 to the financial statements, the process of evaluating the net realisable value of properties is dependent on the Group's ability to sell the properties at the value estimated by the Group, based on market price of similar properties in the vicinity, which involves significant judgement and estimation.

In addressing this area of focus, we assessed the reasonableness of the properties' value estimated by management to latest transacted price or price of similar properties located in the vicinity.

Transaction with non-controlling interest

Refer to note 2.4 (accounting policy) and Note 5 to the financial statements, any changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

During the financial year, the Group has entered into a Share Subscription Agreement with a third party of which the third party will subscribe for ordinary shares in its wholly owned subsidiary Kingsland Ventures (GTEX) Pte. Ltd. for an aggregate sum of S\$6,617,005 or an equivalent of US\$5,000,000. The share subscription will have resulted to the change in the Company's ownership interest in the subsidiary from 100% to 88.89% during the financial year. The Group measured non-controlling interest arising in a business combination that are present ownership interests and entitle their holders to a proportionate share of net assets of the subsidiary in the event of liquidation based on the non-controlling interest's proportionate interest in the acquiree's identifiable net assets.

In addressing this area of focus, we perused the terms and conditions stipulated in the share sales agreement signed between the subsidiary and the non-controlling interest and verifying the mathematical accuracy of the equity allocated to non-controlling interest and equity attributable to owner of the Company.

Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)

Other matter

The Statement of Financial Position of the Group for the financial year ended 31 March 2018 consist of balances of S\$457,283 (2017: S\$407,958) and S\$1,774,477 (2017: S\$1,043,852) (Note 6) which pertaining to income tax recoverable and value added tax receivables arising from the subsidiaries in Malaysia and Cambodia respectively. The recoverability of the direct and indirect taxes are subject to the agreement by the tax authorities.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 3.

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Lim Yeong Seng.



KONG, LIM & PARTNERS LLP
Public Accountants and
Chartered Accountants

Singapore, 30 MAY 2018

Kingsland Global Ltd. and its subsidiaries
Statements of Financial Position
As at 31 March 2018

| | Note | Group | | Company | |
|---|------|-------------------|-------------------|-------------------|-------------------|
| | | 2018 | 2017 | 2018 | 2017 |
| | | S\$ | S\$ | S\$ | S\$ |
| Assets | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 4 | 62,845 | 75,211 | 618 | 787 |
| Investment in subsidiaries | 5 | - | - | 1,944,646 | 1,934,646 |
| Other receivables | 6 | 9,778,404 | - | - | - |
| Amount due from related parties | 7 | 1,859,054 | 893,455 | - | - |
| | | <u>11,700,303</u> | <u>968,666</u> | <u>1,945,264</u> | <u>1,935,433</u> |
| Current assets | | | | | |
| Inventory | 8 | 1,679,301 | 1,563,055 | - | - |
| Development property | 9 | 3,832,017 | 2,236,518 | - | - |
| Gross amount due from customers for contract work-in-progress | 10 | 5,092,684 | 6,819,507 | - | - |
| Amount due from subsidiaries | 11 | - | - | 7,416,968 | 5,167,333 |
| Other receivables | 6 | 2,335,901 | 1,431,471 | 54,208 | - |
| Prepayments | | 1,409,528 | 908,672 | 17,817 | - |
| Tax recoverable | | 457,283 | 407,958 | - | - |
| Cash and cash equivalents | 12 | 930,289 | 4,991,133 | 630,783 | 4,919,885 |
| | | <u>15,737,003</u> | <u>18,358,314</u> | <u>8,119,776</u> | <u>10,087,218</u> |
| Total assets | | <u>27,437,306</u> | <u>19,326,980</u> | <u>10,065,040</u> | <u>12,022,651</u> |
| Equity and liabilities | | | | | |
| Share capital | 13 | 12,554,207 | 12,554,207 | 12,554,207 | 12,554,207 |
| Share application monies | 14 | 4,458,144 | - | - | - |
| Retained earnings/(Accumulated losses) | | 366,528 | 2,322,418 | (2,555,517) | (746,838) |
| Other reserve | 5 | 5,593,871 | - | - | - |
| Foreign currency translation reserve | 15 | (137,062) | (127,358) | - | - |
| | | <u>22,835,688</u> | <u>14,749,267</u> | <u>9,998,690</u> | <u>11,807,369</u> |
| Non-controlling interest | | 699,155 | - | - | - |
| Total equity | | <u>23,534,843</u> | <u>14,749,267</u> | <u>9,998,690</u> | <u>11,807,369</u> |
| Non-current liabilities | | | | | |
| Retention payable | 16 | - | 183,725 | - | - |
| Amount due to a related party | 7 | - | 454,102 | - | - |
| | | <u>-</u> | <u>637,827</u> | <u>-</u> | <u>-</u> |
| Current liabilities | | | | | |
| Trade and other payables | 17 | 918,545 | 695,131 | 66,350 | 215,282 |
| Retention payable | 16 | 681,950 | 771,232 | - | - |
| Excess of progress billings over contract work-in-progress | 10 | 1,455,308 | 1,580,374 | - | - |
| Provision for taxation | | 846,660 | 893,149 | - | - |
| | | <u>3,902,463</u> | <u>3,939,886</u> | <u>66,350</u> | <u>215,282</u> |
| Total liabilities | | <u>3,902,463</u> | <u>4,577,713</u> | <u>66,350</u> | <u>215,282</u> |
| Total equity and liabilities | | <u>27,437,306</u> | <u>19,326,980</u> | <u>10,065,040</u> | <u>12,022,651</u> |

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

Kingsland Global Ltd. and its subsidiaries
Consolidated Statement of Comprehensive Income
For the financial year ended 31 March 2018

| | Note | Group | |
|--|------|--------------------|--------------------|
| | | 2018 S\$ | 2017 S\$ |
| Revenue | 20 | 888,417 | 7,482,336 |
| Other income | 21 | 120,093 | 72,944 |
| Items of expense | | | |
| Development costs | | (508,710) | (4,156,785) |
| Depreciation of property, plant and equipment | 4 | (13,985) | (10,774) |
| Employee benefits expense | 22 | (1,022,583) | (1,164,474) |
| Other operating expenses | 23 | (1,406,955) | (1,088,332) |
| | | <u>(2,952,233)</u> | <u>(6,420,365)</u> |
| (Loss)/Profit before income tax | | (1,943,723) | 1,134,915 |
| Income tax expense | 24 | (12,167) | (344,241) |
| (Loss)/Profit for the year | | <u>(1,955,890)</u> | <u>790,674</u> |
| Other comprehensive loss: | | | |
| Foreign currency translation | | (9,704) | (145,780) |
| Other comprehensive loss for the financial year, net of tax | | <u>(9,704)</u> | <u>(145,780)</u> |
| Total comprehensive (loss)/income for the year | | <u>(1,965,594)</u> | <u>644,894</u> |
| (Loss)/Profit for the year attributable to: | | | |
| Owner of the company | | (1,955,890) | 790,674 |
| Non-controlling interest | | - | - |
| | | <u>(1,955,890)</u> | <u>790,674</u> |
| Other comprehensive loss attributable to: | | | |
| Owner of the company | | (9,704) | (145,780) |
| Non-controlling interest | | - | - |
| | | <u>(9,704)</u> | <u>(145,780)</u> |
| (Loss)/Earnings per share (cents per share) | | | |
| Basic | 25 | <u>(0.48)</u> | <u>0.20</u> |
| Diluted | 25 | <u>(0.48)</u> | <u>0.20</u> |

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

Kingsland Global Ltd. and its subsidiaries
Statements of Changes in Equity
For the financial year ended 31 March 2018

| | Share capital S\$ | Share application monies S\$ | Retained earnings S\$ | Other reserve S\$ | Foreign currency translation reserve S\$ | Attributable to owners of the Company S\$ | Non- controlling interest S\$ | Total equity S\$ |
|---|----------------------------------|---------------------------------------|-----------------------------|-------------------------|--|--|--|---------------------|
| Group | | | | | | | | |
| Balance as at 1 April 2016 | 12,554,207 | - | 1,531,744 | - | 18,422 | 14,104,373 | - | 14,104,373 |
| Profit for the year | - | - | 790,674 | - | - | 790,674 | - | 790,674 |
| Other comprehensive loss for the year: | | | | | | | | |
| Foreign currency translation reserve | - | - | - | - | (145,780) | (145,780) | - | (145,780) |
| Total comprehensive income/(loss) for the financial year | - | - | 790,674 | - | (145,780) | 644,894 | - | 644,894 |
| Balance at 31 March 2017 | 12,554,207 | - | 2,322,418 | - | (127,358) | 14,749,267 | - | 14,749,267 |
| Share issuance | - | - | - | 5,593,871 | - | 5,593,871 | 699,155 | 6,293,026 |
| Share application money pending allotment of shares | - | 4,458,144 | - | - | - | 4,458,144 | - | 4,458,144 |
| Loss for the year | - | - | (1,955,890) | - | - | (1,955,890) | - | (1,955,890) |
| Other comprehensive loss for the year: | | | | | | | | |
| Foreign currency translation reserve | - | - | - | - | (9,704) | (9,704) | - | (9,704) |
| Total comprehensive loss for the financial year | - | - | (1,955,890) | - | (9,704) | (1,965,594) | - | (1,965,594) |
| Balance at 31 March 2018 | <u>12,554,207</u> | <u>4,458,144</u> | <u>366,528</u> | <u>5,593,871</u> | <u>(137,062)</u> | <u>22,835,688</u> | <u>699,155</u> | <u>23,534,843</u> |
| | Share capital S\$ | Accumulated losses S\$ | Total equity S\$ | | | | | |
| Company | | | | | | | | |
| Balance as at 1 April 2016 | 12,554,207 | (563,562) | 11,990,645 | | | | | |
| Total comprehensive loss for the financial year | - | (183,276) | (183,276) | | | | | |
| Balance as at 31 March 2017 | 12,554,207 | (746,838) | 11,807,369 | | | | | |
| Total comprehensive loss for the financial year | - | (1,808,679) | (1,808,679) | | | | | |
| Balance as at 31 March 2018 | <u>12,554,207</u> | <u>(2,555,517)</u> | <u>9,998,690</u> | | | | | |

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

Kingsland Global Ltd. and its subsidiaries
Consolidated Statement of Cash Flows
For the financial year ended 31 March 2018

| | 2018 | 2017 |
|---|---------------------|--------------------|
| | S\$ | S\$ |
| Cash flows from operating activities | | |
| (Loss)/Profit before income tax | (1,943,723) | 1,134,915 |
| <u>Adjustments for:</u> | | |
| Depreciation of property, plant and equipment | 13,985 | 10,774 |
| Unrealised currency translation differences | 726,620 | 36,745 |
| Interest income | (947) | (65,520) |
| Operating cash flow before working capital changes | (1,204,065) | 1,116,914 |
| <u>Changes in working capital:</u> | | |
| Development property | (1,788,329) | (1,962,240) |
| Amount due from related party | (1,917,120) | (619,178) |
| Inventory | - | 142,249 |
| Gross amount due from customer for contract work-in-progress | 393,084 | (3,942,660) |
| Other receivables | (9,935,490) | (1,986,543) |
| Prepayments | (1,530,164) | (243,092) |
| Trade and other payables | 433,847 | (387,242) |
| Amount due to contract customers | - | 1,580,374 |
| Amount due to related party | - | 454,102 |
| Retention payable | 703,250 | 841,021 |
| Cash used in operating activities | (14,844,987) | (5,006,295) |
| Tax paid | (3,004) | (22,441) |
| Net cash used in operating activities | (14,847,991) | (5,028,736) |
| Cash flow from investing activities | | |
| Purchase of property, plant and equipment | (509) | (18,843) |
| Interest received | 947 | 65,520 |
| Net cash generated from investing activities | 438 | 46,677 |
| Cash flows from financing activities | | |
| Issuance of shares | 6,293,026 | - |
| Share application money received | 4,458,144 | - |
| Amount due to a director | - | 24 |
| Amount due to holding company | 33,251 | 7,662 |
| Net cash generated from financing activities | 10,784,421 | 7,686 |
| Net decrease in cash and cash equivalents | (4,063,132) | (4,974,373) |
| Cash and cash equivalents at the beginning of financial year | 4,991,133 | 10,083,961 |
| Effects of currency translation on cash and cash equivalents | 2,288 | (118,455) |
| Cash and cash equivalents at the end of financial year | | |
| (Note 12) | 930,289 | 4,991,133 |

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

Kingsland Global Ltd. and its subsidiaries
Notes to the Financial Statements
For the financial year ended 31 March 2018

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

1. General

Kingsland Global Ltd. (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Australian Securities Exchange (ASX). The registered office and principal place of business of the Company is located at 15 Kwong Min Road Singapore 628718.

The principal activity of the Company is investment holding.

The immediate and ultimate holding company is Kingsland Development Pte. Ltd., which is incorporated in Singapore.

The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (S\$ or "SGD").

2.2 Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning after 1 April 2017, and have not been applied in preparing these financial statements. The Group does not plan to early adopt these standards.

The following standards that have been issued but not yet effective are as follows:

| <i>Description</i> | <i>Effective for annual periods beginning on or after</i> |
|---|---|
| FRS 109 Financial Instruments | 1 January 2018 |
| FRS 115 Revenue from Contracts with Customers | 1 January 2018 |
| FRS 116 Leases | 1 January 2019 |
| Amendments to FRS 28 Long term interest in Associates and Joint Ventures | 1 January 2019 |
| Amendments to FRSs (March 2018) | |
| - FRS103 Business Combinations | 1 January 2019 |
| - FRS 111 Joint Arrangements | 1 January 2019 |
| - FRS 12 Income Taxes | 1 January 2019 |
| - FRS 23 Borrowing Costs | 1 January 2019 |
| Amendments to FRS 110 and FRS 28 Sales or Contribution of Assets between an Investor and its Associate or Joint Venture | To be determined |

Management anticipates that the adoption of the above FRSs and amendments to FRS in future period will not have a material impact on the financial statements in the period of their adoption except for the following:

2. Summary of significant accounting policies (continued)

2.2 Standards issued but not yet effective (continued)

FRS 115 Revenue from contract customers

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 118 Revenue, FRS 11 Construction Contracts, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate and IFRIC 18 Transfers of Assets from Customers. It is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligation in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

Management anticipates that the initial application of the new FRS 115 will result in changes to the accounting policies relating to revenue recognition on the sales of development properties in future period. Additional disclosures will also be made with respect to the sales of development properties, completed property held for sale, trade receivables and revenue, including any significant judgement and estimation made.

FRS 109 Financial Instruments

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

The Company plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

The Company has performed a preliminary impact assessment of adopting FRS 109 based on currently available information. This assessment may be subject to changes arising from ongoing analysis, until the Company adopts FRS 109 in 2018.

Impairment

FRS 109 requires the Company to record expected credit losses on all of its loans and trade receivables either on a 12-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The Group had no impairment losses for the year.

2. Summary of significant accounting policies (continued)

2.2 Standards issued but not yet effective (continued)

FRS 116 Leases

FRS 116 requires lessees to recognise most leases on statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 January 2019.

The Company has performed a preliminary impact assessment of the adoption of FRS 116 and expects that the adoption of FRS 116 will result in increase in total assets and total liabilities, EBITDA and gearing ratio.

The Company plans to adopt the new standard on the required effective date by applying FRS 116 retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of retained earnings as at 1 January 2019.

The Company is currently in the process of analysing the transitional approaches and practical expedients to be elected on transition to FRS 116 and assessing the possible impact of adoption.

2.3 Basis of consolidation and business combinations

Basis of consolidation

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

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

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

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

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

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

2. Summary of significant accounting policies (continued)

2.3 Basis of consolidation and business combinations (continued)

Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.4 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

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

2.5 Foreign currency

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

a) Transaction and balances

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

2. Summary of significant accounting policies (continued)

2.5 Foreign currency (continued)

a) Transaction and balances (continued)

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

b) Consolidated financial statements

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

2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

| | Useful life |
|-------------------------|--------------------|
| Office equipment | 10 years |
| Renovation | 10 years |
| Electrical installation | 10 years |
| Furniture and fittings | 10 years |

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

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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

2.7 Subsidiaries

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

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

2. Summary of significant accounting policies (continued)

2.8 Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

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

2.9 Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation.

The Group recognises in relation to its interest in a joint operation:

- (a) its share of the revenue from the sale of the output by the joint operation; and
- (b) its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

2.10 Development properties

Development properties are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation. Development properties are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure and other costs directly attributable to the development activities.

Net realisable value of development properties is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

2. Summary of significant accounting policies (continued)

2.10 Development properties (continued)

The aggregated costs incurred for uncompleted and unsold development properties are presented as development properties. Unsold completed properties are held as inventories. Progress billings are presented separately as deferred income in the statement of financial position.

The cost of inventory recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

The excess of revenue recognised in the profit or loss over billings to purchaser is classified as "Gross amount due from customers for contract work-in-progress" and the excess of billings to purchasers over revenue recognised in the profit or loss is classified as "Excess of progress billings over contract work-in-progress" in the statement of financial position.

2.11 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

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

Loans and receivables comprise amount due from subsidiaries, other receivables and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and on hand.

De-recognition

A financial asset is de-recognised when the contractual right to receive cash flows from the asset has expired. On de-recognition 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 has been recognised in other comprehensive income is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.11 Financial instruments (continued)

(b) Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

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

Such financial liabilities comprise trade and other payables, amount due to director, amount due to holding company and retention payables.

De-recognition

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

2.12 Impairment of financial assets

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

Financial assets carried at amortised cost

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

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

2. Summary of significant accounting policies (continued)

2.12 Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

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

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

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

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and are subject to an insignificant risk of changes in value.

2.14 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When the outcome of a construction contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity (see note 2.10).

The stage of completion is assessed by reference to the proportion of direct development costs incurred to date against the total estimated direct development costs. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus representing amounts due from customers is shown as 'Gross amount due from customers for contract work-in-progress'. For contracts where progress billings exceed contract costs incurred to date plus recognised profit less recognised losses, the surplus representing amounts due to customers is classified as 'Excess of progress billings over contract work-in-progress' in the statement of financial position.

2. Summary of significant accounting policies (continued)

2.14 Revenue (continued)

Interest income

Interest income is recognised using the effective interest method.

Rental income

Revenue from rental is recognised on accrual basis in accordance with the terms of the tenancy agreement.

2.15 Employee benefits

Defined contribution plans

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

2.16 Operating lease

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

2.17 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

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

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. There is no deferred tax at reporting date.

(c) Goods and Services Tax (GST)

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

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

2. Summary of significant accounting policies (continued)

2.17 Taxes (continued)

(c) Goods and Services Tax (GST) (continued)

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

2.18 Share capital and share issuance expenses

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

3. Significant accounting judgments and estimates

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

3.1 Judgments made in applying accounting policies

In the process of applying the Group's consolidated financial statements requires management to following the judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

(a) Income taxes

The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issued based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's tax payables at 31 March 2018 and 31 March 2017 was S\$846,660 and S\$893,149 respectively.

(b) Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices. Management has assessed that prices are mainly denominated and settled in the respective local currency. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

3. Significant accounting judgments and estimates (continued)

3.2 Key sources of estimation of uncertainty

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

a) Revenue recognition on construction contracts

The Group recognises revenue for pre-completion sales of certain types of properties by reference to the stage of completion using the percentage of completion method. The stage of completion is measured based on the costs incurred up until the end of the reporting periods as a proportion of total costs expected to be incurred. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that affect the stage of completion and the revenue respectively. In making these estimates, management has relied on past experience and knowledge of the project engineers. The carrying amounts of assets and liabilities as well as the revenue from sale of development property (recognised on percentage of completion basis) are disclosed in Note 9 (Gross amount due from customer for contract work-in-progress and Revenue) to the financial statements respectively.

b) Estimation of net realisable value for development property

Inventory property is stated at the lower of cost and net realisable value (NRV). NRV in respect of development property under construction is assessed with reference to market prices at the reporting date for similar completed property less estimated costs to complete construction and less an estimate of the time value of money to the date of completion. The carrying amount of the development property stated at net realisable value as at 31 March 2018 and 31 March 2017 was S\$3,832,017 and S\$2,236,518 respectively.

c) Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. Factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments are objective evidence of impairment. In determining whether there is objective evidence of impairment, the Group considers whether there is observable data indicating that there have been significant changes in the debtor's payment ability or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of Group's loans and receivables at the end of the reporting period is disclosed in Note 11 to the financial statements.

4. Property, plant and equipment

| | Office equipment S\$ | Renovation S\$ | Electrical installation S\$ | Furniture and fittings S\$ | Total S\$ |
|----------------------------------|----------------------------|-------------------|-----------------------------------|----------------------------------|--------------|
| Group Cost | | | | | |
| At 1 April 2016 | 15,071 | 1,303 | 10,504 | 48,487 | 75,365 |
| Additions | 6,325 | 12,518 | - | - | 18,843 |
| Exchange differences | (612) | (54) | (426) | (1,965) | (3,057) |
| At 31 March 2017 | 20,784 | 13,767 | 10,078 | 46,522 | 91,151 |
| Additions | 509 | - | - | - | 509 |
| Exchange differences | 361 | 35 | 286 | 1,319 | 2,001 |
| At 31 March 2018 | 21,654 | 13,802 | 10,364 | 47,841 | 93,661 |
| Accumulated Depreciation | | | | | |
| At 1 April 2016 | 1,043 | 98 | 788 | 3,388 | 5,317 |
| Depreciation charge for the year | 2,371 | 1,415 | 1,321 | 5,667 | 10,774 |
| Exchange differences | (31) | (3) | (22) | (95) | (151) |
| At 31 March 2017 | 3,383 | 1,510 | 2,087 | 8,960 | 15,940 |
| Depreciation charge for the year | 4,365 | 2,667 | 1,314 | 5,639 | 13,985 |
| Exchange differences | 183 | 15 | 131 | 562 | 891 |
| At 31 March 2018 | 7,931 | 4,192 | 3,532 | 15,161 | 30,816 |
| Net Book Value | | | | | |
| At 31 March 2017 | 17,401 | 12,257 | 7,991 | 37,562 | 75,211 |
| At 31 March 2018 | 13,723 | 9,610 | 6,832 | 32,680 | 62,845 |

4. Property, plant and equipment (continued)

| | Office equipment S\$ |
|----------------------------------|----------------------------|
| Company Cost | |
| At 1 April 2016 | - |
| Additions | 843 |
| At 31 March 2017 | 843 |
| Additions | - |
| At 31 March 2018 | 843 |
| Accumulated Depreciation | |
| At 1 April 2016 | - |
| Depreciation charge for the year | 56 |
| At 31 March 2017 | 56 |
| Depreciation charge for the year | 169 |
| At 31 March 2018 | 225 |
| Net Book Value | |
| At 31 March 2017 | 787 |
| At 31 March 2018 | 618 |

5. Investment in subsidiaries

| | Company | |
|---------------------|-------------|-------------|
| | 2018 S\$ | 2017 S\$ |
| Shares, at cost | | |
| Balance at 1 April | 1,934,646 | 1,934,646 |
| Additions | 10,000 | - |
| Balance at 31 March | 1,944,646 | 1,934,646 |

5. Investment in subsidiaries (continued)

a) Composition of the Group

The Group has the following investments in subsidiaries.

| Name of subsidiary | Principal activities/ (country of incorporation) | Company effective shareholdings | |
|--|---|------------------------------------|-----------|
| | | 2018 % | 2017 % |
| Kingsland Development Sdn Bhd (1) | Property development/ Malaysia | 100 | 100 |
| Kingsland (KH) Development Co., Ltd. (2) | Property development/ Cambodia | 100 | 100 |
| Global Investment Partners Pte. Ltd. (3) | Business and management consultancy services/ Singapore | 100 | 100 |
| Kingsland (AU) Development Pty Ltd (3) | Property development/ Australia | 100 | 100 |
| Kingsland Venture (GTEX) Pte. Ltd. (4) | Business and management consultancy services/ Singapore | 88.89 | - |
| <i>Held through Kingsland (KH) Development Co., Ltd.</i> | | | |
| Kingsland Venture Co., Ltd. (2) | Property development/ Cambodia | 100 | 100 |

- (1) Audited by another firm of auditors, Reanda LLKG International, Malaysia
(2) Not required to be audited at the country of incorporation
(3) Dormant as at 31 March 2018
(4) Audited by Kong, Lim & Partners LLP, Singapore

On 28 September 2017, a wholly-owned subsidiary of the Company, Kingsland Venture (GTEX) Pte. Ltd. was incorporated in Singapore with the principal activities of the subsidiary are business and management consultancy services. The initial share capital of the subsidiary is S\$10,000 comprising of 10,000 number of ordinary shares of S\$1.00 each.

On 16 March 2018, the subsidiary allotted 1,250 number of shares to non-controlling interest (NCI) at cash consideration of S\$6,293,026. As a result of this, the Company's equity interest on the subsidiary was reduced from 100% to 88.89% at the end of the reporting period. The effect of changes in the ownership interest of Kingsland Venture (GTEX) Pte. Ltd. without loss of control on the equity attributable to owners of the Company during the year is summarised as follows:

| | 2018 S\$ |
|--|-------------|
| Carrying amount of interest in a subsidiary disposed of | (699,155) |
| Consideration received from non-controlling interest | 6,293,026 |
| Excess of consideration received recognised in other reserve of parent's equity | 5,593,871 |

5. Investment in subsidiaries (continued)

b) Interest in subsidiaries with material NCI

| Name of subsidiary | Principal place of business | Proportion of ownership interest held by NCI | Profit/(Loss) allocated to NCI during the reporting period | Accumulated NCI at the end of reporting period |
|------------------------------------|-----------------------------|--|--|--|
| | | % | S\$ | S\$ |
| Kingsland Venture (GTEX) Pte. Ltd. | Singapore | 11.11 | - | - |

c) Summarised financial information about subsidiaries with material NCI

Summarised financial information including consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised statements of financial position

| | Kingsland Venture (GTEX) Pte. Ltd. 2018 S\$ |
|---------------------------|---|
| Current | |
| Assets | 10,986,390 |
| Liabilities | (327,219) |
| Net current assets | <u>10,659,171</u> |

Summarised statements of comprehensive income

| | Kingsland Venture (GTEX) Pte. Ltd. 28.11.2017 to 31.3.2018 S\$ |
|--|--|
| Other income | 4 |
| Operating expenses | (102,003) |
| Loss before income tax | (101,999) |
| Income tax expense | - |
| Loss after income tax and total comprehensive loss for the period | <u>(101,999)</u> |

5. Investment in subsidiaries (continued)

c) Summarised financial information about subsidiaries with material NCI (continued)

Other summarised information

| | Kingsland Venture (GTEX) Pte. Ltd. 28.11.2017 to 31.3.2018 S\$ |
|--|--|
| Net cash flows generated from financing activities | 306,773 |

6. Other receivables

| | Group | | Company | |
|-----------------------------|-------------------|------------------|---------------|----------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Non-current: | | | | |
| Other receivables | 9,778,404 | - | - | - |
| Current: | | | | |
| Deposits | 163,621 | 134,436 | - | - |
| Value added tax receivables | 1,774,477 | 1,043,852 | - | - |
| Other receivables | 397,803 | 253,183 | 54,208 | - |
| | <u>2,335,901</u> | <u>1,431,471</u> | <u>54,208</u> | <u>-</u> |
| Total other receivables | <u>12,114,305</u> | <u>1,431,471</u> | <u>54,208</u> | <u>-</u> |

Other receivables are denominated in the following currencies:

| | Group | | Company | |
|----------------------|-------------------|------------------|---------------|----------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Malaysian Ringgit | 88,241 | 1,474 | - | - |
| United States Dollar | 11,668,545 | 1,127,193 | 2,661 | - |
| Singapore Dollar | 355,972 | 302,804 | 50,000 | - |
| Australian Dollar | 1,547 | - | 1,547 | - |
| | <u>12,114,305</u> | <u>1,431,471</u> | <u>54,208</u> | <u>-</u> |

Other receivables are non-interest bearing, unsecured, and to be settled by cash.

Included in other receivables is an amount of S\$6,016,388 (2017: S\$Nil) pursuant to shareholder loans to the joint venture for the purposes of funding the development of the project.

7. Amount due from/(to) a related party

Amount due from/(to) a related party represents the joint operators' share of the cost incurred in relation to the development property.

Amount due from/(to) a related party are non-interest bearing, unsecured, and to be settled by cash.

Amount due from/(to) a related party are denominated in United States Dollar.

8. Inventory

| | Group | |
|---|------------------|------------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| At Cost | | |
| Completed development property held for sales | 1,705,304 | 1,705,304 |
| Exchange differences | (26,003) | (142,249) |
| | <u>1,679,301</u> | <u>1,563,055</u> |

As at reporting date, the Group's properties developed for sales are held by Kingsland Development Sdn. Bhd.

The title deed of the completed development property is registered under the name of the land vendor and upon sale of the completed property, the title will be transferred to the purchaser.

9. Development property

The Group includes subsidiary that develops residential properties, which it sells in the ordinary course of business.

Revenue from sales of residential property where the contracts are not in substance construction contracts and do not lead to a continuous transfer of work in progress, is recognised when both: (i) construction is completed; and (ii) either legal title to the property has been transferred or there has been an unconditional exchange of contracts. Construction and other expenditure attributable to such property is included in development property until disposal.

Joint operations

As at reporting date, the Group has joint operations with Max Credit Pawn Co., Ltd, a related company incorporated in Cambodia in respect of the development of a serviced apartment complex of which the Company has 50% proportion on the profits before tax received from the sale of the serviced apartment complex and the land, being the sum of the purchase price received less the development costs incurred.

The serviced apartment complex is currently under development.

Summarised financial information in respect of the joint operation is as follows:

| | Group | |
|---|------------------|------------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| At Cost | | |
| - Aggregate costs incurred and recognised to date | <u>3,832,017</u> | <u>2,236,518</u> |

10. Gross amount due from customers for contract work-in-progress

As at reporting date, the Group has joint operations with One Eleven Development Co., Ltd, a related company incorporated in Cambodia in respect of the development of a hotel of which the Group has 60% proportion on the profits before tax received from the sale of the hotel and the land, being the sum of the purchase price received less the development costs incurred.

The development of the hotel has been completed during the financial year.

The Group also has joint operations with Max Credit Pawn Pte. Ltd, a related company incorporated in Cambodia in respect of the development of serviced apartment complex of which the Group has 50% proportion on the profit before tax received from the sale of the property, being the sum of the purchase price received less development costs incurred.

Revenue is recognised based on the percentage of completion in accordance to the sale and purchase agreement.

The aggregate amounts of income and expenses related to the Group's interests in the joint operations are as follows:

| | 2018 | | 2017 | |
|-------------------|---------------------------|-------------------------------------|---------------------------|-------------------------------------|
| | Share of the Group | Total under Joint operations | Share of the Group | Total under Joint operations |
| | S\$ | S\$ | S\$ | S\$ |
| Revenue | 12,985,318 | 21,560,968 | 12,096,901 | 20,307,908 |
| Development costs | (6,577,346) | (10,710,349) | (6,068,636) | (10,201,639) |
| Profit before tax | <u>6,407,972</u> | <u>10,850,619</u> | <u>6,028,265</u> | <u>10,106,269</u> |

Summarised financial information in respect of the joint operations are as follows:

| | 2018 | | 2017 | |
|---|---------------------------|-------------------------------------|---------------------------|-------------------------------------|
| | Share of the Group | Total under Joint operations | Share of the Group | Total under Joint operations |
| | S\$ | S\$ | S\$ | S\$ |
| Aggregate amount of costs incurred and recognised profits to date | 12,314,159 | 20,907,934 | 12,209,660 | 20,492,686 |
| Less: Progress billings | <u>(8,676,783)</u> | <u>(15,330,745)</u> | <u>(6,970,527)</u> | <u>(12,287,588)</u> |
| | <u>3,637,376</u> | <u>5,577,189</u> | <u>5,239,133</u> | <u>8,205,098</u> |
| Presented as: | | | | |
| Gross amount due from customers for contract work-in-progress | 5,092,684 | 8,487,805 | 6,819,507 | 11,365,846 |
| Excess of progress billings over contract work-in-progress | <u>(1,455,308)</u> | <u>(2,910,616)</u> | <u>(1,580,374)</u> | <u>(3,160,748)</u> |
| | <u>3,637,376</u> | <u>5,577,189</u> | <u>5,239,133</u> | <u>8,205,098</u> |

11. Amount due from subsidiaries

Amount due from subsidiaries are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Amount due from subsidiaries are dominated in the following currencies:

| | Company | |
|----------------------|------------------|------------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| United States Dollar | 6,172,990 | 4,293,703 |
| Singapore Dollar | 1,243,978 | 873,630 |
| | <u>7,416,968</u> | <u>5,167,333</u> |

12. Cash and cash equivalents

| | Group | | Company | |
|---------------------------|----------------|------------------|----------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Cash at banks and on hand | <u>930,289</u> | <u>4,991,133</u> | <u>630,783</u> | <u>4,919,885</u> |

Cash and cash equivalents are denominated in the following currencies:

| | Group | | Company | |
|----------------------|----------------|------------------|----------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Australian Dollar | 78,214 | 250,729 | 78,144 | 250,654 |
| Malaysian Ringgit | 14,167 | 45,500 | - | - |
| United States Dollar | 642,222 | 3,236,338 | 388,560 | 3,270,517 |
| Singapore Dollar | <u>195,686</u> | <u>1,458,566</u> | <u>164,079</u> | <u>1,398,714</u> |
| | <u>930,289</u> | <u>4,991,133</u> | <u>630,783</u> | <u>4,919,885</u> |

13. Share capital

| | Group and Company | | | |
|---|--------------------------|-------------------|-------------------------|-------------------|
| | 2018 | | 2017 | |
| | Number of shares | S\$ | Number of shares | S\$ |
| Issued and fully paid ordinary shares: | | | | |
| At beginning and end of financial year | <u>405,000,000</u> | <u>12,554,207</u> | <u>405,000,000</u> | <u>12,554,207</u> |

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.

During the financial year, there was no returns to shareholders including distributions and buy backs.

14. Share application monies

The Group had received share application monies pending allotment of shares to non-controlling interest. The share application monies had been transferred to share capital of subsidiary subsequent to the financial year end.

15. 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's presentation currency.

16. Retention payable

Retention payable arises from the amount retained by the Group from the contractor in relation to the construction work-in-progress under the joint operation. The amount will be settled after one year from the engineer's certification that the work is complete. Expected date of completion of the development of the serviced apartment complex is 31 December 2018.

| | Group | |
|---|----------------|----------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| Current: | | |
| Retention sum on contract payable within 1 year | 681,950 | 771,232 |
| Non-current: | | |
| Retention sum on contract payable after 1 year | - | 183,725 |
| | <u>681,950</u> | <u>954,957</u> |

17. Trade and other payables

| | Group | | Company | |
|---|----------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Trade payables | 771,517 | 405,801 | - | - |
| Accruals | 20,377 | 206,488 | 15,898 | 199,230 |
| Other payables | 82,943 | 72,342 | 7,399 | 6,250 |
| Amount due to a director (Note 18) | 655 | 698 | - | - |
| Amount due to holding company (Note 19) | 43,053 | 9,802 | 43,053 | 9,802 |
| | <u>918,545</u> | <u>695,131</u> | <u>66,350</u> | <u>215,282</u> |

Trade payables

Trade payables are non-interest bearing and are normally settled on terms agreed between parties.

Non-trade payables

Non-trade payables are unsecured, interest free, repayable within one year and are to be settled in cash.

17. Trade and other payables (continued)

Trade and other payables are denominated in the following currencies:

| | Group | | Company | |
|----------------------|----------------|----------------|----------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Australian Dollar | 5,032 | - | 5,032 | - |
| Malaysian Ringgit | 70,705 | 58,884 | - | - |
| United States Dollar | 780,693 | 373,727 | - | - |
| Singapore Dollar | 62,115 | 262,520 | 61,318 | 215,282 |
| | <u>918,545</u> | <u>695,131</u> | <u>66,350</u> | <u>215,282</u> |

18. Amount due to a director

Amount due to a director is unsecured, non-interest bearing, repayable on demand and is to be settled in cash.

Amount due to a director is denominated in United States Dollar.

19. Amount due to holding company

Amount due to holding company is unsecured, non-interest bearing, repayable on demand and is to be settled in cash.

Amount due to holding company is denominated in Singapore Dollar.

20. Revenue

| | Group | |
|-------------------------------|----------------|------------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| Sales of property development | <u>888,417</u> | <u>7,482,336</u> |

21. Other income

The followings items have been included in arriving at other income:

| | Group | |
|-----------------|---------------|-------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| Interest income | 3,987 | 65,520 |
| Rental Income | <u>90,955</u> | <u>-</u> |

22. Employee benefits expense

| | Group | |
|--------------------------------|------------------|------------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| Directors' remuneration | | |
| Directors' salary and bonus | 320,000 | 240,000 |
| Central Provident Fund | 37,289 | 23,949 |
| Directors' fee | 42,500 | 60,000 |
| | <u>399,789</u> | <u>323,949</u> |
| Staff costs | | |
| Salary and bonus | 567,535 | 761,238 |
| Central Provident Fund | 47,849 | 77,919 |
| Skill development levy | 428 | 803 |
| Others | 6,982 | 565 |
| | <u>622,794</u> | <u>840,525</u> |
| | <u>1,022,583</u> | <u>1,164,474</u> |

23. Other operating expense

The followings items have been included in arriving at other operating expenses:

| | Group | |
|---------------------------------|---------------|---------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| Audit fee | 13,960 | 47,895 |
| Advertisement | 1,413 | 117,780 |
| Commission | 148,080 | 391,759 |
| Loss/(Gain) on foreign exchange | 634,571 | (152,356) |
| Insurance | 11,728 | 20,822 |
| Management fees | 87,435 | 101,394 |
| Legal and professional fees | 259,842 | 147,075 |
| Rent expenses | 79,093 | 112,771 |
| Travelling expenses | <u>39,885</u> | <u>52,361</u> |

24. Income tax expense

The major components of income tax expense recognised in profit or loss for the years ended 31 March 2018 and 2017 were:

| | Group | |
|---------------------|---------------|----------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| Current year | | |
| Current income tax | <u>12,167</u> | <u>344,241</u> |

24. Income tax expense (continued)

Relationship between tax expense and accounting (loss)/profit

A reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the financial years ended 31 March 2018 and 2017 were as follows:

| | Group | |
|--|--------------------|------------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| (Loss)/Profit before tax | <u>(1,943,723)</u> | <u>1,134,915</u> |
| Tax at the domestic rates applicable to (loss)/profits in the countries where the Group operates | (332,646) | 232,542 |
| Adjustments: | | |
| Non-deductible expenses | 5,579 | 84,444 |
| Non-taxable items | - | (17) |
| Deferred tax assets not recognised in income statement | <u>339,234</u> | <u>27,272</u> |
| Income tax expense recognised in profit or loss | <u>12,167</u> | <u>344,241</u> |

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

25. (Loss)/Earnings per share

The basic and diluted (loss)/earnings per share are calculated by dividing the (loss)/profit for the year by the weighted average number of ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted (loss)/earnings per share for the period ended 31 March:

| | Group | |
|--|--------------------|----------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| (Loss)/Profit for the year net of tax used in the computation of basic (loss)/earnings per share | <u>(1,955,890)</u> | <u>790,674</u> |

| | Group | |
|--|----------------------|----------------------|
| | 2018 | 2017 |
| | No. of shares | No. of shares |
| Weighted average number of ordinary shares for basic (loss)/earnings per share computation | <u>405,000,000</u> | <u>405,000,000</u> |

26. Commitments

Capital commitments

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

| | Group | | Company | |
|--|--------------------|-------------------|----------|----------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Capital commitments in relation to development properties | 110,933,194 | 18,267,587 | - | - |
| Capital commitments in relation to contract work-in-progress | 1,392,768 | 2,015,484 | - | - |
| | <u>112,325,962</u> | <u>20,283,071</u> | <u>-</u> | <u>-</u> |

Other commitments

Phnom Penh City Centre

Following from the Master Co-operation Agreement dated 5 February 2016 entered into by the Group and Urban Global Co., Ltd ("Urban Global"), both parties entered into a joint venture agreement ("Joint Venture") on 28 July 2017 to collaborate to develop the land located at Boueng Kak, Sangkat Sras Chork, Khan Daun Penh, Phnom Penh, Cambodia into a mixed development with office towers, restaurants, banking, medical services, hotel, conventional centre and an information technology and media hub ("Project").

Summary of the terms of the Joint Venture are as follows:

- A new joint venture entity will be incorporated to undertake the development of the Project;
- Urban Global will procure the land title for the Project and obtain all the licences and permits necessary for the Project; and
- The Group will have the primary responsibility for the management of the Project and will procure the required capital to fund the Project of approximately S\$96,375,400 (approximately US\$71,000,000) in tranches over a 6 years period.

Upon execution of the Joint Venture, the Group will hold 49% of the interest in the joint venture entity and Urban Global will hold 51% of the interest in the new joint venture entity. As at the date of reporting, the Group has not hold any equity interest in the joint venture entity.

Information Technology and Media Hub

On 1 November 2016 the Group has entered into a joint venture agreement with Urban Global Co. Ltd., a wholly owned subsidiary of Shukaku Inc to develop an information technology and media hub in Phnom Penh, Cambodia.

Summary of the terms of the Joint Venture are as follows:

- A new joint venture entity will be incorporated to undertake the development of the Project;
- Urban Global will procure the land title for the Project and obtain all the licences and permits necessary for the Project;
- The Group will have the primary responsibility for the overseeing and management of the Project and will procure the required capital to fund the Project of approximately S\$8,458,660 (approximately US\$6,200,000) in tranches; and
- Any additional funding is to be funded in proportion to respective shareholding.

26. Commitments (continued)

Other commitments (continued)

Information Technology and Media Hub (continued)

Upon execution of the Joint Venture, the Group will hold 49% of the interest in the joint venture entity and Urban Global will hold 51% of the interest in the new joint venture entity. As at the date of reporting, the Group has not hold any equity interest in the joint venture entity.

Operating lease commitments – as lessee

The Group and the Company have entered into commercial leases on rental of offices. These leases have an average life of 1 year with no renewal option or escalation clauses included in the contracts. There are no restrictions places upon the Group or the Company by entering into these leases. The Group's and the Company's minimum lease payments recognised in the statement of comprehensive income during the year amounted to S\$79,093 (2017: S\$44,290) and S\$12,840 (2017: S\$12,840) respectively.

Future minimum lease payments payable under non-cancellable operating leases as at 31 March are as follows:

| | Group | | Company | |
|-------------------------|---------------|---------------|--------------|----------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Not later than one year | 53,549 | 35,424 | 9,630 | - |
| More than one year | 24,851 | 10,109 | - | - |
| | <u>78,400</u> | <u>45,533</u> | <u>9,630</u> | <u>-</u> |

The Group leases out its unsold completed development property, which run for a period of 1 year, with option to renew the lease after the expiry dates. The future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

| | Group | | Company | |
|-------------------------|---------------|----------|----------|----------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Not later than one year | <u>31,532</u> | <u>-</u> | <u>-</u> | <u>-</u> |

27. Related party transactions

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

| | Group | |
|---|----------|---------------|
| | 2018 | 2017 |
| | S\$ | S\$ |
| Professional fees paid to an affiliated company | 65,908 | 67,581 |
| Management fee paid to holding company | 87,435 | 101,394 |
| Rental paid to holding company | 12,840 | 12,840 |
| Rental paid to related party | <u>-</u> | <u>30,418</u> |

27. Related party transactions (continued)

Key management compensation

Directors' remuneration is disclosed in Note 22. There are no other key management personnel in the Company other than the directors.

28. Financial risk management

The Group and the Company are exposed to financial risks from its operation and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the directors. It is, and has been throughout the current financial year and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

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

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

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 has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

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 Company's performance to developments affecting a particular industry.

Exposure to credit risk

The Company has no significant concentration of credit risk other than those balances with subsidiaries. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, amount due from subsidiaries and other receivables that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

The Group and the Company has no financial assets that are either past due or impaired.

28. Financial risk management (continued)

Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Group's and the Company's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Group and the Company.

Analysis of financial instruments by remaining contractual maturities

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

| | Carrying amount S\$ | Contractual cash flow S\$ | One year or less S\$ | More than one year S\$ |
|--|---------------------------|---------------------------------|----------------------------|------------------------------|
| Group | | | | |
| 2018 | | | | |
| Financial assets: | | | | |
| Amount due from related parties | 1,859,054 | 1,859,054 | - | 1,859,054 |
| Other receivables | 12,114,305 | 12,114,305 | 2,335,901 | 9,778,404 |
| Cash and cash equivalents | 930,289 | 930,289 | 930,289 | - |
| Total undiscounted financial assets | 14,903,648 | 14,903,648 | 3,266,190 | 11,637,458 |
| Financial liabilities: | | | | |
| Trade and other payables | 918,545 | 918,545 | 918,545 | - |
| Retention payable | 681,950 | 681,950 | 681,950 | - |
| Total undiscounted financial liabilities | 1,600,495 | 1,600,495 | 1,600,495 | - |
| Total net undiscounted financial assets | 13,303,153 | 13,303,153 | 1,665,695 | 11,637,458 |
| 2017 | | | | |
| Financial assets: | | | | |
| Amount due from a related party | 893,455 | 893,455 | - | 893,455 |
| Other receivables | 1,431,471 | 1,431,471 | 1,431,471 | - |
| Cash and cash equivalents | 4,991,133 | 4,991,133 | 4,991,133 | - |
| Total undiscounted financial assets | 7,316,059 | 7,316,059 | 6,422,604 | 893,455 |
| Financial liabilities: | | | | |
| Trade and other payables | 695,131 | 695,131 | 695,131 | - |
| Retention payable | 954,957 | 954,957 | 771,232 | 183,725 |
| Amount due to a related party | 454,102 | 454,102 | - | 454,102 |
| Total undiscounted financial liabilities | 2,104,190 | 2,104,190 | 1,466,363 | 637,827 |
| Total net undiscounted financial assets | 5,211,869 | 5,211,869 | 4,956,241 | 255,628 |

28. Financial risk management (continued)

Liquidity risk (continued)

| | Carrying amount S\$ | Contractual cash flow S\$ | One year or less S\$ |
|--|---------------------------|---------------------------------|----------------------------|
| Company | | | |
| 2018 | | | |
| Financial assets: | | | |
| Amount due from subsidiaries | 7,416,968 | 7,416,968 | 7,416,968 |
| Other receivables | 54,208 | 54,208 | 54,208 |
| Cash and cash equivalents | 630,783 | 630,783 | 630,783 |
| Total undiscounted financial assets | 8,101,959 | 8,101,959 | 8,101,959 |
| Financial liabilities: | | | |
| Trade and other payables | 66,350 | 66,350 | 66,350 |
| Total undiscounted financial liabilities | 66,350 | 66,350 | 66,350 |
| Total net undiscounted financial assets | 8,035,609 | 8,035,609 | 8,035,609 |
| 2017 | | | |
| Financial assets: | | | |
| Amount due from subsidiaries | 5,167,333 | 5,167,333 | 5,167,333 |
| Cash and cash equivalents | 4,919,885 | 4,919,885 | 4,919,885 |
| Total undiscounted financial assets | 10,087,218 | 10,087,218 | 10,087,218 |
| Financial liabilities: | | | |
| Trade and other payables | 215,282 | 215,282 | 215,282 |
| Total undiscounted financial liabilities | 215,282 | 215,282 | 215,282 |
| Total net undiscounted financial assets | 9,871,936 | 9,871,936 | 9,871,936 |

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group and the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Group's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. 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 has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Group, primarily, Australian Dollar (AUD), Malaysian Ringgit (MYR) and United States Dollar (USD).

28. Financial risk management (continued)

Market risk (continued)

Foreign currency risk (continued)

A 3% strengthening of Singapore Dollar against the foreign currency denominated balances as at the reporting date would increase profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

| | Group | |
|-----|-------------------------|-----------|
| | (Loss)/Profit after tax | |
| | 2018 | 2017 |
| | S\$ | S\$ |
| USD | (237,965) | (248,374) |
| MYR | (949) | 358 |
| AUD | (2,247) | (7,528) |

A 3% weakening of Singapore Dollar against the above currency would have had equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

29. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, amount due from related companies, other receivables, other payables and amount due to directors

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade payables and retention payables

The carrying amounts of these payables approximate their fair values as they are subject to normal trade credit terms.

30. Financial instruments by category

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

| | Group | | Company | |
|--|-------------------|------------------|------------------|-------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | S\$ | S\$ | S\$ | S\$ |
| Loans and receivables | | | | |
| Amount due from a related party (Note 7) | 1,859,054 | 893,455 | - | - |
| Amount due from subsidiaries (Note 11) | - | - | 7,416,968 | 5,167,333 |
| Other receivables (Note 6) | 12,114,305 | 1,431,471 | 54,208 | - |
| Cash and cash equivalents (Note 12) | 930,289 | 4,991,133 | 630,783 | 4,919,885 |
| Total loans and receivables | <u>14,903,648</u> | <u>7,316,059</u> | <u>8,101,959</u> | <u>10,087,218</u> |
| Financial liabilities at amortised cost | | | | |
| Amount due to a related party (Note 7) | - | 454,102 | - | - |
| Trade and other payables (Note 17) | 918,545 | 695,131 | 66,350 | 215,282 |
| Retention payable (Note 16) | 681,950 | 954,957 | - | - |
| Total financial liabilities measured at amortised cost | <u>1,600,495</u> | <u>2,104,190</u> | <u>66,350</u> | <u>215,282</u> |

31. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2018 and 31 March 2017.

The Company's overall strategy remains unchanged from 2017.

32. Segment information

The Group's reportable operating segments are as follows:

- (i) Property development: Development of residential, commercial and other properties.
- (ii) Others: Comprises mainly investment holding, management and consultancy services.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment (loss)/profit before tax, as included in the internal management report that are reviewed by the Board of Directors. Segment (loss)/profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable operating segments

| | Property development | Others | Elimination | Consolidated |
|---------------------------|---------------------------------|--------------------|---------------------|---------------------|
| | S\$ | S\$ | S\$ | S\$ |
| 31 March 2018 | | | | |
| <u>Revenue</u> | | | | |
| External customers | 888,417 | - | - | 888,417 |
| Inter-segment | - | - | - | - |
| | <u>888,417</u> | <u>-</u> | <u>-</u> | <u>888,417</u> |
| <u>Result</u> | | | | |
| Segment loss | (12,182) | (1,931,541) | - | (1,943,723) |
| Income tax expenses | (12,167) | - | - | (12,167) |
| Loss for the year | <u>(24,349)</u> | <u>(1,931,541)</u> | <u>-</u> | <u>(1,955,890)</u> |
| <u>Asset</u> | | | | |
| Segment assets | <u>21,937,281</u> | <u>37,021,892</u> | <u>(31,521,867)</u> | <u>27,437,306</u> |
| <u>Liabilities</u> | | | | |
| Segment liabilities | <u>18,614,976</u> | <u>14,794,719</u> | <u>(29,507,232)</u> | <u>3,902,463</u> |

32. Segment information (continued)

Information about reportable operating segments (continued)

| | Property development S\$ | Others S\$ | Elimination S\$ | Consolidated S\$ |
|----------------------------|--------------------------------|-------------------|---------------------|---------------------|
| 31 March 2017 | | | | |
| <u>Revenue</u> | | | | |
| External customers | 7,482,336 | - | - | 7,482,336 |
| Inter-segment | - | 1,011,000 | (1,011,000) | - |
| | <u>7,482,336</u> | <u>1,011,000</u> | <u>(1,011,000)</u> | <u>7,482,336</u> |
| <u>Result</u> | | | | |
| Segment profit/(loss) | 1,531,308 | (387,041) | (9,352) | 1,134,915 |
| Income tax expenses | (344,241) | - | - | (344,241) |
| Profit/(Loss) for the year | <u>1,187,067</u> | <u>(387,041)</u> | <u>(9,352)</u> | <u>790,674</u> |
| <u>Asset</u> | | | | |
| Segment assets | <u>14,157,779</u> | <u>17,573,061</u> | <u>(12,403,860)</u> | <u>19,326,980</u> |
| <u>Liabilities</u> | | | | |
| Segment liabilities | <u>9,154,664</u> | <u>5,721,193</u> | <u>(10,298,144)</u> | <u>4,577,713</u> |

Geographical information

The Group's main business are those relating to property development activities mainly in Cambodia and Malaysia.

33. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2018 were authorised for issue by the Board of Directors on the date of the Directors' Statement.