SINGASIA Holdings Limited 星亞控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 8293

ANNUAL REPORT 2018

* For identification purpose only.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the "Directors") of SingAsia Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading and deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

The original report is prepared in the English language. This report is translated into Chinese. In the event of any inconsistencies between the Chinese and the English version, the latter shall prevail.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Sim Hak Chor
Ms. Serene Tan
Mr. Yeung Chun Sing Standly
Ms. Wang Chunyang

Independent non-executive Directors

Mr. Lim Cheng Hock, Lawrence
Mr. Jong Voon Hoo
Mr. Chan Fong Kong Francis

AUDIT COMMITTEE MEMBERS

Mr. Chan Fong Kong Francis *(Chairman)*
Mr. Lim Cheng Hock, Lawrence
Mr. Jong Voon Hoo

NOMINATION COMMITTEE MEMBERS

Mr. Jong Voon Hoo *(Chairman)*
Mr. Chan Fong Kong Francis
Mr. Lim Cheng Hock, Lawrence
Mr. Sim Hak Chor

REMUNERATION COMMITTEE MEMBERS

Mr. Lim Cheng Hock, Lawrence *(Chairman)*
Mr. Chan Fong Kong Francis
Mr. Jong Voon Hoo
Mr. Sim Hak Chor

COMPLIANCE OFFICER

Mr. Sim Hak Chor

COMPANY SECRETARY

Mr. Li Chi Chung

AUTHORISED REPRESENTATIVES

Mr. Sim Hak Chor
Mr. Li Chi Chung

AUDITOR

Mazars CPA Limited
42/F Central Plaza
18 Harbour Road
Wanchai
Hong Kong

REGISTERED OFFICE

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

27 New Bridge Road
Singapore 059391

PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE (CAP 622)

19th Floor, Prosperity Tower
39 Queen's Road Central
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

CORPORATE INFORMATION

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301–04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

PRINCIPAL BANKERS

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
OCBC Centre
Singapore 049513

Standard Chartered Bank (Singapore) Limited
6 Battery Road
Level #03–00
Singapore 049909

COMPANY'S WEBSITE

www.singasia.com.sg

STOCK CODE

8293

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of SingAsia Holdings Limited (the "Company"), I am pleased to present the annual report of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 July 2018.

During the year, the Group continued to focus on manpower outsourcing, manpower recruitment and manpower training services. It has been a very challenging year for the Group. However, I remain positive and confident about the future of the business.

REVIEW

The Group achieved higher revenue of approximately S$20,295,000 for the year ended 31 July 2018 as compared to S$18,655,000 for the year ended 31 July 2017. The increase of revenue was mainly from manpower outsourcing services derived from hotel and resort and retail sectors. Gross profit remained relatively consistent while overall gross profit margin decreased slightly from 31.5% for the year ended 31 July 2017 to 28.8% for the year ended 31 July 2018.

Singapore is becoming a challenging market to operate given the rising costs. To overcome this, we are continuously looking at ways to keep our costs competitive and to improve the performance of the Group. During the year, the Group incurred significant amount in staff cost and administrative expenses for strengthening our project development team as well as incurred higher business development expenses for negotiating potential investments. As a result, the Group recorded a net loss of approximately S$3,084,000 for the year ended 31 July 2018 as compared to a net loss of approximately S$619,000 for the year ended 31 July 2017.

OUTLOOK

The Group believes that the strength of its customer relationships will enable it to maintain and potentially expand its market share. A deeper understanding of needs of clients combined with track record of reliable relationships has become the competitive advantage to preserve sustainable business. The Group will maintain efficiency while adopting new measures to raise productivity and profitability. Looking forward, the Group expects to continue incur significant expenses in seeking potential new investments. Thus, it is likely that the Group's profitability will continue on a decline. While such measure requires the Group to commit additional fund, the long-term effect of investments on growth could outweigh the initial cost. Nonetheless, the Group has always evolved to stay distinctive to maintain our competitive edge and to look for opportunities to grow our business locally and regionally.

APPRECIATION

On behalf of the Board, I would like to express my heartfelt appreciation to everyone in the Group who has gone extra mile in service of our customers. We would also like to thank all our customers, suppliers and shareholders for their constant support and unwavering trust.

Sim Hak Chor
Chairman and Executive Director

Hong Kong, 24 October 2018

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are a well established one-stop specialised workforce solutions provider, helping customers to improve growth and performance by providing manpower outsourcing services, manpower recruitment services and manpower training services. Our workforce solutions meet customers' needs for a reliable, efficient workforce in the hotel and resort, retail and food and beverage ("F&B") sectors across Singapore. Over the years, we have built a solid track record of providing reliable and timely workforce solutions for the hospitality industry in Singapore, and have a good reputation among our customers and we have built a strong pipeline of talent workforce. We also provide manpower recruitment services to our customers. Besides, we also provide manpower training services for candidates from overseas who are pursuing employments in the hotel and resort, F&B and retail sectors, and offer them opportunities to attend training courses provided by local education institutions or our in-house training courses to enhance their knowledge and skills in these sectors.

The Group's revenue increased by approximately S$1,640,000 from approximately S$18,655,000 for the year ended 31 July 2017 to approximately S$20,295,000 for the year ended 31 July 2018. The increase was mainly attributable to the increase in revenue from hotel and resort and retail sectors.

During the year ended 31 July 2018, the Group incurred significant staff costs, administrative expenses and business development expenses for our project development team for negotiating potential investments. As a result, the Group recorded a net loss of approximately S$3,084,000 for the year ended 31 July 2018 as compared to net loss of approximately S$619,000 for the year ended 31 July 2017.

In view of the challenging business environment, the Directors will constantly review the Group's business strategy. The Group expects to continue to incur significant expenses in seeking potential investments. Nonetheless, with a burgeoning demand from new and existing customers for our existing operations, the Group expects to retain substantial amount of market share and expects to continue to perform well in 2019 in terms of revenue.

FINANCIAL REVIEW

Revenue

The Group's revenue was mainly derived from manpower outsourcing, manpower recruitment and manpower training services. The Group's revenue increased from approximately S$18,655,000 for the year ended 31 July 2017 to approximately S$20,295,000 for the year ended 31 July 2018. The increase in revenue from our manpower outsourcing services was offset by decrease in revenue from our manpower recruitment services and manpower training services. The following table sets out the revenue of the Group by business segment for the periods as indicated:

	For the year ended 31 July			
	2018		2017	
	S$'000	***%***	*S$'000*	*%*
Manpower outsourcing	**19,122**	**94.2**	17,110	91.7
Manpower recruitment	**569**	**2.8**	795	4.3
Manpower training	**604**	**3.0**	750	4.0
	20,295	**100**	18,655	100

MANAGEMENT DISCUSSION AND ANALYSIS

Manpower outsourcing

The manpower outsourcing services provided by the Group are mainly deployment of manpower to the Group's customers. The Group's revenue derived from manpower outsourcing services increased from approximately S$17,110,000 for the year ended 31 July 2017 to approximately S$19,122,000 for the year ended 31 July 2018. The following table sets out the revenue from manpower outsourcing services by sector for the periods as indicated:

	For the year ended 31 July			
	2018		2017	
	S$'000	*%*	*S$'000*	*%*
Hotel and resort	**17,347**	**90.7**	14,649	85.6
F&B	**1,258**	**6.6**	1,963	11.5
Retail	**494**	**2.6**	435	2.5
Others	**23**	**0.1**	63	0.4
	19,122	**100**	17,110	100

The increase of revenue from manpower outsourcing services was mainly due to increase in business generated from new customers as well as from existing customers. We recorded a growth in revenue derived from hotel and resort and retail sectors, from approximately S$14,649,000 and approximately S$435,000 for the year ended 31 July 2017 to approximately S$17,347,000 and approximately S$494,000 for the year ended 31 July 2018, respectively.

Revenue from manpower outsourcing services generated from F&B sector decreased by approximately S$705,000 from approximately S$1,963,000 for the year ended 31 July 2017 to approximately S$1,258,000 for the year ended 31 July 2018. F&B sector is facing stiff competition especially from food delivery service providers. There are more ready-to-cook meals available at convenience stores and hot foods from vending machines are also starting to catch on. Many F&B companies have embarked on technology and system innovation to keep up with the recent trends and to be more competitive in the sector. All these factors have resulted in decreased demand for our services in the F&B sector.

Manpower recruitment

The Group's revenue derived from manpower recruitment services decreased from approximately S$795,000 for the year ended 31 July 2017 to approximately S$569,000 for the year ended 31 July 2018. It is mainly attributable to decrease in demand from our customers for new recruits due to tighter foreign employment restrictions in Singapore.

Manpower training

The Group's revenue derived from manpower training services decreased from approximately S$750,000 for the year ended 31 July 2017 to approximately S$604,000 for the year ended 31 July 2018, mainly because less training projects were being secured due to the delay in approval of projects by the relevant government authorities in the candidates' country for the year ended 31 July 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit

Gross profit remained relatively stable while overall gross profit margin decreased slightly from 31.5% for the year ended 31 July 2017 to 28.8% for the year ended 31 July 2018. The table below sets out a breakdown of gross profit and gross profit margin by revenue type for the periods as indicated:

	For the year ended 31 July			
	2018		2017	
	S$'000	***Gross profit margin %***	*S$'000*	*Gross profit margin %*
Manpower outsourcing	**5,004**	**26.2%**	4,664	27.3%
Manpower recruitment	**431**	**75.7%**	633	79.6%
Manpower training	**417**	**69.0%**	587	78.3%
	5,852	**28.8%**	5,884	31.5%

The gross profit margin of manpower outsourcing services decreased from 27.3% for the year ended 31 July 2017 to 26.2% for the year ended 31 July 2018 as we had to charge more competitive prices to keep ahead of the competition.

The gross profit margin of manpower recruitment services decreased from 79.6% for the year ended 31 July 2017 to 75.7% for the year ended 31 July 2018. This was because manpower recruitment services incurred higher cooperative fee during the year ended 31 July 2018.

The gross profit margin of manpower recruitment services decreased from 78.3% for the year ended 31 July 2017 to 69.0% for the year ended 31 July 2018. This was mainly due to decreased demand for such services coupled with higher costs of training courses.

Other income

Other income decreased from approximately S$224,000 for the year ended 31 July 2017 to approximately S$153,000 for the year ended 31 July 2018. The decrease was mainly due to lower government grants, lower forfeiture income and lower income from sale of merchandise.

Administrative expenses

Administrative expenses increased by approximately S$1,838,000 or 28.1%, from approximately S$6,539,000 for the year ended 31 July 2017 to approximately S$8,377,000 for the year ended 31 July 2018. The substantial increase was mainly attributable to higher staff costs, motor vehicle expenses, depreciation of property, plant and equipment, professional fees as well as management fees.

Staff costs related to directors' remuneration, staff salaries, CPF contributions, MPF contributions, staff allowance, and other welfare expenses. Our staff costs amounted to approximately S$4,434,000 and approximately S$5,596,000 for the year ended 31 July 2017 and 31 July 2018 respectively. The increase of approximately S$1,162,000 was mainly due to higher expenses incurred for strengthening our project development team.

The Group acquired a motor vehicle during the year ended 31 July 2018. Motor vehicle expenses increased by approximately S$142,000 from approximately S$3,000 for the year ended 31 July 2017 to approximately S$145,000 for the year ended 31 July 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

Depreciation expenses, management fees, professional fees and other administrative expenses collectively increased by approximately S$534,000 for the year ended 31 July 2018.

Depreciation expenses increased by approximately S$58,000 due to acquisition of motor vehicle, computers and equipment during the year ended 31 July 2018.

Management fees increased by approximately S$155,000 mainly due to rental payments for the Hong Kong office.

Professional fees increased by approximately S$149,000 mainly due to (i) an increase in legal and professional fees for a proposed acquisition; (ii) an increase in professional fees for the share subdivision and adoption of share option scheme, and (iii) an increase in services fees for reporting of quarterly results and interim results.

Other operating expenses

Other operating expenses increased by approximately S$268,000 from approximately S$461,000 for the year ended 31 July 2017 to approximately S$729,000 for the year ended 31 July 2018. The increase was mainly due to higher business development expenses.

Income tax credit

The Group recorded a tax credit of approximately S$17,000 for the year ended 31 July 2018 due to (i) the recognition of deferred tax assets which arose from the excess of tax values over net book values of property, plant and equipment; (ii) reversal of overprovision of Singapore Corporate Income Tax in prior years; and (iii) offset by provision of Singapore Corporate Income Tax for profit-making subsidiaries in Singapore.

Loss for the year

Due to the combined effect of lower gross profit, higher administrative expenses and higher operating expenses, the loss for the Group was approximately S$3,084,000 for the year ended 31 July 2018, compared to the loss of approximately S$619,000 for the year ended 31 July 2017.

Liquidity and financial resources

As at 31 July 2018, the Group had total assets of approximately S$9,318,000 (2017: S$12,153,000) which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately S$2,157,000 (2017: S$1,910,000) and S$7,161,000 (2017: S$10,243,000), respectively. The current ratio of the Group as at 31 July 2018 was approximately 3.2 times (2017: approximately 5.1 times). The total assets to total equity of the Group as at 31 July 2018 was approximately 1.3 times (2017: approximately 1.2 times).

As at 31 July 2018, the Group had cash and cash equivalents of approximately S$2,225,000 (2017: S$6,088,000) which were placed with major banks in Singapore and Hong Kong.

Foreign exchange exposure

The Group transacts mainly in Singapore dollars, which is the functional currency of the majority of the Group's operating subsidiaries. However, the Group retained part of the proceeds from the Share Offer (as defined below) in Hong Kong dollars which contributed to an unrealised foreign exchange loss of approximately S$44,000 as Hong Kong dollars weakened against Singapore dollars.

MANAGEMENT DISCUSSION AND ANALYSIS

Future plans for material investments and capital assets

Save as disclosed, the Company did not have any future plans for significant investments or capital assets as at the date of this report, but the Company may, at any point, be negotiating potential investments when considering it is appropriate.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

The Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Significant investments held

The Group did not hold any significant investments during the year ended 31 July 2018.

Contingent liabilities

As at 31 July 2018, the Group did not have any material contingent liabilities (2017: Nil).

Use of proceeds from the Share Offer

The Company was successfully listed on GEM of the Stock Exchange on 15 July 2016 ("Listing Date") by way of share offer of 50,000,000 new shares and 12,500,000 sale shares at the price of HK$1 per share (the "Share Offer"). The net proceeds raised from the Share Offer were approximately HK$26.1 million (approximately S$4.49 million) after deducting listing-related expenses.

An analysis of the amount utilised up to 31 July 2018 is set out below:

	Adjusted use of proceeds in respect of business objectives from the Listing Date to 31 July 2018 *HK$mil*	**Actual utilised amount up to 31 July 2018** *HK$mil*
Expansion and strengthening of existing manpower outsourcing services	10.7	10.7
Acquisitions of strategic partners	5.0	0.6
Enhancing our information technology software to support the Group's business infrastructure	4.8	2.5
Repayment of loans	3.4	1.7
Working capital and general corporate use	2.2	2.2
	26.1	17.7

The remaining net proceeds as at 31 July 2018 had been placed in interest-bearing deposits in banks in Singapore and Hong Kong.

As at the date of this report, the Board does not anticipate any change to the plan as to the use of the proceeds.

MANAGEMENT DISCUSSION AND ANALYSIS

Employee information

As at 31 July 2018, the Group had an aggregate of 256 employees (2017: 235), comprising of 4 executive Directors (2017: 4), 110 support staff (2017: 99) and 142 full-time deployment staff (2017: 132).

The Group's remuneration policies are in line with the prevailing market practices and formulated on the basis of job scope and responsibilities. In order to attract and retain high quality staff, competitive remuneration package is offered to employees (with reference to market norms and individual employees' performance, qualification and experience). Our employees are also entitled to discretionary bonus which is awarded according to the Group's performance as well as individual's performance.

DIRECTORS AND SENIOR MANAGEMENT PROFILE

EXECUTIVE DIRECTORS

Mr. Sim Hak Chor (沈學助), aged 46, is the founder of the Group, executive Director and chairman of the Board. He is also a member of each of the remuneration committee and the nomination committee of the Board. He was re-designated as the executive Director on 20 June 2016. He is responsible for overseeing the overall management, strategic planning and business development of the Group. He has more than 10 years of experience in the workforce solutions industry.

Mr. Sim started his career in auditing and financial advisory services in June 1995. He joined KPMG LLP, an international accounting firm, in December 1997 after leaving a local Singapore based accounting firm. Having provided auditing and advisory services for various hotels and F&B companies, he foresaw the need of the industry, in particular the human resources issues. Mr. Sim had the vision to provide a comprehensive workforce solution for the hotel and resort, F&B and retail sectors. He left KPMG LLP as a manager in October 2003 and founded the Group in March 2004.

Mr. Sim has been admitted as a fellow member of the Association of Chartered Certified Accountants (ACCA) in November 2002. In addition, he has been a member of the Institute of Singapore Chartered Accountants (ISCA) (previously Institute of Certified Public Accountants of Singapore) since March 2001.

Ms. Serene Tan (陳雪玲), aged 40, is the Group director of finance and executive Director. She was re-designated as the executive Director on 20 June 2016. She has been with the Group since August 2004. Being one of the pioneers of the Group, she has been instrumental in building up the finance, accounting and administrative departments of the Group. In her role as the Group director of finance, she is responsible for overseeing the accounting, finance and reporting functions, tax compliance as well as general administration and secretarial affairs of the Group.

Ms. Tan commenced her career with KPMG LLP as an audit assistant in August 1999. She was subsequently promoted to the position of an assistant audit manager in July 2003. During her employment with KPMG LLP, she was responsible for the planning, control and co-ordination of all audit assignments allocated to her. These assignments included banks, fund management, manufacturing and trading companies. She left KPMG LLP in March 2004.

She obtained her bachelor's degree in accountancy from Nanyang Technological University of Singapore in July 1999. She is a member of the Institute of Singapore Chartered Accountants (ISCA) and Singapore Institute of Accredited Tax Professionals (SIATP).

Mr. Yeung Chun Sing Standly (楊俊昇), aged 39, was appointed as the executive Director on 15 May 2017. Mr. Yeung obtained a Postgraduate Diploma of Professional Accountancy in Lingnan University and a Bachelor Degree of Accounting & Banking in Chu Hai University. He is a student member of the Association of Chartered Certified Accountants (ACCA) and a member of The Hong Kong Institute of Directors. Mr. Yeung has extensive experience in financial management and corporate finance. Prior to joining the Group, Mr. Yeung was an executive director of e-Kong Group Limited (now known as Great Wall Belt & Road Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 524) from January 2016 to May 2018. Mr. Yeung was the financial controller of Leyou Technologies Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1089) from June 2014 to July 2015.

Ms. Wang Chunyang (王春陽), aged 42, was appointed as the executive Director on 18 May 2017. She has held various key positions in the field of administrative, secretarial, fund investment and business development. Prior to joining the Group, Ms. Wang has been the administrative manager of e-Kong Group Limited (now known as Great Wall Belt & Road Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 524) since July 2015. She is currently the director of a local professional firm which provides accounting, taxation, company formation and company secretarial services since January 2016. She took the role of general manager in an asset management company from April 2014 to June 2015.

DIRECTORS AND SENIOR MANAGEMENT PROFILE

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lim Cheng Hock, Lawrence (林清福), aged 49, was appointed as the independent non-executive Director on 20 June 2016. Mr. Lim is currently the chairman of the remuneration committee and member of each of the audit committee and nomination committee of the Board. Mr. Lim graduated from National University of Singapore with a Bachelor of Laws degree in July 1994. He has been practising as an advocate and solicitor of the Supreme Court of Singapore since April 1995. Mr. Lim's areas of practice include company and corporate law, contract, tort and shareholders' disputes.

Mr. Jong Voon Hoo (楊文豪), aged 46, was appointed as the independent non-executive Director on 20 June 2016. He is currently the chairman of the nomination committee and member of each of the audit committee and remuneration committee of the Board. Mr. Jong graduated from Nanyang Technological University in June 1996 with a bachelor's degree in accountancy and is a chartered accountant and member of the Institute of Singapore Chartered Accountants (ISCA). He has more than 20 years of experience in audit, accounting and finance.

Mr. Chan Fong Kong Francis (陳方剛), aged 42, was appointed as the independent non-executive Director on 1 February 2018. He is currently the chairman of the audit committee and member of each of the nomination committee and remuneration committee of the Board. Mr. Chan has over 15 years of experience in capital investment, assurance and consultancy services industry. Mr. Chan obtained a Bachelor's Degree in Commerce, majoring in Accounting and Finance from Deakin University (Melbourne, Australia). He attained Certified Practicing Accountant (CPA) status with CPA Australia. Mr. Chan is currently a director of New Territories General Chamber of Commerce, the director, secretary and committee member of Care of Rehabilitated Offenders Association and a senior management of Bosa Technology (Hong Kong) Limited which is a subsidiary of Bosa Technology Holdings Limited (stock code: 8140). He is also currently an independent non-executive director of China Baoli Technologies Holdings Limited (stock code: 164) and Kwoon Chung Bus Holdings Limited (stock code: 306). He was an independent non-executive director of e-Kong Group Limited (now known as Great Wall Belt & Road Holdings Limited) (stock code: 524) from June 2015 to May 2017, China Best Group Holding Limited (stock code: 370) from September 2014 to October 2016, Heng Xin China Holdings Limited (stock code: 8046) from June 2016 to August 2016 and Leyou Technologies Holdings Limited (stock code: 1089) from January 2015 to July 2015.

SENIOR MANAGEMENT

Mr. Ng Meng Choon, Frey (黃盟春), aged 46, was appointed as the general manager of the Group's subsidiaries, SAE Agency Pte. Ltd. and SingAsia Resources Pte. Ltd. in November 2010 and August 2014, respectively. He is responsible for managing and overseeing the overall operations of these two subsidiaries. He has more than 20 years of experience in the retail sector. Prior to joining the Group, Mr. Ng was the general manager for numerous major jewelry brands, and also served as the country manager for an established luxury watch retailer in India.

Mr. Wong Swee Fatt (黃永發), aged 47, was appointed as the director of operations of TCC Hospitality Resources Pte. Ltd. in January 2008. He is responsible for managing, executing and coordinating the operations of manpower resource deployment to the Group's customers. Mr. Wong completed GCE"N" level in October 1987. Mr. Wong has more than 15 years of experience in hotel management, F&B operations and training in various 5-star hotels.

Mr. Woo Chee Sin (鄔志新), aged 48, was appointed as the Group director of people affairs in August 2014. He is responsible for the Group's human resources matters, company policy making and recruitment. His role includes managing, executing and coordinating for all overseas business opportunities for the Group. Mr. Woo has more than 12 years of working experience in both public and private sectors. Prior to joining the Group, Mr. Woo has served the public sector for 10 years and was involved in a wide range of responsibilities and activities such as office operation, customer relations and public affairs.

DIRECTORS AND SENIOR MANAGEMENT PROFILE

COMPANY SECRETARY

Mr. Li Chi Chung (李智聰), aged 50, is the company secretary of the Company (the "Company Secretary"). He was appointed on 20 June 2016. Mr. Li does not act as an individual employee of the Group, but as an external service provider. Mr. Li received a Bachelor of laws degree from the University of Sheffield in 1990. He is a practicing solicitor and was admitted as a solicitor in Hong Kong in 1993.

COMPLIANCE OFFICER

Mr. Sim Hak Chor is an executive Director and the compliance officer of the Company. His biographical details and professional qualifications are set out on page 12 of this annual report.

CORPORATE GOVERNANCE REPORT

The Board believes that good corporate governance is essential for efficient and effective management of our business to safeguard the interest of our stakeholders and achieve the highest return for our shareholders. The Company's corporate governance practices are based on the principles and code provisions as set out in the Code on Corporate Governance Practices (the "CG Code") in Appendix 15 of the GEM Listing Rules. In the opinion of the Board, the Company has complied with the CG Code during the year ended 31 July 2018, except for Code Provision A.2.1 of the CG Code — segregation of the roles of chairman and chief executive officer.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 of the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Sim Hak Chor ("Mr. Sim") is the chairman of the Board. Mr. Sim is also the executive Director who is responsible for managing the businesses of the Group, implementing major strategies and making day-to-day decisions for business operations, and is therefore the chief executive officer of the Company for the purpose of the GEM Listing Rules.

In view of Mr. Sim being the founder of the Group and he has been responsible for the overall management, strategic planning and business development of the Group since 2004, the Board believes that it is in the best interest of the Group to have Mr. Sim taking up both roles for effective management and business development. The Board considers that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and qualified individuals, with three of them being independent non-executive Directors. Accordingly, the Company has not segregated the roles of its chairman and chief executive officer as required by Code Provision A.2.1.

CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings regarding securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings"). The Company had made specific enquiries with all the Directors and all of them had confirmed their compliance with the Required Standard of Dealings during the year ended 31 July 2018.

BOARD OF DIRECTORS

The overall management of the Group's business is vested in the Board which assumes the responsibility for leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising its affairs. All Directors should make decisions objectively in the interests of the Group.

The Board formulates strategies and sets directions for the Group's activities to develop its business and enhance shareholders' value. The Board also assumes the responsibilities for corporate governance duties as set out in Code Provision D.3.1 of the CG Code, including among others, reviewing the Company's policies and practices on corporate governance, and reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements.

The Board has established board committees with specific written terms of reference which deal clearly with the committees' authority and duties. Details of the respective committee's terms of reference are available at the websites of the Company and the Stock Exchange.

The day-to-day management, administration and operation of the Group are delegated to the executive Directors and the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions being entered into by the abovementioned officers.

CORPORATE GOVERNANCE REPORT

Board composition

As at the date of this report, the Board comprises seven Directors of which four are executive Directors and three are independent non-executive Directors. The composition of the Board is as follows:

Executive Directors:

Mr. Sim Hak Chor (Chairman)
Ms. Serene Tan
Mr. Yeung Chun Sing Standly
Ms. Wang Chunyang

Independent non-executive Directors:

Mr. Lim Cheng Hock, Lawrence*(Note)*
Mr. Jong Voon Hoo*(Note)*
Mr. Chan Fong Kong Francis*(Note)* (appointed on 1 February 2018)

Note: Mr. Lim Cheng Hock, Lawrence, Mr. Jong Voon Hoo and Mr. Chan Fong Kong Francis are subject to re-election in the forthcoming annual general meeting.

The biographical details of the Directors are set out in the section headed "Directors and Senior Management Profile" on pages 12 and 13 of this annual report.

There was no financial, business, family or other material relationships among the Directors.

During the year ended 31 July 2018, the Board at all times met the requirements of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors, accounting for at least one-third of the Board, with at least one independent non-executive Director possessing the appropriate professional qualifications or accounting or related financial management expertise.

Prior to their respective appointment, each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence and has undertaken to inform the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect their independence. The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Board considers all the independent non-executive Directors to be independent and meet the requirements set out in Rule 5.09 of the GEM Listing Rules as at the date of this report.

Directors' attendance at board meetings

Pursuant to Code Provision A.1.1 of the CG Code, board meetings should be held at least four times a year at approximately quarterly intervals. Such regular board meetings will normally involve active participation, either in person or through other electronic means of communication, of a majority of Directors entitled to be present.

For the year ended 31 July 2018, the Board held fifteen board meetings. The annual general meeting of the Company was held on 19 December 2017 (the "2017 AGM").

CORPORATE GOVERNANCE REPORT

The attendance record of each Director at the board meetings and the 2017 AGM is set out in the table below:

Directors	Number of meetings attended/held *(Note)*	Attendance of the 2017 AGM
Executive Directors		
Mr. Sim Hak Chor	15/15	1/1
Ms. Serene Tan	13/15	0/1
Mr. Yeung Chun Sing Standly	15/15	1/1
Ms. Wang Chunyang	13/15	1/1
Independent non-executive Directors		
Mr. Tan Eng Ann (resigned on 1 February 2018)	7/7	1/1
Mr. Lim Cheng Hock, Lawrence	15/15	1/1
Mr. Jong Voon Hoo	15/15	1/1
Mr. Chan Fong Kong Francis (appointed on 1 February 2018)	6/8	N/A

Note: Attendances of the Directors during the year ended 31 July 2018 were made by reference to the numbers of such meeting(s) held during their respective tenure.

Practice and guidelines of board meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to the Directors in advance. The Company has arrangements to ensure that the Directors have opportunity to include matters in the agenda for regular board meeting.

Notice of regular board meetings are served to all Directors at least 14 days before the meetings. For all other board or board committee meetings, reasonable notice will be given.

In respect of regular board meetings, and so far as practicable in all other cases, an agenda and accompanying board papers are sent in full to all Directors at least 3 days before the intended date of a board or board committee meeting to enable the Directors to make informed decisions. The Board and each Director have separate and independent access to the senior management whenever necessary.

All Directors have access to the advice and services of the Company Secretary to ensure that board procedures, and all applicable rules and regulations, are followed. Upon reasonable request, the Directors are allowed to seek independent professional advice in appropriate circumstances, at the Company's expense, to assist the Directors to discharge his/her duties to the Company.

The Company Secretary is responsible to take and keep minutes of all board meetings and board committee meetings. Minutes of board meetings and board committee meetings should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft minutes are circulated to Directors for comment within a reasonable time after each meeting and the final versions of minutes are open for Directors' inspection.

Directors must abstain from voting and not be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

CORPORATE GOVERNANCE REPORT

Appointment and re-election of Directors

Each of the executive Directors has entered into a service contract with the Company for a fixed term of three years commencing from their respective dates of appointment and will continue thereafter until terminated by not less than three months' notice in writing sent by either party to the other. Each of the independent non-executive Directors has entered into a letter of appointment with the Company. Each of the independent non-executive Directors is appointed with an initial term of two years subject to termination in certain circumstances as stipulated in the relevant letters of appointment, and will continue thereafter until terminated by not less than three months' notice in writing sent by either party to the other.

Pursuant to the articles of association of the Company (the "Articles of Association"), any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In compliance with Code Provision A.4.2 of the CG Code, all Directors are subject to retirement by rotation at least once every three years. Furthermore, pursuant to the Articles of Association, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Board diversity policy

The Company recognises and embraces the benefits of having a diverse Board as an essential element to improving governance and performance, and to creating a competitive advantage. In designing the Board composition, board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

Directors' training and continuing professional development

Directors are aware of Code Provision A.6.5 of the CG Code regarding continuing professional development programme for Directors. Every Director is kept abreast of his responsibilities as a Director and of the conduct, business activities and development of the Company.

During the year, all Directors have participated in continuous professional development by attending training course or reading relevant materials on the topics related to corporate governance and regulations. All Directors have been updated with the latest developments regarding the GEM Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices. In addition, continuing briefings and professional development to Directors will be arranged whenever necessary. All Directors are also encouraged to attend external training courses at the Company's expense.

The training record of each Director as at 31 July 2018 is as follows:

Directors	Attending seminar or briefings/perusal of materials in relation to business or Directors' duties
Executive Directors	
Mr. Sim Hak Chor	Yes
Ms. Serene Tan	Yes
Mr. Yeung Chun Sing Standly	Yes
Ms. Wang Chunyang	Yes
Independent non-executive Directors	
Mr. Tan Eng Ann (resigned on 1 February 2018)	Yes
Mr. Lim Cheng Hock, Lawrence	Yes
Mr. Jong Voon Hoo	Yes
Mr. Chan Fong Kong Francis (appointed on 1 February 2018)	Yes

Directors' and officers' liabilities

The Company has in place appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage is reviewed on an annual basis by the Company.

BOARD COMMITTEES

The Board is supported by three Board Committees. Each committee has its defined scope of duties and terms of reference and the committee members are empowered to make decisions on matters within their respective terms of reference.

Audit committee

The Group established an audit committee (the "Audit Committee") on 20 June 2016 with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and Code Provision C.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors namely Mr. Lim Cheng Hock, Lawrence, Mr. Jong Voon Hoo and Mr. Chan Fong Kong Francis. Mr. Chan Fong Kong Francis, the Director with the appropriate professional qualifications, serves as the chairman of the Audit Committee.

The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Group's financial reporting process, internal control and risk management systems, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

During the year ended 31 July 2018, the Audit Committee held four meetings to consider and approve the following:

(i) to review the quarterly, half-year and annual financial statements before submission to the Board, with a focus on compliance with accounting standards, the GEM Listing Rules and other requirements in relation to financial reporting;

CORPORATE GOVERNANCE REPORT

(ii) to discuss the effectiveness of the internal control systems throughout the Group, including financial, operational and compliance controls, and risk management; and

(iii) to review the accounting principles and practices adopted by the Group and other financial reporting matters.

The attendance record of each member of the Audit Committee is as follows:

Audit Committee Members	**Number of meetings attended/held**
Mr. Chan Fong Kong Francis *(Chairman)* (appointed on 1 February 2018)	2/2
Mr. Tan Eng Ann (resigned on 1 February 2018)	2/2
Mr. Lim Cheng Hock, Lawrence	4/4
Mr. Jong Voon Hoo	4/4

The Audit Committee has reviewed the Group's annual results for the year ended 31 July 2018.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year ended 31 July 2018.

Remuneration committee

The Group established a remuneration committee (the "Remuneration Committee") on 20 June 2016 with written terms of reference in compliance with Code Provision B.1.2 of the CG Code. The Remuneration Committee consists of three independent non-executive Directors and an executive Director, namely Mr. Lim Cheng Hock, Lawrence, Mr. Jong Voon Hoo, Mr. Chan Fong Kong Francis and Mr. Sim Hak Chor. Mr. Lim Cheng Hock, Lawrence serves as the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include (but without limitation): (i) making recommendations to the Board on the policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the terms of the specific remuneration package of the Directors and senior management; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time.

For the year ended 31 July 2018, the Remuneration Committee held three meetings to consider and approve the remuneration of the Directors and senior management.

The attendance record of each member of the Remuneration Committee is as follows:

Remuneration Committee Members	**Number of meetings attended/held**
Mr. Lim Cheng Hock, Lawrence *(Chairman)*	3/3
Mr. Tan Eng Ann (resigned on 1 February 2018)	2/2
Mr. Jong Voon Hoo	3/3
Mr. Sim Hak Chor	3/3
Mr. Chan Fong Kong Francis (appointed on 1 February 2018)	1/1

CORPORATE GOVERNANCE REPORT

Nomination committee

The Group established a nomination committee (the "Nomination Committee") on 20 June 2016 with written terms of reference in compliance with Code Provision A.5 of the CG Code. The Nomination Committee consists of three independent non-executive Directors and an executive Director, namely Mr. Jong Voon Hoo, Mr. Lim Cheng Hock, Lawrence, Mr. Chan Fong Kong Francis and Mr. Sim Hak Chor. Mr. Jong Voon Hoo serves as the chairman of the Nomination Committee.

The primary functions of the Nomination Committee include (i) reviewing the structure, size and composition of the Board; and (ii) making recommendations to the Board regarding candidates to fill vacancies on the Board.

During the year ended 31 July 2018, the Nomination Committee held two meetings to consider and approve the following:

(i) to review the structure, size and composition of the Board;

(ii) to assess the independence of independent non-executive Directors;

(iii) to re-appoint executive Directors at the 2017 AGM; and

(iv) to recommend the appointment of new independent non-executive Director.

The attendance record of each member of the Nomination Committee is as follows:

Nomination Committee Members	Number of meetings attended/held
Mr. Jong Voon Hoo *(Chairman)*	2/2
Mr. Tan Eng Ann (resigned on 1 February 2018)	2/2
Mr. Lim Cheng Hock, Lawrence	2/2
Mr. Sim Hak Chor	2/2
Mr. Chan Fong Kong Francis (appointed on 1 February 2018)	N/A

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group that give a true and fair view of the state of affairs of the Group in accordance with statutory requirements and applicable accounting standards. As at 31 July 2018, the Board was not aware of any material uncertainties relating to any events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern. Accordingly, the Board has prepared the consolidated financial statements on a going concern basis.

A statement by the external auditor about their reporting responsibilities on the consolidated financial statements of the Group is set out in the section headed "Independent Auditor's Report" of this annual report.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the risk management and internal control systems of the Group and for reviewing their effectiveness. The Group's system of internal controls includes a defined management structure with limits of authority and is designed to help achieve business objectives, safeguard assets against unauthorised use of disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant legislation and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

An organisational structure with operating policies and procedures, lines of responsibility and delegated authority has been established. The head of each core department is accountable for the conduct and performance of such department within the agreed strategies, which are set by themselves and the Board together. The relevant executive Directors and senior management are delegated with respective levels of authorities with regard to key corporate strategy and policy and contractual commitments.

For the year ended 31 July 2018, the Board has conducted a review on the effectiveness of the Group's internal control and risk management systems which covers financial, operational, compliance procedural and risk management functions and have considered the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function.

The Group has engaged an internal control consultant, an independent third party, to undertake a review of the internal control system of the Group for the year ended 31 July 2018. Such review is conducted annually and covers key areas of operations and processes of the Group. The internal control consultant has reported findings and areas for improvement to the Audit Committee and management of the Company. The Board and Audit Committee are of the view that there are no material internal control defects noted. All recommendations from the internal control consultant will be properly followed up by the Group to ensure that they are implemented within a reasonable period of time.

Accordingly, the Board is of the view that the systems of internal control and risk management are effective and there are no irregularities, improprieties, fraud or other deficiencies that suggest material deficiency in the effectiveness of the Group's internal control system.

AUDITOR'S REMUNERATION

The remuneration paid/payable to the Company's external auditor, Mazars CPA Limited, for the year ended 31 July 2018, is set out as follows:

	Fees paid/ payable *S$*
Audit services	153,200
Internal control gap analysis	28,778
ESG services	20,991
Agreed-upon procedures services on quarterly reports and interim report	54,398
Financial due diligence services	31,509
Total	288,876

The amount of fees charged by the auditor generally depends on the scope and volume of the auditor's work.

CORPORATE GOVERNANCE REPORT

COMPANY SECRETARY

Mr. Li Chi Chung is the Company Secretary as appointed pursuant to Rule 5.14 of the GEM Listing Rules. Mr. Li received a Bachelor of Laws degree from the University of Sheffield in 1990. He is a practising solicitor and was admitted as a solicitor in Hong Kong in 1993.

COMMUNICATION WITH SHAREHOLDERS

The Company communicates with the shareholders and the potential investors of the Company mainly in the following ways:

(i) the holding of annual general meetings and general meetings of the Company, if any, which may be convened for specific purpose and provide opportunities for shareholders and investors to communicate directly with the Board;

(ii) the publication of quarterly, half-yearly and annual reports, announcements and/or circulars as required under the GEM Listing Rules and/or press releases of the Company providing updated information on the Group; and

(iii) the latest information on the Group is available on the respective websites of the Stock Exchange and the Company.

SHAREHOLDERS' RIGHTS

Right to convene extraordinary general meeting

Pursuant to the Articles of Association, any shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right to submit a written requisition requiring an extraordinary general meeting to be called by the Board. The written requisition (i) must state the purpose(s) of the extraordinary general meeting, and (ii) must be signed by the requisitionist(s) and deposited at the registered office of the Company for attention of the Company Secretary, and may consist of several documents in like form, each signed by one or more requisitionist(s). Such requisitions will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to convene an extraordinary general meeting by serving sufficient notice to all shareholders. On the contrary, if the requisition has been verified as not in order, the requisitionist(s) will be advised of this outcome and accordingly, the extraordinary general meeting will not be convened as requested.

If the Board does not within 21 days from the date of the deposit of the requisition proceed duly to convene the extraordinary general meeting, the requisitionist(s) or any of them representing more than one-half of the total voting rights of all of them may convene an extraordinary general meeting, but any extraordinary general meeting so convened shall not be held after expiration of two months from the said date of deposit of the requisition. An extraordinary general meeting convened by the requisitionist(s) shall be convened in the same manner, as nearly as possible, as that in any extraordinary general meeting to be convened by the Board.

Right to put forward proposals at general meeting

To put forward proposals at a general meeting of the Company, a shareholder should lodge a written notice of his/her proposal with his/her detailed contact information at the Company's principal place of business in Hong Kong.

The request will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the request is proper and in order, the Board will be asked to include the proposal in the agenda for the general meeting.

CORPORATE GOVERNANCE REPORT

Right to make enquiries to the Board

Shareholders may send their enquiries and concerns, in written form, to the Board by addressing them to the Company Secretary at 19th Floor, Prosperity Tower, 39 Queen's Road Central, Central, Hong Kong. Shareholders may also make enquiries to the Board at the general meeting of the Company. In addition, shareholders can contact Union Registrars Limited, the branch share registrar of the Company in Hong Kong, if they have any enquiries about their shareholdings and entitlements to dividend.

CONSTITUTIONAL DOCUMENTS

During the year ended 31 July 2018, there had been no significant change in the Company's constitutional documents. The Articles of Association are available on the websites of the Stock Exchange and the Company.

INVESTOR RELATIONS

The Company believes that maintaining effective communication with the investment industry is crucial to having a deeper understanding of the Company's business and its development among investors. To achieve this goal and increase transparency, the Company will continue to adopt proactive measures to foster better investor relations and communications. As such, the purpose for the Company to formulate investor relations policies is to let investors have access to the information of the Group in a fair and timely manner, so that they can make an informed decision.

We welcome investors to write to the Company or send their enquiries to the Company's email of investor@sing-asia.com to share their opinions with the Board. The Company's website also discloses the latest business information of the Group to investors and the public.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Overview

This Environmental, Social and Governance (ESG) Report (the "Report") of the Group for the year ended 31 July 2018 covers environmental and social subject areas in accordance with the requirements of Environmental, Social and Governance Reporting Guide stated in Appendix 20 of the GEM Listing Rules. Corporate governance is addressed separately in the Corporate Governance Report.

Scope of the Report

The Report endeavours to present a balanced representation of the Group's environmental and social performance and covers the operations of entities in Singapore and Hong Kong.

The content of the Report is defined through a process to determine ESG management approach, strategy, priorities and objectives relating to the Group's operations, to describe our management, measurement and monitoring system employed to implement ESG strategy, and to disclose our key policies, compliance with relevant laws and regulations, our performance, and key performance indicators ("KPIs").

Approved by the Board

The Board has overall responsibility for the Group's ESG strategy and reporting. The Board is responsible for evaluating and determining the Group's ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. The Report was approved by the Board on 24 October 2018.

ENVIRONMENTAL AND SOCIAL SUBJECT AREAS OF THE GROUP

About the Group

The Group is principally engaged in the provision of manpower outsourcing, recruitment, training and cleaning services. The Group mainly operates in Singapore and Hong Kong. Particulars of the Group's principal entities are set out in note 14 to the consolidated financial statements for the year ended 31 July 2018.

Strategies

As a responsible corporation, the Group acknowledges the importance of sustainability as a key driver to long-term value creation for its stakeholders. Environmental and social responsibilities are recognised as the Group's core commitments to environment, external community and internal workplace, and an integral part of the Group's practice to create value for stakeholders. The Group plays its part to contribute to the communities where employees and customers work and live. The Group's commitment towards ESG issues is strong and hands-on and it is an important step towards a more sustainable society in the long run. Our strategy is to fulfil the Group's environmental and social responsibilities through achievements of environmental and social objectives during day-to-day operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Objectives

We integrate environmental and social considerations into the Group's business objectives to achieve:

Environmental objectives:

- Add environmentally friendly elements in our daily service and operation activities;
- Use energy and resources efficiently;
- Reduce greenhouse gas emissions; and
- Continuously improve waste management

Social objectives:

- Respect employees' rights and promote an equal opportunity workplace;
- Commit to occupational safety and health, and endeavour to provide a safe and healthy workplace;
- Commit to ethical business practices, and build integrity within the workplace; and
- Support community participation

Approach

Monitored by the Board, the Group is executing its environmental and social strategy and achieving its related objectives through a series of actions and commitments:

- Embed environmental and social objectives into business processes including decision making process;
- Formulate and document environmental and social policies for management and staff members to follow;
- Comply with environmental and social laws and regulations;
- Report our performance on a balanced picture;
- Disclose KPIs as measurement of actual results;
- Ensure appropriate and effective ESG risk management and internal control systems are in place; and
- Practise corporate citizenship in things we do

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental and social management system comprises:

- The direction from the Board to fulfil the ESG responsibilities;
- Day-to-day execution of environmental and social strategy and achieving its objectives by senior management;
- Performance and accomplishment done by employees in accordance with the Group's environmental and social policies;
- Compliance with environmental and social laws and regulations;
- Review and monitoring of ESG risks management and internal control systems by the Board; and
- Reporting and disclosure of our performance and KPIs

Measures for the achievement of environmental and social objectives are:

- Environmental policies;
- Social policies;
- Checklists for the compliance with applicable environmental and social laws and regulations;
- Requiring documentation for the performance and accomplishment of environmental and social related activities or matters; and
- Data collection, calculation, and disclosure of KPIs

The implementation of environmental and social strategies, management of environmental activities, and measurement of achieving environmental and social objectives are required to be monitored by dedicated managerial staff members and finally by the Board for its overall ESG responsibility. During the year, the Group has established a team to monitor, manage, recommend, and report on ESG matters. The Group takes serious account of the impact of its operations on the local community and seeks to ensure that potentially harmful occupational health and safety, environmental and social effects are properly assessed, addressed and monitored.

Stakeholder Engagement and Materiality

Stakeholder engagement is a key success factor in formulating our environmental and social strategy, defining our objectives, assessing materiality, and establishing policies. Our key stakeholders include customers, employees, management, and shareholders. We have conducted a survey, discussed or communicated with various stakeholders in respect of ESG to understand their views, seriously consider and respond to their needs and expectations, evaluated and prioritised their inputs to improve our performance, and finally strived to provide value to our stakeholders, community and the public as a whole.

Based on the stakeholder engagement, we have identified issues with significant environmental and social impact and issues concerning stakeholders. The results of materiality assessment prioritised stakeholder inputs and made us focused on the material aspects for actions, accomplishment and reporting. We present below the relevant and required disclosure.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

General Disclosure and KPIs

A. Environmental

The Group recognises the value of a practice to protect the natural environment for the benefit of humans. We are committed to doing everything we can to reduce the degrading of the biophysical environment.

Aspect A1: Emissions

Emissions refer to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Emissions disclosed as KPIs are calculated based on the consumption data collected and applicable emission factors. If certain emission factors of Singapore are not available, available consumption data collected, waste produced, or emission measured is disclosed.

- Air and Greenhouse Gas Emissions

  Air emissions include Nitrogen Oxides ("NOx"), Sulphur Oxides ("SOx") and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

  — Air and Greenhouse Gas Emissions from Production

  In view of the Group's business nature, there were no air and greenhouse gas emissions from production.

  — Air and Greenhouse Gas Emissions from Vehicles

  In view of the Group's business nature, there were no significant air and greenhouse gas emissions from vehicles.

  The Group encourages employees to consider environmental impact in their commuting decisions to reduce air and greenhouse gas emissions. Employees are reminded to walk or take public transportation as often as possible.

  KPI A1.1 Emissions from vehicles

Types of emissions	**1 August 2017 to 31 July 2018** *(g)*
NO_X	737
SO_X	11
Particulate Matter ("PM")	54

KPI A1.2 Greenhouse gas ("GHG") emissions in total

GHG emissions in total are 102 tonnes for the year ended 31 July 2018, which includes scope 1, scope 2, and scope 3 emissions as disclosed below.

KPI A1.2 Scope 1 — Direct emissions from operations that are owned or controlled by the Group

1 August 2017 to 31 July 2018

Main categories of Scope 1 emissions: GHG emissions from mobile combustion sources

Types of emissions	*(kg)*
Carbon Dioxide ("CO_2")	1,700
Methane ("CH_4")	4
Nitrous Oxide ("N_2O")	246
Total GHG emissions	1,950

— Indirect Greenhouse Gas Emissions from Electricity Consumption

Electricity consumption of the Group is a major part of its greenhouse gas emissions. Various electricity-saving policies have been established to reduce the electricity consumption by the Group. The Group encourages staff members to switch off light during daytime, maintain lamps well to keep clean, install energy-efficient lighting, and disable the standby mode for all electrical appliances, including computers, photocopiers and printers when they are not in use. Air conditioning is required to be set no lower than 25 ℃ in summer. It is also required to ensure the windows and doors are closed while air-conditioning is on, and turn off the air-conditioning after office hours or after the usage of a meeting room.

KPI A1.2 Scope 2 — Energy indirect emissions resulting from the generation of purchased or acquired electricity, heating, cooling and steam consumed within the Group

1 August 2017 to 31 July 2018

Main sources of Scope 2 emissions: Electricity purchased from power companies

Types of emissions	*(kg)*
CO_2 equivalent emission	92,743
Total GHG emissions	92,743

— Indirect Greenhouse Gas Emissions from Paper Waste Disposed at Landfills

In order to address indirect emissions relating to paper waste deposited at landfills, the Group encourages employees to apply computer technology such as emails and storage devices to reduce paper consumption, print on both sides of a sheet of paper, avoid unnecessary printing or copying on paper, adjust documents and use space efficiency formats to optimise use of paper, and put recycling boxes near the photocopiers to collect single-sided paper for reuse and used double-sided paper for recycling.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

— Indirect Greenhouse Gas Emissions from Business Travel by Employees

The Group recognises the severity of indirect greenhouse gas emissions from business travel by employees, and requires employees to utilise teleconference instead of overseas meetings and choose railway rather than airway for short distance travel to reduce the carbon footprint of business travel.

KPI A1.2 Scope 3 — All other indirect emissions that occur outside the Group, including both upstream and downstream emissions

1 August 2017 to 31 July 2018

Activities from which indirect GHG emissions arise:

- Paper waste disposed at landfills — Hong Kong office

Types of emissions	*(kg)*
CO_2 equivalent emission	1,200

- Business air travel by employees

Types of emissions	*(kg)*
CO_2 equivalent emission	6,384
Total GHG emissions	7,584

For Singapore office, total paper waste disposed for the year ended 31 July 2018 is 2,646 kg.

- Discharges into Water and Land

The Group requires that discharges, if any, into waterways and land must comply with relevant laws and regulations.

- Generation of Hazardous Waste and Non-hazardous Waste

Our internal guidance encourages employees to handle office waste generated in a proper and environmentally friendly manner.

— Hazardous Waste

Hazardous wastes are those defined by national regulations. There was no significant hazardous waste generated in view of the Group's business nature.

KPI A1.3 Total hazardous waste produced and intensity

There was no significant hazardous waste generated in view of the Group's business nature.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

— Non-hazardous Waste

We promote waste reduction practices including waste reduction at source, reuse, clean recycling, recover and reduction of disposal at landfills. Employees are encouraged to purchase supplies or equipment with longer life-span, to install recycling bins to collect recyclables, such as waste paper, glass or aluminium bottles, metal, and plastics, and to have recyclers to collect recyclables.

KPI A1.4 Total non-hazardous waste produced and the intensity

1 August 2017 to 31 July 2018

	(Tonnes)
Non-hazardous waste produced — Landfill	0.02
Non-hazardous waste produced — Recycled	0.36
Non-hazardous waste produced — Incineration	0.67
Total non-hazardous waste produced	1.05

	(Tonnes/ per employee)
Non-hazardous waste intensity	0.008

KPI A1.5 Description of measures to mitigate emissions and results achieved

In accordance with policies stated above for the reduction of air and greenhouse gas emissions from vehicles, the Group adopts the following measures: control the numbers of vehicles owned by the Group; minimise the frequency of employees not to take public transportation for local business commuting; and control the volume of business travel by employees. We consider such measures had been achieved for the year ended 31 July 2018.

KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved

Non-hazardous wastes are preferred to be recycled, otherwise, they are sent for landfill or incineration. In accordance with policies stated above for the reduction of non-hazardous wastes, the Group adopts the following measures: control the commercial wastes generated by employees; control the waste of papers; control the volume of non-hazardous waste going direct to landfill or incineration without recycling. We consider such measures had been achieved for the year ended 31 July 2018.

- Compliance with Relevant Laws and Regulations that Have a Significant Impact on the Group

For the year ended 31 July 2018, there were no confirmed non-compliance incidents in relation to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect A2: Use of Resources

The Group recognises that efficient use of resources, including energy, water and other raw materials, in production, storage, transportation, buildings, electronic equipment, etc., is one of the significant aspects to protect environment.

- Efficient Use of Energy

  The Group established policies and procedures to reduce energy consumption in the facility, to assess the energy efficiency, to increase the use of clean energy, if possible, to set applicable targets to monitor energy consumption, and to ensure power is turned off when electrical appliances are not in use.

  KPI A2.1 Direct and/or indirect energy consumption by type in total and intensity

	1 August 2017 to 31 July 2018
Direct energy consumption by type	*(kWh in'000s)*
Non-renewable fuel consumed by Hong Kong office	7
Electricity purchased for consumption by Singapore office	201
Total energy consumed	208

	(kWh in'000s/ per employee)
Total energy consumption intensity — Hong Kong office	0.30
Total energy consumption intensity — Singapore office	1.78

- Water Consumption

  The Group requires employees to reduce water consumption in the offices. For example, employees are encouraged to fully empty any containers before washing, to turn off water taps promptly, to check faucets and pipes for leaks, and to adopt water saving appliances.

  Our Hong Kong office operates in leased office premises for which both the water supply and discharge are solely controlled by the building management, therefore, the provision of water withdrawal and discharge data or sub-meter for individual occupants are not feasible.

  KPI A2.2 Water consumption in total and intensity

	1 August 2017 to 31 July 2018
	(Cubic metres)
Annual water consumed — Singapore office	2,193

	(Cubic metres/ per employee)
Water consumption intensity — Singapore office	19

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPI A2.3 Description of energy use efficiency initiatives and results achieved

The Group's ability to use energy efficiently can be revealed by its intention and measures for the reductions in energy consumption. Energy consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. fluctuations in energy supply and prices). The Group's policies and measures specific to managing energy use have been stated above. We consider such policies had been adopted and measures had been achieved for the year ended 31 July 2018.

KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.

The Group's ability to use water efficiently can be revealed by its intention and measures for the reductions in water consumption. Water consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. reliance on sources of water that may be considered sensitive due to their relative size or function; or status as a possibly rare, threatened, or endangered system; or to their possible support of a particular endangered species of plant or animal). The Group's policies and measures specific to water use have been stated above. We consider such policies had been adopted and measures had been achieved for the year ended 31 July 2018.

- Efficient Use of Raw Material and Packaging Material

  No significant raw material or packaging material waste was generated in view of the Group's business nature.

  KPI A2.5 Total packaging material used for finished products and, if applicable, with reference to per unit produced.

  The disposal of products and packing materials at the end of a use phase is a steadily growing environmental challenge, tracking the use of packaging materials is to reduce, reuse and/or recycle the packaging materials. As mentioned above, no significant raw material or packaging material waste was generated in view of the Group's business nature.

Aspect A3: The Environment and Natural Resources

The Group is committed to reducing the operation impacts on environment and natural resources. Policies are established to consider the actual impacts on environment and natural resources and to reduce such impacts. We encourage environmental education and advocacy among employees to motivate environmentally responsible behaviour which helps fulfil the Group's commitment to minimising its adverse impacts on the environment.

KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them

We understand that our performance in respect of emissions, waste production and disposal and use of resources impacts the environment, we endeavour to minimise such impacts, and communicate our environmental policies, measures, performance, and achievements to our stakeholders. No significant impacts on the environment and natural resources was caused in view of the Group's business nature. Policies and/or measures adopted in the year ended 31 July 2018 specific to managing potential impacts of activities on the environment and natural resources are mentioned above.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B. Social

The Group strives to fulfil its social responsibilities as a corporate citizen of communities. We endeavour to establish harmonious relationship with our employees, customers, and the communities. We care about the well-being and development of employees, ensure high standard of service responsibility, enhance transparent relationship with external parties, including customers, and contribute to our community development.

Employment and Labour Practices

Aspect B1: Employment

The Group established employment policies, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

- Compensation and Dismissal

  The Group offers competitive remuneration to attract and retain talented staff members. Remuneration packages are reviewed periodically to ensure consistency with employment market. Laws and regulations on statutory social benefits are required to be followed. Dismissal is required to comply with employment laws and regulations, and to follow the internal policies and procedures, including policy on prevention of dismissal purely on employees' gender, marital status, pregnancy, disability, age or family status.

- Recruitment and Promotion

  The Group attracts talent through fair, and flexible recruitment strategy. Recruitment process is required to include application for recruitment, description of position, collection of job applications, interview, selection, approval, and job offering. Promotion is required to be based on performance and suitability.

- Working Hours, Rest Periods, Benefits and Welfare

  Employees' working hours, rest periods, benefits and welfare, including medical insurance, overtime payment, retirement benefits through Central Provident Fund and Mandatory Provident Fund, and statutory leave entitlement, are required to be in compliance with employment or labour laws and regulations.

- Equal Opportunities, Diversity and Anti-discrimination

  The Group is an equal opportunity employer. We endeavour to provide a fair workplace for employees and follow the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, age, or other measures of diversity.

- Compliance with Relevant Laws and Regulations that Have a Significant Impact on the Group

  For the year ended 31 July 2018, there were no confirmed non-compliance incidents in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect B2: Health and Safety

The Group is committed to maintaining a healthy and safe workplace for employees, and to preventing workplace injuries and illnesses.

- Providing a Safe Working Environment

  The Group requires entities to establish and document policies and procedures on safety for employees to follow, set targets for the safety of employees, monitor the safety performance against the targets periodically, and report any safety incidents to management.

- Protecting Employees from Occupational Hazards

  One of the key factors for successfully protecting employees from occupational hazards is to train employees to protect themselves from psychological and physical hazards. The Group requires such training to be delivered to employees.

- Work-life Balance

  The Group supports employees to enjoy leisure and sports activities outside of workplace.

- Compliance with Relevant Laws and Regulations that Have a Significant Impact on the Group

  For the year ended 31 July 2018, there were no confirmed non-compliance incidents in relation to providing a safe working environment and protecting employees from occupational hazards.

Aspect B3: Development and Training

The Group is committed to providing adequate training to our employees to improve their knowledge and skills for discharging duties at work. Training includes vocational training courses provided internally or externally and paid by the Group.

- Employee Development

  The Group requires employees to attend internal and external training courses including new employee orientation and employee continuing education to improve employees' knowledge and skills for their job positions. The Group also encourages employees to participate the certification exams by granting them study and examination leaves and reimbursing them the expenses for attending external examinations.

- Training Activities

  Training and development courses are offered throughout the Group to upgrade employee skills and knowledge. During the year, all directors have participated in continuous professional development by attending training course or reading relevant materials on the topics related to corporate governance and regulations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect B4: Labour Standards

The Group is committed to avoiding child and forced labour in the workplace.

- Preventing Child and Forced Labour

  The Group prohibits child labour. It requires human resource department and user departments to work together to prevent or identify child labour, and to ensure child labour is not in the workforce.

  We are committed to protecting human rights, to prohibiting forced labours, and to creating a workplace with fairness, respect, and free will for our employees.

- Compliance with Relevant Laws and Regulations that Have a Significant Impact on the Group

  For the year ended 31 July 2018, there were no confirmed non-compliance incidents in relation to child and forced labour.

Operating Practices

Aspect B5: Supply Chain Management

Supply chain management is a key area of our business, which includes managing environmental and social risks of the supply chain. The Group requires suppliers to provide products and services for us with up-to-standard quality, health and safety to ensure compliance with environmental laws and regulations, and labour standards. The contracting for procurement of products and services is required to be based solely upon specification, quality, service, price, tendering, and applicable environmental and social considerations.

The Group requires impartial selection of suppliers and service providers, maximisation of competition in tendering process, approval of contract terms, compliance with laws and regulations, prevention and detection of bribery or fraud in the tendering and procurement process, and accomplishment of efficiency and cost saving in procurement.

The Group established supply chain management policies and procedures, including assessment, selection, approval, procurement, performance evaluation. Performance evaluation is required to be based on quality, service, cost, environmental protection, and social responsibilities.

Aspect B6: Product Responsibility

Product responsibility refers to health and safety, advertising, labelling and privacy matters relating to services provided.

- Health and Safety

  The Group is fully responsible for our services. We ensure health and safety relating to our services provided. In view of the Group's business nature, there were no products produced.

- Advertising

  The Group respects our customers' rights and is committed to providing accurate service information for customers in connection with their purchase decision. The Group requires careful review of advertising material to protect customers' interest.

- Labelling

  In view of the Group's business nature, there were no products produced which require labelling.

- Privacy Matters

  The Group is committed to protecting customer data and privacy information, and keeping business information confidential. Training to employees in this regard and proper information system security are required.

- Methods of Redress

  Although we ensure the quality of our services, at the same time, the Group requires that services with quality, safety, or health issues should be compensated in accordance with terms of service contracts. Compensation is required to be offered to all customers who are affected with consistent treatment and procedures.

- Compliance with Relevant Laws and Regulations that Have a Significant Impact on the Group

  For the year ended 31 July 2018, there were no confirmed non-compliance incidents in relation to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect B7: Anti-corruption

The Group established anti-corruption policies to prohibit employees from receiving any advantages offered by customers, suppliers, colleagues, or other parties, while they are performing employee duties, and prohibit any activities involving conflicts of interest, bribery, extortion, fraud, and money laundering. Staff handbook lays out the Group's expectation and guiding provisions on code of conduct. The Group encourages employees, customers, suppliers, or other parties to report incidents relating to any conflicts of interest, extortion, bribery, fraud and money laundering.

- Compliance with Relevant Laws and Regulations that Have a Significant Impact on the Group

  For the year ended 31 July 2018, there were no confirmed non-compliance incidents in relation to bribery, extortion, fraud and money laundering.

Community

Aspect B8: Community Investment

The Group endeavours to support the communities in which we operate including community engagement to understand the needs of communities, and to ensure the Group's activities take into consideration of the community's interest.

- Labour Needs

  The Group strives to enlarge the business operation so that we can hire more workers to utilise communities' available labour resources.

- Community Activities

  We encourage our employees to participate in community activities, such as community health initiatives, sports, cultural activities, volunteer work and education donation.

- Environmental Protection

  All employees of the Group are encouraged to participate in environmental protection activities and raise the environmental awareness of people in the communities.

REPORT OF THE DIRECTORS

The Directors present their report and the audited consolidated financial statements of the Group for the year ended 31 July 2018.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 14 to the consolidated financial statements. The business of the Group comprises the provision of manpower outsourcing, recruitment and training services. There were no significant changes in the nature of the Group's principal activities during the year.

A review of the business of the Group as well as discussion and analysis of the Group's performance during the year and the material factors underlying its financial performance and financial position can be found in the section headed "Management Discussion and Analysis" set out on pages 6 to 11 of this annual report. This discussion forms part of this Directors' report.

EVENTS AFTER REPORTING PERIOD

Details in relation to events taken place since the financial year ended 31 July 2018 are set out in note 32 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The Group's loss for the year ended 31 July 2018 and the Group's financial position as at that date are set out in the consolidated financial statements on pages 51 to 93.

The Directors do not recommend the payment of a final dividend for the year ended 31 July 2018.

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets and liabilities of the Group for the last five years is set out on page 94 of this annual report. This summary does not form part of the audited consolidated financial statements.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 21 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders unless otherwise required by the Stock Exchange.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 July 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

REPORT OF THE DIRECTORS

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 July 2018 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire shares in, or debentures of, the Company or any other body corporate.

BANK BORROWINGS

As at 31 July 2018, the Group did not have any bank borrowings.

USE OF PROCEEDS FROM SHARE OFFER

As at 31 July 2018, the Company has not yet utilised the net proceeds of approximately HK$8.4 million (approximately S$1.45 million) raised from the Share Offer. Details of the intended uses and utilised amounts are set out on page 10 of this annual report.

DISTRIBUTABLE RESERVES

The Company did not have reserves available for cash distribution as at 31 July 2018, calculated under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as it has accumulated losses. However, the amount of HK$70.1 million (approximately S$12.1 million) included in the Company's share premium account may be distributed as dividends provided that immediately following the date on which the dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 45.5% of the total sales and sales to the largest customer included therein amounted to 27.2% of the total sales. Due to the nature of the business, the Group has no major suppliers as 97.7% of the direct costs were mainly comprised of labour and related costs.

None of the Directors or any of their close associates (as defined in the GEM Listing Rules) or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers during the year ended 31 July 2018.

DIRECTORS

The Directors during the year ended 31 July 2018 up to this report were:

Executive Directors:

Mr. Sim Hak Chor *(Chairman)*
Ms. Serene Tan
Mr. Yeung Chun Sing Standly
Ms. Wang Chunyang

Independent non-executive Directors:

Mr. Tan Eng Ann (resigned on 1 February 2018)
Mr. Lim Cheng Hock, Lawrence*(Note)*
Mr. Jong Voon Hoo*(Note)*
Mr. Chan Fong Kong Francis*(Note)* (appointed on 1 February 2018)

Note: Mr. Lim Cheng Hock, Lawrence, Mr. Jong Voon Hoo and Mr. Chan Fong Kong Francis are subject to re-election in the forthcoming annual general meeting.

REPORT OF THE DIRECTORS

One-third of the Directors shall retire from office by rotation and re-election at an annual general meeting of the Company in accordance with the Articles of Association, providing that every Director shall be retired at least once every three years.

The Company has received annual confirmations of independence from Mr. Chan Fong Kong Francis, Mr. Lim Cheng Hock, Lawrence and Mr. Jong Voon Hoo, and as at the date of this report still considers them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 12 to 14 of this annual report.

DIRECTORS' SERVICE CONTRACTS

During the year ended 31 July 2018, the executive Directors, Mr. Sim Hak Chor and Ms. Serene Tan have service contracts with the Company for a fixed term of three years commencing from 15 July 2016. Each of Mr. Yeung Chun Sing Standly and Ms. Wang Chunyang has service contracts with the Company for a fixed term of three years commencing from 15 May 2017 and 18 May 2017, respectively. The service contracts will continue thereafter until terminated by not less than three months' notice in writing sent by either party or the other.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company. Mr. Lim Cheng Hock, Lawrence and Mr. Jong Voon Hoo are appointed with an initial term of two years commencing from the Listing Date subject to termination in certain circumstances as stipulated in the relevant letters of appointment. Mr. Chan Fong Kong Francis is appointed with an initial term of two years commencing from 1 February 2018 subject to termination in certain circumstances as stipulated in the relevant letter of appointment. The service contracts will continue thereafter until terminated by not less than three months' notice in writing sent by either party or the other.

Pursuant to the Articles of Association, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In compliance with Code Provision A.4.2 of the CG Code, all Directors are subject to retirement by rotation at least once every three years. Furthermore, pursuant to the Articles of Association, at each general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group.

The remuneration policy of the Group is on the basis of the qualifications and contributions of individuals to the Group. Details of the remuneration of the Directors and five highest paid individuals pursuant to Rules 18.28 to 18.30 of the GEM Listing Rules are set out in note 9 (for the Directors) and note 10 (for the five highest paid individuals) to the consolidated financial statements.

REPORT OF THE DIRECTORS

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole and any part of the Company's business were entered into or existed during the year ended 31 July 2018.

DIRECTORS' AND CONTROLLING SHAREHOLDER'S INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director nor a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding company of the Company, or any of the Company's subsidiaries was a party at any time during or at the end of the year ended 31 July 2018.

As at 31 July 2018, no contract of significance had been entered into between the Company, or any of its subsidiaries and the controlling shareholder of the Company (as defined in the GEM Listing Rules) or any of its subsidiaries.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 July 2018, the interests and short positions of each Director and chief executive in the shares and underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions in ordinary shares of the Company

Name of Director	*Note*	Number of shares held, capacity and nature of interest: Directly beneficially owned	Through controlled corporation	Total	Percentage of the issued share capital
Mr. Sim Hak Chor	1	—	400,000,000	400,000,000	32%

Note:

1. Centrex Treasure Holdings Limited is beneficially owned as to approximately 94.89% by Mr. Sim Hak Chor. Under the SFO, Mr. Sim Hak Chor is deemed to be interested in all the shares held by Centrex Treasure Holdings Limited. Details of the interest in the Company held by Centrex Treasure Holdings Limited are set out in the section headed "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company" below.

REPORT OF THE DIRECTORS

Long positions in ordinary shares of an associated corporation

Name of associated corporation	Name	Capacity/nature of interest	Number of shares held	Approximate percentage of issued share capital
Centrex Treasure Holdings Limited *(Note 1)*	Mr. Sim Hak Chor	Beneficial owner	4,826	94.89%
Centrex Treasure Holdings Limited *(Note 1)*	Ms. Serene Tan	Beneficial owner	109	2.14%

Note:

1. Centrex Treasure Holdings Limited is beneficially owned as to approximately 94.89% and 2.14% by Mr. Sim Hak Chor and Ms. Serene Tan, respectively.

Save as disclosed above, as at 31 July 2018, none of the Directors and chief executive had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

REPORT OF THE DIRECTORS

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 July 2018, the following interests and short positions of 5% or more of the issued share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Name	Directly beneficially owned	Interest of spouse	Through controlled corporation	Total	Percentage of the issued share capital
Centrex Treasure Holdings Limited	400,000,000	—	—	400,000,000	32%
Mr. Yeung Chun Wai, Anthony	36,420,000 *(Note 1)*	22,100,000	147,850,000	206,370,000	16.51%
Ms. Lui Lai Yan	22,100,000 *(Note 1)*	184,270,000	—	206,370,000	16.51%
Rising Elite Global Limited	147,850,000 *(Note 2)*	—	—	147,850,000	11.83%
Mr. Li Haifeng	176,955,000	—	—	176,955,000	14.16%

Notes:

1. Ms. Lui Lai Yan is the spouse of Mr. Yeung Chun Wai, Anthony. Ms. Lui Lai Yan is deemed to be interested in all the shares of the Company in which Mr. Yeung Chun Wai, Anthony is interested under Part XV of the SFO.

2. Rising Elite Global Limited is beneficially wholly-owned by Mr. Yeung Chun Wai, Anthony. Under the SFO, Mr. Yeung Chun Wai, Anthony is deemed to be interested in all the shares of the Company held by Rising Elite Global Limited.

Save as disclosed above, as at 31 July 2018, no person, other than the Directors and chief executive of the Company, whose interests are set out in the section headed "Directors' and chief executive's interests and short positions in shares and underlying shares and debentures of the Company or its associated corporations" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE

A full corporate governance report is set out on pages 15 to 24 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the latest practicable date prior to the issue of this report.

REPORT OF THE DIRECTORS

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") at its extraordinary general meeting on 14 June 2018. Under the Share Option Scheme, the Directors may grant options to any eligible employee, executive or officer including directors of the Company and its subsidiaries, to subscribe for shares in the Company. The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company (if any) shall not in aggregate exceed 10% of the total number of shares of the Company in issue as at 14 June 2018, the date of approval of the adoption of the Share Option Scheme. Unless approved by the shareholders of the Company, the total number of shares issued and to be issued upon exercise of the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of shares of the Company in issue. Options granted must be taken up within 21 days of the date of offer, upon payment of HK$1 as consideration per grant. The Board may at its absolute discretion impose any minimum period for which an option must be held before it can be exercised and/or any performance targets which must be achieved by the eligible participant before the option can be exercised. The period during which an option may be exercised will be determined by the Directors at its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. The exercise price is determined by the Board, and shall be at least the highest of (a) the closing price of the shares on the Stock Exchange's daily quotation sheets on the date an offer is made; (b) the average of the closing prices of the shares on the Stock Exchange for the five business days immediately preceding the date an offer is made; and (c) the nominal value of a share. As at the date of this report, no options have been granted under the Share Option Scheme.

CONNECTED TRANSACTIONS

Saved as disclosed in note 24 to the consolidated financial statements, no other connected transactions were entered by the Group under the GEM Listing Rules.

AUDITOR

The consolidated financial statements of the Company for the year ended 31 July 2018 have been audited by Mazars CPA Limited. Mazars CPA Limited were appointed as the auditor of the Company at the annual general meeting of the Company held on 19 December 2017 upon the retirement of Ernst & Young who have acted as the auditor of the Company for the preceding two financial years.

Mazars CPA Limited shall retire and, being retire, offer themselves for reappointment. A resolution will be proposed in the forthcoming annual general meeting to reappoint Mazars CPA Limited as the auditor of the Company.

On behalf of the Board

Sim Hak Chor
Chairman and Executive Director

Hong Kong
24 October 2018

INDEPENDENT AUDITOR'S REPORT

MAZARS

MAZARS CPA LIMITED
中審眾環（香港）會計師事務所有限公司
42nd Floor, Central Plaza,
18 Harbour Road, Wan Chai, Hong Kong
香港灣仔港灣道18號中環廣場42樓

To the shareholders of SingAsia Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of SingAsia Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 51 to 93, which comprise the consolidated statement of financial position as at 31 July 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 July 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the "*Auditor's responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill	
Refer to note 15 to the consolidated financial statements	
As at 31 July 2018, the Group recorded goodwill of S$905,495 which represented approximately 10% of the Group's total assets. Management performed annual impairment test on goodwill. The goodwill was allocated to related cash generating units ("CGUs"), and the recoverable amount of CGUs was determined by management based on value in use calculation using cash flow projection. The calculations involved significant judgement and estimations, such as cash flows forecasts, discount rates and growth rates.	Our key procedures in relation to the recoverability assessment of goodwill included: — Assessing the identification of CGUs based on the Group's accounting policies and our understanding of the Group's business; — Assessing the value in use calculation methodology; — Assessing the reasonableness of key assumptions based on our knowledge and understanding of the business and market; — Verifying the mathematical accuracy of the cash flow model used; and — Reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of the budgets.
Impairment of trade receivables	
Refer to note 16 to the consolidated financial statements	
As at 31 July 2018, gross trade receivables of the Group and provision for impairment of trade receivables amounted to S$4,235,582 and S$117,424, respectively. The Group's gross trade receivables were significant as it represented approximately 44% of the total assets of the Group. The collectability of trade receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management. The assessment of recoverability of these receivables involved significant judgement and estimations, including identifying evidence of impairment, assessment on creditworthiness of customers, past repayment records and subsequent settlement status after the end of the reporting period.	Our key procedures included: — Discussing with the management the Group's credit risk policy and credit terms granted to the customers; — Evaluating the management's recoverability assessment of trade receivables; and — Assessing the critical judgement made by the management regarding the factors considered during the recoverability assessment.

INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in this 2018 Annual Report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are 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 the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 the directors.

- Conclude on the appropriateness of the directors' 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 consolidated 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 consolidated 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.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

We also provide those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Mazars CPA Limited
Certified Public Accountants
Hong Kong, 24 October 2018

The engagement director on the audit resulting in this independent auditor's report is:
Chan Chi Wai
Practising Certificate number: P05708

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 July 2018

	Note	2018 S$	2017 S$
REVENUE	*6*	**20,295,350**	18,654,727
Cost of services		**(14,443,002)**	(12,770,833)
Gross profit		**5,852,348**	5,883,894
Other income	*7*	**152,865**	223,920
Administrative expenses		**(8,376,838)**	(6,539,173)
Other operating expenses		**(729,194)**	(460,724)
Finance costs		**—**	(5,608)
LOSS BEFORE TAX	*8*	**(3,100,819)**	(897,691)
Income tax credit	*11*	**16,773**	279,179
LOSS FOR THE YEAR		**(3,084,046)**	(618,512)
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**1,472**	(376)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(3,082,574)**	(618,888)
Loss attributable to:			
Owners of the Company		**(3,084,046)**	(618,270)
Non-controlling interests		**—**	(242)
		(3,084,046)	(618,512)
Total comprehensive loss attributable to:			
Owners of the Company		**(3,082,574)**	(618,646)
Non-controlling interests		**—**	(242)
		(3,082,574)	(618,888)
			(Restated)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic and diluted	*12*	**(0.0025)**	(0.0005)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 July 2018

	Note	2018 S$	2017 S$
NON-CURRENT ASSETS			
Property, plant and equipment	13	**743,835**	1,009,162
Goodwill	15	**905,495**	905,495
Deferred tax assets	20	**438,469**	369,426
Prepayments, deposits and other receivables	17	**428,212**	103,212
Total non-current assets		**2,516,011**	2,387,295
CURRENT ASSETS			
Trade receivables	16	**4,118,158**	3,451,349
Prepayments, deposits and other receivables	17	**458,482**	226,564
Cash and cash equivalents	18	**2,225,478**	6,088,213
Total current assets		**6,802,118**	9,766,126
CURRENT LIABILITIES			
Other payables and accruals	19	**2,092,496**	1,868,368
Tax payable		**64,550**	41,396
Total current liabilities		**2,157,046**	1,909,764
NET CURRENT ASSETS		**4,645,072**	7,856,362
NET ASSETS		**7,161,083**	10,243,657
CAPITAL AND RESERVES			
Equity attributable to owners of the Company			
Share capital	21	**433,000**	433,000
Share premium	23	**12,079,017**	12,079,017
Merger reserve	23	**(2,379,552)**	(2,379,552)
Other reserve	23	**(4,958)**	(4,958)
Exchange reserve	23	**1,096**	(376)
Accumulated (losses)/profits		**(2,967,520)**	116,526
TOTAL EQUITY		**7,161,083**	10,243,657

Sim Hak Chor
Executive Director

Serene Tan
Executive Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 July 2018

	Attributable to owners of the Company							
	Share capital S$ (Note 21)	Share premium S$ (Note 23)	Merger reserve S$ (Note 23)	Other reserve S$ (Note 23)	Exchange reserve S$ (Note 23)	Accumulated (losses)/ profits S$	Non-controlling interests S$	Total equity S$
2017								
At 1 August 2016	433,000	12,079,017	(2,379,552)	—	—	734,796	—	10,867,261
Loss for the year	—	—	—	—	—	(618,270)	(242)	(618,512)
Other comprehensive loss for the year:								
Exchange differences on translation of foreign operations	—	—	—	—	(376)	—	—	(376)
Total comprehensive loss for the year	—	—	—	—	(376)	(618,270)	(242)	(618,888)
Acquisition of a subsidiary	—	—	—	—	—	—	17,172	17,172
Acquisition of non-controlling interests	—	—	—	(4,958)	—	—	(16,930)	(21,888)
At 31 July 2017	433,000	12,079,017	(2,379,552)	(4,958)	(376)	116,526	—	10,243,657
2018								
At 1 August 2017	**433,000**	**12,079,017**	**(2,379,552)**	**(4,958)**	**(376)**	**116,526**	**—**	**10,243,657**
Loss for the year	**—**	**—**	**—**	**—**	**—**	**(3,084,046)**	**—**	**(3,084,046)**
Other comprehensive income for the year:								
Exchange differences on translation of foreign operations	**—**	**—**	**—**	**—**	**1,472**	**—**	**—**	**1,472**
Total comprehensive loss for the year	**—**	**—**	**—**	**—**	**1,472**	**(3,084,046)**	**—**	**(3,082,574)**
At 31 July 2018	**433,000**	**12,079,017**	**(2,379,552)**	**(4,958)**	**1,096**	**(2,967,520)**	**—**	**7,161,083**

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 July 2018

	Notes	2018 S$	2017 S$
OPERATING ACTIVITIES			
Loss before tax		**(3,100,819)**	(897,691)
Adjustments for:			
Depreciation	13	**471,154**	412,816
Finance costs		**—**	5,608
Write off of property, plant and equipment	8	**12,007**	—
Unrealised foreign exchange loss		**44,371**	98,920
Provision for impairment of trade receivables	8	**25,398**	121,209
Interest income	7	**(313)**	(257)
Cash used in operations before changes in working capital		**(2,548,202)**	(259,395)
Trade receivables		**(692,207)**	(748,289)
Prepayments, deposits and other receivables		**(556,918)**	(81,733)
Trade payables		**—**	(5,840)
Other payables and accruals		**224,128**	(161,136)
Cash used in operations		**(3,573,199)**	(1,256,393)
Income tax paid		**(29,116)**	(68,826)
Net cash used in operating activities		**(3,602,315)**	(1,325,219)
INVESTING ACTIVITIES			
Purchases of property, plant and equipment		**(217,806)**	(524,855)
Acquisition of a subsidiary		**—**	72,955
Interest received		**313**	257
Net cash used in investing activities		**(217,493)**	(451,643)
FINANCING ACTIVITIES			
Repayment of bank borrowings		**—**	(2,537,754)
Proceeds from bank borrowings		**—**	2,242,210
Acquisition of non-controlling interests		**—**	(21,888)
Interest paid		**—**	(5,608)
Net cash used in financing activities		**—**	(323,040)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(3,819,808)**	(2,099,902)
Cash and cash equivalents at beginning of year		**6,088,213**	8,287,411
Effect of foreign exchange rate changes		**(42,927)**	(99,296)
CASH AND CASH EQUIVALENTS AT END OF YEAR	18	**2,225,478**	6,088,213
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	18	**2,225,478**	6,088,213

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

1. CORPORATE INFORMATION

SingAsia Holdings Limited (the "Company") is an exempted company with limited liability incorporated in the Cayman Islands and its shares are listed on GEM of the Stock Exchange on 15 July 2016. The Company's registered office address is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") on 22 December 2015 and the principal place of business registered in Hong Kong is 19th Floor, Prosperity Tower, 39 Queen's Road Central, Central, Hong Kong. The head office address and principal place of business of the Group is 27 New Bridge Road, Singapore 059391.

The Company is an investment holding company and the principal activities of its subsidiaries (collectively, the "Group") are detailed in note 14 to the consolidated financial statements.

2. BASIS OF PRESENTATION

Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which collective term includes all applicable IFRSs, International Accounting Standards ("IASs") and Interpretations promulgated by the International Accounting Standards Board and the applicable disclosure requirements of the Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

These consolidated financial statements have been prepared under the historical cost convention. These consolidated financial statements are presented in Singapore dollars ("S$") except when otherwise indicated.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2017 consolidated financial statements except for the adoption of the new/revised IFRSs that are relevant to the Group and effective from the current accounting period as detailed in note 3 to the consolidated financial statements. A summary of the significant accounting policies adopted by the Group is set out in note 4 to the consolidated financial statements.

3. ADOPTION OF NEW/REVISED IFRSs

A number of new/revised IFRSs are first effective for the current accounting period of the Group. Of these, the changes in accounting policies relevant to these consolidated financial statements are as follows:

Amendments to IAS 7: Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The adoption of the amendments did not have any significant impact on these consolidated financial statements.

Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify, among others, how to account for deferred tax assets related to debt instruments measured at fair value.

The adoption of the amendments did not have any significant impact on these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

3. ADOPTION OF NEW/REVISED IFRSs (CONTINUED)

Annual Improvements 2014-2016 Cycle: IFRS 12 — Clarification of the scope

The amendments clarify that except for the summarised financial information for subsidiaries, joint ventures and associates in which the interests are classified or included in a disposal group that is classified as held for sale in accordance with IFRS 5, the requirements of IFRS 12 apply to interests in entities within the scope of IFRS 5.

The adoption of the amendments did not have any significant impact on these consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by IFRSs.

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in ownership interest

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position, which is presented within these notes, an investment in subsidiaries is stated at cost less impairment loss. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Goodwill

Goodwill arising on an acquisition of a subsidiary is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of the asset or as a replacement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives from the date on which they are available for use and after taking into account of their estimated residual values, using the straight-line method, at the following rates per annum:

Furniture and fittings	20%
Computers and equipment	20% to 33%
Renovation	20% to 50%
Motor vehicles	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the item is included in profit or loss in the year in which the item is derecognised.

Impairment of non-financial assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether the carrying amounts of its property, plant and equipment have suffered an impairment loss or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment losses is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses is recognised as income immediately.

Financial instruments

Recognition and derecogniton

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Recognition and derecogniton (continued)

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

Loans and receivables

Loans and receivables including trade and other receivables and cash and bank balances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the year to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

Financial liabilities

The Group's financial liabilities include other payables and accruals. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows discounted at the financial assets' original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, net of bank overdrafts, if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(a) Rendering of services

Revenue from the rendering of services is recognised when the services are rendered.

(b) Interest income

Interest income is recognised using the effective interest method.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Singapore dollars ("S$"), which is the Company's functional currency.

Foreign currency transactions are translated into the functional currency of each of the Group's entities using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

— Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of reporting period;

— Income and expenses for each statement of profit or loss and other comprehensive income are translated at average rates;

— All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;

— On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation (continued)

— On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss;

— On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset in by equal annual instalments. Government grants in the form of a transfer of non-monetary assets are measured at cost.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Share capital

Ordinary shares are classified as equity.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits

Short-term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement scheme and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

Defined contribution plans

The obligations for contributions to defined contribution retirement plans are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss, it is not accounted for.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

A related party is a person or entity that is related to the Group.

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

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

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

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

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

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

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

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

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

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical accounting estimates and judgements

In the process of applying the Group's accounting policies, which are described above, management has made various estimates and judgements which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and judgements are continually evaluated. The key source of estimation uncertainty and accounting judgements, that result in significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year or significantly affect the amounts recognised in the consolidated financial statements are discussed below:

(a) Deferred tax assets

Deferred tax assets are recognised for unutilised tax losses, capital allowances and excess of tax values over net book values of property, plant and equipment to the extent that it is probable that taxable profit will be available against which such items can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

The carrying value of deferred tax assets relating to recognised tax losses, excess of tax values over net book values of property, plant and equipment and accruals as at 31 July 2018 was in aggregate of S$438,469 (2017: S$369,426). The amount of unrecognised deferred tax assets relating to tax losses, excess of tax values over net book values of property, plant and equipment and accruals as at 31 July 2018 in aggregate of was S$1,306,695 (2017: S$1,241,927). Further details are contained in note 20 to the consolidated financial statements.

(b) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at 31 July 2018 was S$905,495 (2017: S$905,495). Further details are given in note 15 to the consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical accounting estimates and judgements (continued)

(c) Impairment of trade receivables

The Group assesses as 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 assesses the trade debtors' ability to pay by considering their repayment history and financial position.

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 the Group's trade receivables as at the end of the reporting period is disclosed in note 16 to the consolidated financial statements.

(d) Useful lives and impairment of property, plant and equipment

The management reviews the useful lives and depreciation method of property, plant and equipment at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined based on the higher of the value in use and fair value less costs of disposal. Value in use is determined using the discounted cash flow method.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future changes in IFRSs

At the date of authorisation of these consolidated financial statements, the following new/revised IFRSs are not yet effective for the current year, which the Group has not early adopted.

Annual Improvements to IFRSs	*2014–2016 Cycle: IFRS 1 and IAS 28* [1]
Amendments to IAS 40	*Transfers of Investment Property* [1]
Amendments to IFRS 2	*Classification and Measurement of Share-based Payment Transactions* [1]
Amendments to IFRS 4	*Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts* [1]
IFRS 9	*Financial Instruments* [1]
IFRS 15	*Revenue from Contracts with Customers* [1]
IFRIC-Int 22	*Foreign Currency Transactions and Advance Consideration* [1]
Annual improvements to IFRSs	*2015–2017 Cycle* [2]
IFRS 16	*Leases* [2]
IFRIC-Int 23	*Uncertainty over Income Tax Treatments* [2]
Amendments to IAS19	*Employee benefits* [2]
Amendments to IAS 28	*Investments in Associates and Joint Ventures* [2]
Amendments to IFRS 9	*Prepayment Features with Negative Compensation* [2]
IFRS 17	*Insurance Contracts* [3]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [4]

[1] Effective for annual periods beginning on or after 1 January 2018
[2] Effective for annual periods beginning on or after 1 January 2019
[3] Effective for annual periods beginning on or after 1 January 2021
[4] The effective date to be determined

Except as described below, the directors of the Company anticipate that the application of these new standards and amendments will have no material impact on the Group's financial information in the future.

IFRS 9 "Financial Instruments"

IFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for hedge accounting. Another revised version of IFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to classification and measurement requirements by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future changes in IFRSs (continued)

Key requirements under IFRS 9 are as follows:

- All recognised financial assets that are within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount of outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at fair values through profit or loss. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading or contingent consideration in a business combination) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The directors of the Company anticipate that the application of IFRS 9 in the future may have an impact on the reported amounts of the Group's financial assets as the adoption of the new "expected loss model" in the course of impairment assessment on receivables measured at amortised costs may lead to potential earlier recognition of credit losses. Nevertheless, it is not practicable to provide a reasonable estimate of the effect before the directors of the Company complete a detailed and comprehensive review on the potentially affected area. Save for the aforementioned issue, the directors of the Company do not anticipate that the adoption of IFRS 9 in the future will have any other significant impact on the reported amounts of the Group's financial assets and financial liabilities based on an analysis of the Group's financial instruments at 31 July 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future changes in IFRSs (continued)

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 was issued with the aim of establishing a single comprehensive model for entities to apply in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 "Revenue", IAS 11 "Construction Contracts" and the related interpretations when it becomes effective.

The core principle of IFRS 15 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:

(a) Identify the contract(s) with a customer

(b) Identify the performance obligations in the contract

(c) Determine the transaction price

(d) Allocate the transaction price to the performance obligations in the contract

(e) Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, 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 IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The directors of the Company preliminarily considers that the performance obligations that may be identified under IFRS 15 are similar to the current identification of revenue components under the Group's existing revenue recognition policy developed under IAS 18 and therefore, the adoption of IFRS 15 in the future will have no significant impact on recognition of revenue. However, the application of IFRS 15 in future may result in more disclosures.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future changes in IFRSs (continued)

IFRS 16 "Leases"

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede IAS 17 "Leases" and the related interpretations when it becomes effective.

IFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets. The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Upon application of IFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively by the Group.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

As set out in note 25 to the consolidated financial statements, at 31 July 2018, total future minimum lease payments under non-cancellable operating leases of the Group in respect of office properties and office equipment amounted to approximately S$2,852,279. The management of the Company does not expect the adoption of IFRS 16 as compared with the current accounting policy would result in significant impact on the Group's financial performance but it is expected that the Group has to separately recognise the interest expenses on the lease liabilities and the depreciation expense on the right-of use assets, and that certain portion of the future minimum lease payments under the Group's operating leases will be required to be recognised in the Group's consolidated statement of financial position as right-of-use assets and lease liabilities. The Group will also be required to re-measure the lease liabilities upon the occurrence of certain events such as a change in the lease term and recognise the amount of the re-measurement of the lease liabilities as an adjustment to the right-of-use assets. In addition, payments for the principal portion of the lease liabilities will be presented within financing activities in the Group's consolidated statements of cash flows.

5. SEGMENT INFORMATION

The Group is principally engaged in the provision of manpower services. Information reported to the Group's management for the purpose of resource allocation and performance assessment presents the operating results of the Group as a whole since the Group's resources are integrated and no discrete operating segment is available. Accordingly, no operating segment information is presented.

During the year ended 31 July 2018, revenue is principally derived from the Group's operations in Singapore.

5. SEGMENT INFORMATION (CONTINUED)

The geographical location of specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment and deposits for renovation work and the location of the operation, in the case of goodwill. The analysis of the Group's non-current assets by geographical location is as follows:

	2018 S$	2017 S$
Property, plant and equipment		
Singapore	**607,945**	1,009,162
Hong Kong	**135,890**	—
	743,835	1,009,162
Deposits for renovation work		
Hong Kong	**129,143**	—
	129,143	—
Goodwill		
Singapore	**905,495**	905,495
	905,495	905,495
Total specified non-current assets	**1,778,473**	1,914,657

Information about major customers

For the year ended 31 July 2018, revenue of S$5,525,161 (2017: S$6,201,887) was derived from the provision of manpower services to one customer.

6. REVENUE

	2018 S$	2017 S$
Manpower outsourcing	**19,122,002**	17,110,052
Manpower recruitment	**569,129**	794,485
Manpower training	**604,219**	750,190
	20,295,350	18,654,727

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. OTHER INCOME

	2018 S$	2017 S$
Government grants	**7,440**	23,205
Sundry income	**36,431**	60,506
Forfeiture income	**68,950**	86,520
Sale of merchandise	**39,731**	53,432
Interest income	**313**	257
	152,865	223,920

8. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	Note	2018 S$	2017 S$
Cost of services		**14,443,002**	12,770,833
Depreciation	*13*	**471,154**	412,816
Operating lease charges			
— Equipment		**16,085**	31,304
— Premises		**556,405**	520,027
Auditor's remuneration			
— Audit services			
• Current year		**153,200**	148,725
• Underprovision in prior year		**22,630**	—
— Non-audit services		**135,676**	37,500
Write off of property, plant and equipment		**12,007**	—
Employee benefits expenses (excluding directors' remuneration *(Note 9)*):			
— Salaries and bonuses		**16,046,650**	13,592,750
— Contributions to defined contribution plans		**1,647,094**	1,435,414
— Foreign Worker Levy		**1,124,878**	1,162,962
— Other short-term benefits		**89,601**	117,489
Total employee benefits expenses (excluding directors' remuneration)		**18,908,223**	16,308,615
Trade receivables written off		**—**	188
Provision for impairment of trade receivables		**25,398**	121,209
Foreign exchange loss		**44,371**	104,047

For the year ended 31 July 2018, cost of services includes S$11,904,874 (2017: S$10,381,029) related to salaries and bonuses, S$1,268,623 (2017: S$1,098,222) related to contributions to defined contribution plans and S$942,985 (2017: S$966,692) related to foreign worker levy, which amounts are also included in the respective total amounts disclosed separately above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

9. DIRECTORS' REMUNERATION

The aggregate amounts of emoluments paid and payable to the directors of the Company by the Group during the year are as follows:

Year ended 31 July 2018

	Appointed during the year	Resigned during the year	Fee S$	Salaries, allowance and benefits in kind S$	Bonus S$	Contributions to defined contribution plans S$	Total S$
Executive directors							
Mr. Sim Hak Chor	—	—	—	192,240	8,010	13,602	213,852
Ms. Serene Tan	—	—	—	212,640	8,860	13,746	235,246
Mr. Yeung Chun Sing Standly	—	—	—	154,502	5,437	3,341	163,280
Ms. Wang Chunyang	—	—	—	92,816	—	3,341	96,157
Independent non-executive directors							
Mr. Tan Eng Ann	—	1 February 2018	15,000	—	—	—	15,000
Mr. Chan Fong Kong, Francis	1 February 2018	—	20,446	—	—	—	20,446
Mr. Lim Cheng Hock, Lawrence	—	—	30,000	—	—	—	30,000
Mr. Jong Voon Hoo	—	—	30,000	—	—	—	30,000
			95,446	652,198	22,307	34,030	803,981

Year ended 31 July 2017

	Appointed during the year	Resigned during the year	Fee S$	Salaries, allowance and benefits in kind S$	Bonus S$	Contributions to defined contribution plans S$	Total S$
Executive directors							
Mr. Sim Hak Chor	—	—	—	192,240	—	12,240	204,480
Ms. Serene Tan	—	—	—	212,640	—	12,240	224,880
Mr. Yeung Chun Sing Standly	15 May 2017	—	—	28,998	—	—	28,998
Ms. Wang Chunyang	18 May 2017	—	—	19,221	—	—	19,221
Independent non-executive directors							
Mr. Tan Eng Ann	—	—	31,371	—	—	—	31,371
Mr. Lim Cheng Hock, Lawrence	—	—	31,371	—	—	—	31,371
Mr. Jong Voon Hoo	—	—	31,371	—	—	—	31,371
			94,113	453,099	—	24,480	571,692

9. DIRECTORS' REMUNERATION (CONTINUED)

For the years ended 31 July 2018 and 2017, no emoluments were paid by the Group to any of the directors as an inducement to join the Group or upon joining the Group or as compensation for loss of office.

During the years ended 31 July 2018 and 2017, none of the directors has waived or agreed to waive any emoluments.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three directors (2017: two directors), details of whose remuneration are set out in note 9 to the consolidated financial statements above. Details of the remuneration for the year of the remaining two (2017: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2018	2017
	S$	*S$*
Salaries and bonuses	**328,334**	410,430
Contributions to defined contribution plans	**27,768**	36,720
	356,102	447,150

The emoluments of the above two (2017: three) individuals for the year were within the following bands:

	Number of employees	
	2018	2017
Nil to S$171,400 (Nil to HK$1,000,000)	**1**	2
S$171,401 to S$257,100 (HK$1,000,001 to HK$1,500,000)	**1**	1
	2	3

During the year and in the prior year, no emoluments were paid by the Group to the above two (2017: three) non-director and non- chief executive highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of these two (2017: three) highest paid individuals has waived any remuneration during the year.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which entities of the Group are domiciled and operated.

No Hong Kong Profits Tax has been provided since no assessable profit arose in Hong Kong for the years ended 31 July 2018 and 2017. Where there are assessable profits for current year onwards, Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the profits tax rate for the first HK$2 million of estimated assessable profits will be lowered to 8.25% while the estimated assessable profits above HK$2 million will continue to be subject to the rate of 16.5% for corporations.

11. INCOME TAX (CONTINUED)

Singapore Corporate Income Tax has been provided at the rate of 17% (2017: 17%) on the chargeable income arising in Singapore during the year after offsetting any tax losses brought forward.

	2018 *S$*	2017 *S$*
Current income tax:		
Charge for the year	**64,550**	41,396
Overprovision in prior years	**(12,280)**	(8,040)
	52,270	33,356
Deferred income tax *(Note 20)*:		
Deferred tax assets	**(69,043)**	(227,164)
Deferred tax liabilities	**—**	(85,371)
	(69,043)	(312,535)
Total tax credit for the year	**(16,773)**	(279,179)

Reconciliation of tax credit

The Group's loss before tax is reconciled to the tax credit for the year as follows:

	2018 *S$*	2017 *S$*
Loss before tax	**(3,100,819)**	(897,691)
Tax calculated at the tax rate applicable to the relevant tax jurisdictions	**(527,139)**	(152,607)
Overprovision in prior years	**(12,280)**	(8,040)
Adjustments in respect of deferred income tax of prior years	**—**	144,787
Expenses not deductible for tax	**593,300**	222,342
Effect of partial tax exemption	**(60,819)**	(41,615)
Tax rebate	**(16,170)**	(8,393)
Enhanced allowances and deductions	**(7,072)**	(595,236)
Tax losses not recognised	**10,620**	165,343
Utilisation of previously unrecognised tax losses	**(3,784)**	—
Others	**6,571**	(5,760)
Tax credit for the year	**(16,773)**	(279,179)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. INCOME TAX (CONTINUED)

In Singapore, the partial tax exemption scheme allows for (i) 75% tax exemption on the first S$10,000 of normal chargeable income; and a further 50% tax exemption on the next S$290,000 of normal chargeable income.

Tax rebate refers to the corporate income tax rebate which allows a 40% corporate income tax rebate capped at S$15,000 per year for the year of assessment 2018; and a 20% corporate income tax rebate capped at S$10,000 per year for the year of assessment 2019.

Enhanced allowances and deductions refer to the Productivity and Innovation Credit (PIC) Scheme which allows 400% tax deductions/allowances or 60% cash pay-out for investments made in any of the six qualifying activities from years of assessment 2013 to 2018.

12. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	2018	2017
Loss attributable to owners of the Company *(S$)*	**(3,084,046)**	(618,270)
		(restated)
Weighted average number of shares in issue	**1,250,000,000**	1,250,000,000
		(restated)
Basic and diluted loss per share *(S$)*	**(0.0025)**	(0.0005)

The calculation of the basic loss per share is based on the loss for the year attributable to owners of the Company and the weighted average number of shares in issue which have been adjusted/restated to reflect the effect of share subdivision on 8 March 2018 that each of the existing issued and unissued shares of the Company is subdivided into 5 shares.

The diluted loss per share is the same as the basic loss per share as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 July 2018 and 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

13. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fittings S$	Computers and equipment S$	Renovation S$	Motor vehicles S$	Total S$
Cost:					
At 1 August 2016	19,589	1,871,797	52,950	—	1,944,336
Acquisition of a subsidiary	—	(46)	—	—	(46)
Additions	10,362	447,398	67,135	—	524,895
Exchange realignment	—	1,470	—	—	1,470
At 31 July 2017 and 1 August 2017	29,951	2,320,619	120,085	—	2,470,655
Additions	—	92,773	—	125,033	217,806
Written off	(4,243)	(85,521)	—	—	(89,764)
Exchange realignment	—	17	—	—	17
At 31 July 2018	**25,708**	**2,327,888**	**120,085**	**125,033**	**2,598,714**
Accumulated depreciation:					
At 1 August 2016	14,525	981,208	52,950	—	1,048,683
Depreciation charge for the year	3,749	398,702	10,365	—	412,816
Exchange realignment	—	(6)	—	—	(6)
At 31 July 2017 and 1 August 2017	18,274	1,379,904	63,315	—	1,461,493
Depreciation charge for the year	3,857	425,393	33,567	8,337	471,154
Written off	(4,091)	(73,666)	—	—	(77,757)
Exchange realignment	—	(11)	—	—	(11)
At 31 July 2018	**18,040**	**1,731,620**	**96,882**	**8,337**	**1,854,879**
Net carrying amount:					
At 31 July 2017	11,677	940,715	56,770	—	1,009,162
At 31 July 2018	**7,668**	**596,268**	**23,203**	**116,696**	**743,835**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. SUBSIDIARIES

Particulars of the Company's subsidiaries at 31 July 2018 are as follows:

Name	Place of incorporation/ Principal place of business	Issued share capital	Percentage of equity attributable to the Company Direct %	Indirect %	Principal activities
SingAsia Investments Limited ("SingAsia Investments")	The British Virgin Islands	US$5,086	100	—	Investment holding
Heritage Charm Limited	The British Virgin Islands	US$1	100	—	Investment holding
TCC Hospitality Resources Pte. Ltd. ("TCCHR")	Singapore	S$500,000	—	100	Provision of manpower outsourcing services
TCC Manpower Pte. Ltd. ("TCCM")	Singapore	S$20,000	—	100	Provision of manpower outsourcing and recruitment services
Aegis Cleaning & Maintenance Services Pte. Ltd. ("ACMS")	Singapore	S$100,000	—	100	Provision of manpower outsourcing and cleaning services
TCC Education and Consulting Services Pte. Ltd. ("TCCECS")	Singapore	S$1,000	—	100	Provision of manpower training and recruitment services
SAE Agency Pte. Ltd. ("SAE")	Singapore	S$100,000	—	100	Provision of manpower outsourcing and recruitment services
SingAsia Resources Pte. Ltd. ("SAR")	Singapore	S$200,000	—	100	Provision of manpower outsourcing and cleaning services
Aegis Resource Management Pte. Ltd. ("ARM")	Singapore	S$100,000	—	100	Provision of manpower outsourcing and cleaning services
SingAsia Hong Kong Limited	Hong Kong	HK$10,000	—	100	Inactive
SingAsia Cleaning Services Pte. Ltd	Singapore	S$100,000	—	100	Provision of manpower outsourcing and cleaning services
TCC Korea Inc. ("TCCK")	The Republic of Korea	Korean Won ("KRW") 90,000,000	—	100	Provision of manpower training and recruitment services

None of the subsidiaries had any debt securities outstanding during the year or at the end of the reporting period.

All of the above subsidiaries are limited liability companies.

15. GOODWILL

	2018 S$	2017 S$
At beginning of reporting period	**905,495**	886,341
Acquisition of a subsidiary	**—**	19,154
At end of reporting period	**905,495**	905,495

	S$	S$
At cost	**905,495**	905,495
Accumulated impairment loss	**—**	—
At end of reporting period	**905,495**	905,495

Impairment testing of goodwill

Goodwill arose because the consideration paid for the acquisitions effectively included amount in relation to the benefit from that business combination. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

The carrying amount of goodwill was allocated to the Group's cash-generating unit ("CGUs") as follows:

	2018 S$	2017 S$
Manpower outsourcing		
TCCHR and TCCM	**886,341**	886,341
Manpower training and recruitment		
TCCECS and TCCK	**19,154**	19,154
	905,495	905,495

The recoverable amounts of the above CGUs have been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by the directors. The pre-tax discount rate applied to the cash flow projections for the impairment testing of goodwill as at 31 July 2018 is 13.0% (2017: 15.4%), the growth rate is 3.0% applied (2017: 3.0%) and gross margin applied is 27% (2017: 30%). The terminal growth rate used in determining the terminal value of the CGUs is 1.0% (2017: 1.0%) and this is within the industry growth rate.

15. GOODWILL (CONTINUED)

Key assumptions were used in the value in use calculation of the CGUs for the years ended 31 July 2018 and 2017. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Gross margin — The basis used to determine the value assigned to the budgeted gross margin is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

Growth rate — The forecasted growth rate is based on published industry research relevant to the CGUs, past performance and expected future market development.

Discount rate — The discount rate used is before tax and reflects specific risks relating to the relevant unit. The values assigned to key assumptions are consistent with external information sources.

There was no impairment of goodwill recognised during the year (2017: Nil).

16. TRADE RECEIVABLES

	2018 ***S$***	2017 *S$*
Third parties	**3,700,811**	3,135,302
Less: Provision for impairment	**(117,424)**	(121,209)
	3,583,387	3,014,093
Unbilled receivables	**534,771**	437,256
	4,118,158	3,451,349

Trade receivables are non-interest-bearing and are generally on 30-day terms.

An aged analysis of the trade receivables, net of provision for impairment, as at the end of the reporting period, based on the invoice date, is as follows:

	2018 ***S$***	2017 *S$*
Less than 30 days	**1,691,266**	1,451,197
31 to 60 days	**684,364**	689,184
61 to 90 days	**259,808**	237,959
More than 90 days	**947,949**	635,753
	3,583,387	3,014,093

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Year ended 31 July 2018

16. TRADE RECEIVABLES (CONTINUED)

The movements in provision for impairment of trade receivables are as follows:

	2018 *S$*	2017 *S$*
At beginning of year	**121,209**	—
Increase in provision *(Note 8)*	**25,398**	121,209
Written off as uncollectable	**(29,183)**	—
At end of year	**117,424**	121,209

The aged analysis of the trade receivables that are neither individually nor collectively considered to be impaired is as follows:

	2018 *S$*	2017 *S$*
Neither past due nor impaired	**1,638,666**	1,349,342
Less than 30 days past due	**696,340**	694,829
31 to 60 days past due	**299,956**	330,525
61 to 90 days past due	**159,927**	125,629
More than 90 days past due	**788,498**	513,768
Past due but not impaired	**1,944,721**	1,664,751
	3,583,387	3,014,093

Included in the Group's trade receivables balance are debtors with carrying amounts of S$1,944,721 (2017: S$1,664,751) as at 31 July 2018 which are past due at the end of the reporting period but which the Group has not impaired as there have not been any significant changes in credit quality and the directors believe that the amounts are fully recoverable. The management had reviewed the subsequent settlement status and repayment history of these customers and no provision for doubtful debt is considered necessary. The Group does not hold any collateral over these balances.

Receivables that were neither past due nor impaired as at 31 July 2018 and 2017 relate to a wide range of customers for whom there was no history of default.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

17. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2018 S$	2017 S$
Current:		
Deposits		
— Rental	**125,129**	12,100
— Others	**74,868**	15,206
	199,997	27,306
Other receivables	**42,729**	28,122
Prepayments	**215,756**	171,136
	458,482	226,564
Non-current:		
Deposits		
— Rental	**299,069**	103,212
— Others	**129,143**	—
	428,212	103,212

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

18. CASH AND CASH EQUIVALENTS

	2018 S$	2017 S$
Cash at bank and on hand	**2,225,478**	6,088,213

Cash at banks earns interest at floating rates based on daily bank deposit rates.

19. OTHER PAYABLES AND ACCRUALS

	2018 S$	2017 S$
GST payables	**326,658**	268,301
Accrued casual labour costs	**723,832**	600,907
Accrued general staff costs	**719,162**	621,601
Accrued administrative and other operating expenses	**300,802**	365,046
Other payables	**22,042**	12,513
	2,092,496	1,868,368

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

20. DEFERRED TAXATION

The components of deferred tax assets and the movements during the years are as follows:

	Excess of tax values over net book values of property, plant and equipment	Tax losses recognised	Accruals	Total
	S$	*S$*	*S$*	*S$*
At 1 August 2016	1,723	140,539	—	142,262
Credited (charged) to profit or loss during the year *(Note 11)*	361,314	(140,539)	6,389	227,164
At 31 July 2017 and 1 August 2017	363,037	—	6,389	369,426
Credited to profit or loss during the year *(Note 11)*	65,652	—	3,391	69,043
At 31 July 2018	**428,689**	**—**	**9,780**	**438,469**

The components of deferred tax liabilities and the movements during the years are as follows:

	Excess of net book values of property, plant and equipment over tax values
	S$
At 1 August 2016	85,371
Credited to profit or loss during the year *(Note 11)*	(85,371)
At 31 July 2017, 1 August 2017 and 31 July 2018	**—**

The Group has not recognised deferred tax assets in respect of unutilised tax losses of S$171,313 (2017: S$131,099), excess of tax values over net book values of property, plant and equipment of S$1,125,284 (2017: S$1,106,373) and accruals of S$10,098 (2017: S$4,455) as at 31 July 2018 that are available indefinitely for offsetting against future taxable profits of the companies in which these unutilised items arose as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the unutilised items can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

21. SHARE CAPITAL

	2018			2017		
	Number of shares	*HK$*	*Equivalent to S$*	*Number of shares*	*HK$*	*Equivalent to S$*
Authorised ordinary shares of HK$0.002 each (HK$0.01 as at 1 August 2016, 31 July 2017 and 1 August 2017 and HK$0.002 as at 31 July 2018):						
At the beginning of year	**5,000,000,000**	**50,000,000**		5,000,000,000	50,000,000	
Increase upon share subdivision *(Note a)*	**20,000,000,000**	**—**		—	—	
At the end of year	**25,000,000,000**	**50,000,000**		5,000,000,000	50,000,000	
Issued and fully paid:						
At the beginning of year	**250,000,000**	**2,500,000**	**433,000**	250,000,000	2,500,000	433,000
Increase upon share subdivision *(Note a)*	**1,000,000,000**	**—**	**—**	—	—	—
At the end of year	**1,250,000,000**	**2,500,000**	**433,000**	250,000,000	2,500,000	433,000

Note a: On 8 March 2018, the existing issued and unissued shares of the Company of HK$0.01 each is subdivided into 5 shares of HK$0.002 each. Further details of the share subdivision are set out in the Company's announcements dated 29 January 2018 and 7 March 2018 and the Company's circular dated 8 February 2018.

22. DIVIDENDS

No dividends have been declared or paid during the year ended 31 July 2018 (2017: Nil).

23. RESERVES

(i) Share premium

Share premium represents the excess of share issue over the par value.

(ii) Merger reserve

Merger reserve represents the difference between the underlying net assets of the subsidiaries which was acquired by the Group pursuant to the reorganisation for rationalising the corporate structure in preparation for the initial listing of the Company's shares on GEM of the Stock Exchange in 2016 (the "Reorganisation") and the total par value and share premium amount of the shares issued. Prior to the Reorganisation, merger reserve represented the aggregate issued paid-up capital of the subsidiaries now comprising the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 July 2018

23. RESERVES (CONTINUED)

(iii) Other reserve

The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in other reserve.

(iv) Exchange reserve

Exchange reserve has been set up and is dealt with the accounting policies adopted for foreign currency translation as set out in note 4 to the consolidated financial statements.

24. RELATED PARTY TRANSACTIONS/CONNECTED TRANSACTIONS

(a) Other operating expenses

In addition to the related party information disclosed elsewhere in these consolidated financial statements, the following transactions between the Group and its related parties/connected parties took place on terms agreed between the parties during the years ended 31 July 2018 and 2017:

	Related party relationship	**2018** **S$**	2017 *S$*
Management fees in respect of rental payment *(note a)*	A company in which an executive director of the Company, Mr. Yeung Chun Sing, Standly, was the key management	**144,520**	—
Yacht expenses *(note b and note c)*	A company controlled by spouse of a substantial shareholder	**41,198**	—

Note a: The amount represents the management fee paid/payable to Great Wall Belt & Road Holdings Limited ("Great Wall Belt & Road") (formerly known as e-Kong Group Limited) which shares are listed on the Stock Exchange (Stock code: 524).

Mr. Yeung Chun Sing, Standly, an executive director of the Company, ceased to be executive director of Great Wall Belt & Road with effect from 31 May 2018.

In addition, Mr. Yeung Chun Wai, Anthony, a substantial shareholder of the Company, ceased to be chairman and chief executive officer of Great Wall Belt & Road with effect from 1 November 2017, and ceased to be executive director of Great Wall Belt & Road with effect from 23 November 2017.

Note b: The amounts of yacht expenses were paid/payable to Symphony Investment Limited (formerly known as Nova Capital Advisor Limited), a company controlled by spouse of Mr. Yeung Chun Wai, Anthony.

Note c: This transaction constituted connected transaction as defined in the GEM Listing Rules. The transaction is exempt from the disclosure requirements in Chapter 20 of the GEM Listing Rules as it is below the de minimis threshold under Rule 20.74(1) of the GEM Listing Rules.

24. RELATED PARTY TRANSACTIONS/CONNECTED TRANSACTIONS (CONTINUED)

(b) Compensation of key management personnel

	2018 *S$*	2017 *S$*
Salaries and bonuses	**1,116,402**	863,529
Contributions to defined contribution plans	**74,811**	61,200
	1,191,213	924,729

Further details of directors' emoluments are included in note 9 to the consolidated financial statements.

25. OPERATING LEASE COMMITMENTS

The Group leases certain of its office properties and office equipment under operating lease arrangements. Leases for properties are negotiated for a term of three years, and those for office equipment are for a term of five years, with a renewal option.

At 31 July 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2018 *S$*	2017 *S$*
Within one year	**1,243,705**	613,740
In the second to fifth years, inclusive	**1,606,283**	319,497
Over five years	**2,291**	—
	2,852,279	933,237

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26. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

	2018 S$	2017 S$
Financial assets		
Loans and receivables:		
Trade receivables	**4,118,158**	3,451,349
Financial assets included in prepayments, deposits and other receivables	**541,795**	158,640
Cash and cash equivalents	**2,225,478**	6,088,213
	6,885,431	9,698,202
Financial liabilities		
Financial liabilities measured at amortised cost:		
Financial liabilities included in other payables and accruals	**322,844**	377,559
	322,844	377,559

27. FAIR VALUE

Management has assessed that the fair value of trade receivables, financial assets included in prepayments, deposits and other receivables, cash and cash equivalents and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short maturity terms of these instruments.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk.

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

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group's exposure to credit risk arises primarily from trade receivables and cash and cash equivalents. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history. For cash and cash equivalents, the Group adopts the policy of dealing only with high credit quality counterparties.

Cash and cash equivalents are placed with reputable financial institutions with high credit ratings.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Credit risk (continued)

Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the consolidated statement of financial position.

Credit risk concentration profile

The Group assesses concentration of credit risk by monitoring the individual profile of its trade receivables on an ongoing basis.

As at the end of the reporting period, approximately 21% (2017: 32%) of the Group's trade receivables were due from the top three customers.

(i) Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired relate to a number of independent customers that have good track records with the Group.

(ii) Financial assets that are past due but not impaired

Information regarding financial assets that are past due but not impaired is disclosed in note 16 to the consolidated financial statements.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity risk is to ensure, as far as possible, it will always have sufficient liquidity to meet its liabilities when due.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The tables below summarise the maturity profile of the Group's financial liabilities as at the end of the reporting period based on contractual undiscounted repayment obligations.

	On demand or less than one year *S$*
2018	
Financial liabilities included in other payables and accruals	**322,844**
2017	
Financial liabilities included in other payables and accruals	377,559

(c) Foreign currency risk

The Group's foreign currency exposure arises mainly from the exchange rate movements of the Hong Kong dollars against the Singapore dollars.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign currency risk exposure and will consider foreign currency hedging should the need arise.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in the Hong Kong dollars exchange rate, with all other variables held constant.

	2018 Exposure to foreign currency *S$*	2017 Exposure to foreign currency *S$*
Financial assets denominated in Hong Kong dollars:		
Cash and cash equivalents	**561,428**	4,074,637
Deposit and other receivables	**384,512**	—
Financial liabilities denominated in Hong Kong dollars:		
Other payables	**(72,122)**	(21,693)
Net exposure	**873,818**	4,052,944

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk (continued)

			2018 Decrease/ (increase) in loss before tax S$	2017 Decrease/ (increase) in loss before tax S$
Hong Kong dollars	—	strengthened by 5% (2017: 5%)	**43,691**	202,647
	—	weakened by 5% (2017: 5%)	**(43,691)**	(202,647)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to Group's exposure to currency risk for all financial instruments in existence at that date, and that all other variables remain constant. The stated changes in foreign currency represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual end of the reporting period.

29. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes share capital and all other equity reserves attributable to owners of the Company.

The Group's objectives for managing capital are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to the shareholders, issue new shares or obtain new borrowings. No changes were made in the objectives, policies or procedures for capital management for the years ended 31 July 2018 and 2017.

The capital structure of the Group consists of net debt, which includes other payables and accruals, less cash and cash equivalents, and equity attributable to owners of the Company.

The management of the Group reviews the capital structure from time to time. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of management, the Group will balance its overall capital structure through the payment of dividends, issuance of new shares or obtaining new borrowings.

The table below shows the Group's capital structure as at the end of the reporting period:

	2018 S$	2017 S$
Other payables and accruals	**2,092,496**	1,868,368
Less: Cash and cash equivalents	**(2,225,478)**	(6,088,213)
Net cash	**(132,982)**	(4,219,845)
Equity attributable to owners of the Company	**7,161,083**	10,243,657
Total equity less net cash	**7,028,101**	6,023,812
Total assets	**9,318,129**	12,153,421

The total assets to total equity ratio of the Group as at 31 July 2018 was approximately 1.3 times (2017: approximately 1.2 times).

30. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company as at the end of the reporting period is as follows:

	Note	2018 S$	2017 S$
NON-CURRENT ASSET			
Investments in subsidiaries		**4,730,848**	4,730,848
Deposit		**428,212**	—
Property, plant and equipment		**135,888**	—
Total non-current asset		**5,294,948**	4,730,848
CURRENT ASSETS			
Prepayments, deposits and other receivables		**723,971**	1,171,441
Cash and cash equivalents		**561,429**	4,074,637
Total current assets		**1,285,400**	5,246,078
CURRENT LIABILITIES			
Other payables and accruals		**725,861**	668,317
NET CURRENT ASSETS		**559,539**	4,577,761
NET ASSETS		**5,854,487**	9,308,609
EQUITY			
Share capital	*21*	**433,000**	433,000
Share premium	*23*	**12,079,017**	12,079,017
Accumulated losses		**(6,657,530)**	(3,203,408)
TOTAL EQUITY		**5,854,487**	9,308,609

30. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note:

A summary of the Company's share capital and reserves is as follows:

	Share capital *S$* *(Note 21)*	Share premium *S$* *(Note 23)*	Accumulated losses *S$*	Total *S$*
At 1 August 2016	433,000	12,079,017	(1,945,793)	10,566,224
Loss and total comprehensive loss for the year	—	—	(1,257,615)	(1,257,615)
At 31 July 2017 and 1 August 2017	433,000	12,079,017	(3,203,408)	9,308,609
Loss and total comprehensive loss for the year	—	—	(3,454,122)	(3,454,122)
At 31 July 2018	**433,000**	**12,079,017**	**(6,657,530)**	**5,854,487**

31. SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 14 June 2018. The purpose of the Scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Company.

Participants include full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Group); and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the board of directors or a duly authorised committee, has contributed or may contribute to the Group.

The directors may, at their discretion, invite any participant to take up options. Options may be granted to participants under the Scheme during the period of 10 years commencing on the effective date of the Scheme. An option is deemed to have been granted and accepted by the grantee upon the duplicate letter comprising acceptance of the option duly signed by the grantee and paying HK$1 by way of consideration for the grant thereof.

Any grant of options to a connected person (including but not limited to a director or substantial shareholder) or its associates must be approved by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). Where options are proposed to be granted to a connected person who is also a substantial shareholder (as defined in the GEM Listing Rules) of the Company or an independent non-executive director or their respective associates and if such grant would result in the total number of shares issued and to be issued upon exercise of the options granted and to be granted (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant to such person representing in aggregate over 0.1% of the total issued shares and having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK$5 million, then the proposed grant must be subject to the approval of shareholders taken on a poll in a general meeting. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting.

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31. SHARE OPTION SCHEME (CONTINUED)

The subscription price of the share options will be determined by the board and shall not be less than the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of offer for the grant of the relevant option (the "Offer Date"), which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the Offer Date; and (c) the nominal value of a share on the Offer Date.

The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time. The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 125,000,000 shares of the Company, being 10% of the total number of shares of the Company in issue as at the date of approval of the Scheme unless shareholders' approval has been obtained. An option may be exercised during a period to be determined by the directors in their absolute discretion and in any event such period shall not be later than 10 years after the date of grant of the option.

The maximum entitlement for any participant is that the total number of shares issued and to be issued upon exercise of the options granted to each participant under the Scheme in any 12-month period shall not exceed 1 percent of the total number of shares in issue of the Company. Any further grant of options in excess of the 1 percent limit shall be subject to certain requirements provided under the GEM Listing Rules.

The summary of the principal terms of the Scheme is disclosed in the Company's circular dated 18 May 2018. No option has been granted under the Scheme since its adoption.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32. EVENTS AFTER REPORTING PERIOD

(i) On 6 August 2018, Heritage Charm Limited ("Heritage"), a wholly-owned subsidiary of the Company, entered into a non-legally binding cooperation framework agreement (the "Strategic Cooperation Framework Agreement") with Poly Property Community Service Technology Group Limited ("Poly Property"), pursuant to which, Heritage will cooperate with Poly Property to enter the commercial and residential property management market, creating complementary advantages in terms of information management and service as well as exploring various opportunities in the property service market. The Strategic Cooperation Framework Agreement is valid for a term of three years. Heritage will provide Poly Property with manpower recruitment and management services (the "Provision of Services") in the People's Republic of China (the "PRC"). Heritage and Poly Property will enter into a formal agreement in relation to the Provision of Services. No formal agreement has been entered into up to date of approval of these consolidated financial statements.

Details of the Strategic Cooperation Framework Agreement are set out in the announcement made by the Company on 6 August 2018.

(ii) On 24 May 2018, SingAsia Hong Kong Limited (the "Purchaser"), an indirect wholly-owned subsidiary of the Company, has entered into a non-legally binding memorandum of understanding (the "MOU") with a vendor (the "Vendor"), an independent third party not connected with the Company and its connected persons. Pursuant to the MOU, it is proposed that the Purchaser may acquire the entire issued share capital of Mobile Medical International Holdings Limited and its subsidiaries, which are principally engaged in health check business in Hong Kong from the Vendor (the "Proposed Acquisition"). The MOU does not constitute legally-binding commitment on the part of the Vendor and the Purchaser in respect of the Proposed Acquisition.

On 18 October 2018, the Purchaser and the Vendor entered into a termination agreement to terminate the MOU (the "Termination Agreement"). Pursuant to the Termination Agreement, the MOU shall be terminated forthwith and cease to have effect and the Vendor and the Purchaser shall release and discharge the other from all past, present and future duties, obligations and liabilities under the MOU absolutely.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below.

	Year ended 31 July				
	2018	2017	2016	2015	2014
	S$	*S$*	*S$*	*S$*	*S$*
RESULTS					
REVENUE	**20,295,350**	18,654,727	20,833,182	19,320,989	13,952,804
Cost of services	**(14,443,002)**	(12,770,833)	(13,909,372)	(12,685,622)	(9,549,039)
Gross profit	**5,852,348**	5,883,894	6,923,810	6,635,367	4,403,765
Other income and gains	**152,865**	223,920	333,337	110,807	345,324
Administrative expenses	**(8,376,838)**	(6,539,173)	(5,070,557)	(4,308,665)	(2,086,811)
Other operating expenses	**(729,194)**	(460,724)	(3,502,072)	(116,812)	(228,869)
Finance costs	**—**	(5,608)	(46,685)	(83,377)	(81,422)
(LOSS)/PROFIT BEFORE TAX	**(3,100,819)**	(897,691)	(1,362,167)	2,237,320	2,351,987
Income tax credit/(expense)	**16,773**	279,179	65,006	(126,204)	(103,146)
(LOSS)/PROFIT FOR THE YEAR	**(3,084,046)**	(618,512)	(1,297,161)	2,111,116	2,248,841
Attributable to:					
Owners of the Company	**(3,084,046)**	(618,270)	(1,297,161)	2,119,011	2,248,841
Non-controlling interests	**—**	(242)	—	(7,895)	—
	(3,084,046)	(618,512)	(1,297,161)	2,111,116	2,248,841

	As at 31 July				
	2018	2017	2016	2015	2014
	S$	*S$*	*S$*	*S$*	*S$*
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS					
TOTAL ASSETS	**9,318,129**	12,153,421	13,261,766	6,611,861	5,698,326
TOTAL LIABILITIES	**(2,157,046)**	(1,909,764)	(2,394,505)	(3,528,609)	(2,707,106)
NON-CONTROLLING INTERESTS	**—**	—	—	(254,726)	—
	7,161,083	10,243,657	10,867,261	2,828,526	2,991,220