

**J K PAPER INTERNATIONAL (SINGAPORE) PTE. LTD.**  
(Incorporated in the Republic of Singapore)  
Reg. No: 201531131R

**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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**J K PAPER INTERNATIONAL (SINGAPORE) PTE.LTD.**  
(Incorporated in the Republic of Singapore)

**DIRECTORS' STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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The directors are pleased to present their statement to the members together with the audited financial statements of J K Paper International (Singapore) Pte. Ltd. (the "Company") for the financial year ended 31 March 2018.

**Opinion of the directors**

In our opinion,

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

**Directors**

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

**Pallipakkam Sivarama Ramanathan  
Gupta Vikas**

**Arrangements to enable directors to acquire shares or debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate

**Directors' interest in shares or debentures:**

None of the directors of the Company holding office at the reporting date had any interest in the shares or debentures of the Company or any related corporations either at the beginning or end of financial year.

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**DIRECTORS' STATEMENT (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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**Share options**

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

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

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

**Auditor**

MGI N Rajan Associates has expressed its willingness to accept re-appointment as auditor.

The Board of Directors

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**Pallipakkam Sivarama Ramanathan**  
Director

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**Gupta Vikas**  
Director

Date: 4<sup>th</sup> May 2018

**INDEPENDENT AUDITOR'S REPORT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J K PAPER INTERNATIONAL (SINGAPORE)  
PTE.LTD.**

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

*Opinion*

We have audited the financial statements of J K Paper International (Singapore) Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

*Basis for Opinion*

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

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement [set out on pages 2 to 3].

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

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

*Responsibilities of Management and Directors for the Financial Statements*

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

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

**INDEPENDENT AUDITOR'S REPORT (Continued)  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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*Responsibilities of Management and Directors for the Financial Statements cont'd...*

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

*Auditor's Responsibilities for the Audit of the Financial Statements.*

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

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

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

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

*Report on Other Legal and Regulatory Requirements*

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**MGI N RAJAN ASSOCIATES  
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS**

Singapore  
Date: 4th May 2018

J K PAPER INTERNATIONAL (SINGAPORE) PTE.LTD.  
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2018

	Note	2018 US\$	2017 US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in Joint venture	6	2,440,000	1,150,000
		<u>2,440,000</u>	<u>1,150,000</u>
<b>Current assets</b>			
Cash and cash equivalents	7	19,758	11,359
		<u>19,758</u>	<u>11,359</u>
<b>Total assets</b>		<u>2,459,758</u>	<u>1,161,359</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	8	4,422	4,150
<b>Total liabilities</b>		<u>4,422</u>	<u>4,150</u>
<b>NET ASSETS</b>		<u>2,455,336</u>	<u>1,157,209</u>
<b>EQUITY</b>			
Share capital	9	2,500,000	1,191,000
Accumulated (losses)		(44,664)	(33,791)
<b>TOTAL EQUITY</b>		<u>2,455,336</u>	<u>1,157,209</u>

*(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)*

J K PAPER INTERNATIONAL (SINGAPORE) PTE.LTD.  
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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	Note	2018 US\$	2017 US\$
Revenue		-	-
Exchange gain		-	25
		<hr/>	<hr/>
		-	25
Expenses			
Other operating expenses		(10,873)	(29,142)
(Loss) before tax	4	(10,873)	(29,117)
Tax expense	5	-	-
(Loss) after tax		<hr/>	<hr/>
		(10,873)	(29,117)
Other comprehensive income		-	-
(Loss) for the year, representing total comprehensive income		<hr/>	<hr/>
		(10,873)	(29,117)

*(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)*

J K PAPER INTERNATIONAL (SINGAPORE) PTE.LTD.  
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STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Share capital US\$	Accumulated (losses) US\$	Total US\$
As at 31 March 2016	1,000	(4,674)	(3,674)
Issue of shares during the year	1,190,000	-	1,190,000
(Loss) for the year, representing total comprehensive income for the year	-	(29,117)	(29,117)
As at 31 March 2017	<u>1,191,000</u>	<u>(33,791)</u>	<u>1,157,209</u>
As at 01 April 2017	1,191,000	(33,791)	1,157,209
Issue of shares during the year	1,309,000	-	1,309,000
(Loss) for the year, representing total comprehensive income for the year	-	(10,873)	(10,873)
As at 31 March 2018	<u>2,500,000</u>	<u>(44,664)</u>	<u>2,455,336</u>

*(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)*



J K PAPER INTERNATIONAL (SINGAPORE) PTE.LTD.  
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STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	2018 US\$	2017 US\$
<b>Cash flows from operating activities</b>			
(Loss) for the year before tax		(10,873)	(29,117)
		<u>(10,873)</u>	<u>(29,117)</u>
Change in working capital			
Other receivables		-	991
Other payables		272	(515)
<b>Net cash (used in) operating activities</b>		<u>(10,601)</u>	<u>(28,641)</u>
<b>Cash flows from investing activities</b>			
Investment in Joint venture		(1,290,000)	(1,150,000)
<b>Net cash (used in) financing activities</b>		<u>(1,290,000)</u>	<u>(1,150,000)</u>
<b>Cash flows from financing activities</b>			
Issue of shares		1,309,000	1,190,000
<b>Net cash provided by financing activities</b>		<u>1,309,000</u>	<u>1,190,000</u>
Net increase in cash and cash equivalents		8,399	11,359
Cash and cash equivalents at the beginning of the year		11,359	-
<b>Cash and cash equivalents at the end of the year</b>	7	<u>19,758</u>	<u>11,359</u>

*(The annexed notes form an integral part of and should be read in conjunction with these financial statements)*

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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

**1. GENERAL INFORMATION**

J K Paper International (Singapore) Pte.Ltd (the "Company") is incorporated and domiciled in Singapore with its registered office at 10 Jalan Besar, #10-03 Sim Lim Tower, Singapore 208787.

The principal activity of the Company is that of holding investments.

The financial statements of the Company for the year ended 31 March 2018 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company's 100% holding company is JK Paper Limited incorporated in India.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

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

The financial statements are presented in United States Dollars (US\$), which is the Company's functional currency

**2.2 Adoption of new and revised standards**

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 January 2016. The adoption of these standards did not have any material effect on the financial statements.

**2.3 Standards issued but not yet effective**

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

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

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D...

2.3 Standards issued but not yet effective cont'd...

Description	Effective for annual periods beginning on or after
FRS 115 Revenue from Contracts with Customers	01-Jan-18
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
FRS 109 Financial Instruments	01-Jan-18
Amendments to FRS 7: Disclosure Initiative	01-Jan-17
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	01-Jan-17
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	01-Jan-18
FRS 116 Leases 1 Jan 2019	01-Jan-19
Amendments to FRS 102: Classification and Measurement of Share-Based Payment Transactions	01-Jan-18

2.4 Financial instruments

a) Financial assets

**Initial recognition and measurement**

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

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

**Subsequent measurement**

*Loans and receivables*

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

Loans and receivables comprise Investment in joint venture, other receivables, and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D...**

**2.4 Financial instruments cont'd...**

**a) Financial assets cont'd...**

**De-recognition**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

**b) Financial liabilities**

**Initial recognition and measurement**

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

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

**Subsequent measurement**

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

Such financial liabilities comprise other payables.

**2.5 Impairment of financial assets**

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

**Financial assets carried at amortised cost**

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D...**

**2.5 Impairment of financial assets cont'd...**

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

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

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

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

**2.6 Provisions**

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

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

**2.7 Cash and cash equivalents**

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

**2.8 Foreign currency transactions and balances**

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D...

2.8 Foreign currency transactions and balances cont'd...

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

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss

2.9 Taxes

a) Current income tax

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

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

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.10 Share capital

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

2.11 Investment in Joint venture

Investment in joint ventures are carried at cost less accumulated impairment losses in the Company's Statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognized in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

The management is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. (LOSS) BEFORE TAX

	2018	2017
	US\$	US\$
Professional fees	8,505	8,073
Legal fee	-	18,500

5. TAX EXPENSE

The tax expense on results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on company's (loss) as a result of the following differences.

	2018	2017
	S\$	S\$
(Loss) before taxation	(10,873)	(29,117)
Tax at statutory rate @ 17% (2017: @ 17%)	(1,848)	(4,950)
Tax effect on non-deductibles	1,848	4,950
	-	-

6. INVESTMENT IN JOINT VENTURE

	2018	2017
	US\$	US\$
Equity investment	2,250,000	664,000
Advance against equity	190,000	486,000
	2,440,000	1,150,000

The Company has following equity investments in Joint venture

Name	Place of incorporation	Principal activities	Proportion of ownership interest
Habras -MZZ Plantation Myanmar Co., Ltd	Myanmar	Development of pulp wood plantation in Myanmar	2017 50%

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NOTES TO THE FINANCIAL STATEMENTS  
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6. INVESTMENT IN JOINT VENTURE CONT'D...

The Company is exempted from applying the Joint venture accounting to its investment in joint venture as the Company itself is a wholly owned subsidiary of another Company. JK Paper Limited (Parent Company) principal business address is P.O Central Pulp Mill 394660, Fort Songadh, District Tapi Gujarat, produces financial statements available for public use.

During the year the company invested the 50% of shareholdings in Habras –MZZ Plantation Myanmar Co.Ltd. The principal activity of the associate company is development of pulp wood plantation in Myanmar required in Manufacturing of Pulp, paper and paper board.

The summarised financial information of Habras – MZZ Plantation Myanmar Co., Ltd as at 31 March 2018 is as follows:

Particulars	2018 US\$	2017 US\$
<b>Non-current assets</b>	<b>4,298,127</b>	<b>4,296,376</b>
<b>Current assets</b>		
-Cash and cash equivalents	156,258	150,494
-Other current assets	83,235	90,384
	<b>239,493</b>	<b>240,878</b>
<b>Total assets</b>	<b>4,537,620</b>	<b>4,537,254</b>
<b>Non current liabilities</b>		
-Annual land lease	-	376,275
-Financial liabilities	-	2,297,913
	-	<b>2,674,188</b>
<b>Current liabilities</b>		
Includes		
-Annual land lease	-	13,936
-Financial liabilities	-	337,590
	-	<b>351,526</b>
<b>Total liabilities</b>	<b>-</b>	<b>3,025,714</b>
<b>NET ASSETS</b>	<b>4,537,620</b>	<b>1,511,540</b>

The above information reflects the amounts presented in the financial statements of Joint venture



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

**7. CASH AND CASH EQUIVALENTS CONT'D...**

Cash and cash equivalents are denominated in the following currencies

	2018	2017
	US\$	US\$
Cash at bank	19,758	11,359
	<u>19,758</u>	<u>11,359</u>

	2018	2017
	US\$	US\$
United States Dollar	8,204	3,825
Singapore Dollar	11,554	7,534
	<u>19,758</u>	<u>11,359</u>

**8. OTHER PAYABLES**

	2018	2017
	US\$	US\$
Accruals	4,422	4,150
	<u>4,422</u>	<u>4,150</u>

**9. SHARE CAPITAL**

	2018		2017	
	No of shares	US\$	No of shares	US\$
Issued and fully paid up shares				
Beginning of the year	1,191,000	1,191,000	1,000	1,000
Issued during the year	1,309,000	1,309,000	1,190,000	1,190,000
End of the financial year	<u>2,500,000</u>	<u>2,500,000</u>	<u>1,191,000</u>	<u>1,191,000</u>

During the financial year the Company has increased their share capital from 1,191,000 to 2,500,000 by way of allotment of shares 1,309,000@ 1US\$ per share. .

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

**10. CAPITAL MANAGEMENT**

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements.

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10. CAPITAL MANAGEMENT CONT'D...

No changes were made in the objectives, policies or processes during the financial year ended 31 March 2018

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from 2017.

11. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

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

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

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

**Liquidity risk**

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The directors are satisfied that funds are available to finance the operations of the Company.

*Analysis of financial instruments by remaining contractual maturities*

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

	2018		
	Carrying amount	Contractual cash flows	One year or less
Financial assets	US\$	US\$	US\$
Cash and cash equivalents	19,758	19,758	19,758
Total undiscounted financial assets	19,758	19,758	19,758
Financial liabilities			
Accruals	4,422	4,422	4,422
Total undiscounted financial liabilities	4,422	4,422	4,422
Total net undiscounted financial assets	15,336	15,336	15,336

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11. FINANCIAL RISK MANAGEMENT CONT'D...

	2017		
	Carrying amount	Contractual cash flows	One year or less
	US\$	US\$	US\$
<b>Financial assets</b>			
Cash and cash equivalents	11,359	11,359	11,359
Total undiscounted financial assets	11,359	11,359	11,359
<b>Financial liabilities</b>			
Accruals	4,150	4,150	4,150
Total undiscounted financial liabilities	4,150	4,150	4,150
<b>Total net undiscounted financial assets</b>	<b>7,209</b>	<b>7,209</b>	<b>7,209</b>

**Market risk**

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

*i) Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company does not have borrowings and hence it is not exposed to interest rate risk.

*ii) Foreign currency risk*

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk.

The Company is not exposed any significant foreign currency risk since the foreign currency exposure to the company is insignificant.

12. FINANCIAL INSTRUMENT BY CATEGORY

The carrying amount of the different categories of financial instruments is as follows:-

	2018	2017
	US\$	US\$
Loans and receivables	19,758	11,359
Financial liabilities at amortised cost	4,422	4,150

13. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Subsequent to the reporting period, the company has increased their investment in joint venture of US\$ 190,000 by way of subscription of 190 shares as on 2<sup>nd</sup> May 2018.

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