

MGI SINGAPORE PAC
CHARTERED ACCOUNTANTS, SINGAPORE
(Company Regn. No. 200606965Z)

TCI HOLDINGS ASIA PACIFIC PTE. LTD.

(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)

FINANCIAL STATEMENTS - 31 MARCH 2018

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The directors have pleasure in submitting their report together with the audited consolidated financial statements of **TCI Holdings Asia Pacific Pte Ltd** (the Company) and its subsidiaries (the Group) for the financial year ended 31 March 2018.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- i. the accompanying statement of financial position, statement of comprehensive income and statement of changes in equity of the Company and cash flow statement are drawn up so as to give a true and fair view of the financial position as at 31 March 2018 and the financial performance and the results of the business for the period ended on that date;
- ii. at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS OF THE COMPANY

The directors in office at the date of this report are:

Agarwal Chander

Pramod Kumar Jain

Kalasegar s/o Genkatharan

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the register of directors' shareholdings kept by the company under Section 164 of the Singapore Companies Act, Chapter 50, none of the directors who held office at the date of incorporation and at the end of the financial year and till the date of this report had interest in the shares of the company.

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)
STATEMENT BY DIRECTORS

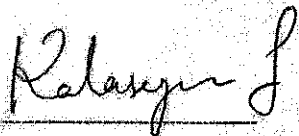
5. SHARE OPTIONS

During the financial year, no options to take up unissued shares of the Company were granted and no shares were issued by virtue of the exercise of options to take up unissued shares of the Company or any subsidiary company. There were no issued shares of the Company or any subsidiary company under option at the end of the financial year.

6. INDEPENDENT AUDITORS

The independent auditors, MGI SINGAPORE PAC, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors:



Director



Director

Singapore, 15 MAY 2018

MGI SINGAPORE PAC
CHARTERED ACCOUNTANTS, SINGAPORE

(Company Regn. No. 200606965Z)

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
(Company Registration No: 200618024W)
INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of TCI HOLDINGS ASIA PACIFIC PTE. LTD. (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2018 statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Qualified Opinion

We draw attention to Note 8 to the financial statements. We have been engaged to do the audit of the Group and the Company. But we have not audited for the foreign subsidiaries, as the subsidiaries are registered other than Singapore. For the purpose of consolidation, management used the managements for consolidation so we are unable to verify the existence of consolidated financial statement.

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.

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.

MGI SINGAPORE PAC
CHARTERED ACCOUNTANTS, SINGAPORE
(Company Regn. No. 200606965Z)

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
(Company Registration No: 200618024W)
INDEPENDENT AUDITOR'S REPORT - continued
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

Auditor's Responsibilities for the Audit of the Financial Statements - continued

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

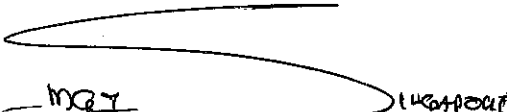
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ramachandran Sri Kumar.


MGI SINGAPORE PAC

MGI SINGAPORE PAC
Public Accountants And
Chartered Accountants

Singapore, 15 May 2018

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	<u>NOTE</u>	<u>THE GROUP</u>	<u>THE COMPANY</u>	
		<u>2018</u>	<u>2018</u>	<u>2017</u>
		S\$	S\$	S\$
<u>ASSETS</u>				
NON CURRENT ASSETS				
Investment in subsidiaries	6	-	3,501,355	3,501,355
CURRENT ASSETS				
Other receivables	7	648,460	1,269,773	2,147,587
Cash and cash Equivalents	8	1,151,639	950,173	6,987
		<u>1,800,099</u>	<u>2,219,946</u>	<u>2,154,574</u>
TOTAL ASSETS		<u>1,800,099</u>	<u>5,721,301</u>	<u>5,655,929</u>
<u>EQUITY AND LIABILITIES</u>				
CURRENT LIABILITIES				
Trade and other payables	9	191,911	6,308	8,008
EQUITY				
Share Capital	10	6,865,301	6,865,301	6,783,074
Accumulated Losses		(5,257,113)	(1,150,308)	(1,135,153)
		<u>1,608,188</u>	<u>5,714,993</u>	<u>5,647,921</u>
TOTAL EQUITY AND LIABILITIES		<u>1,800,099</u>	<u>5,721,301</u>	<u>5,655,929</u>

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

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
 (Company Registration No: 200618024W)
 (Incorporated in the Republic of Singapore)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	<u>NOTE</u>	<u>THE GROUP</u>	<u>THE COMPANY</u>	
		<u>2018</u>	<u>2018</u>	<u>2017</u>
		S\$	S\$	S\$
Revenues	4	74,971	-	-
Other income	5	307,892	422	-
Depreciation		(21,320)	-	-
Finance cost		(36,614)	-	-
Other operating expenses		(202,795)	(15,577)	(12,177)
Profit/(Loss) before taxation	11	122,104	(15,155)	(12,177)
Taxation	12	-	-	-
Profit/(Loss) after taxation		122,104	(15,155)	(12,177)
Other comprehensive income		-	-	-
Total comprehensive(expense) for the year		122,104	(15,155)	(12,177)

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

TCI HOLDINGS ASIA PACIFIC PTE. LTD.

(Company Registration No: 200618024W)

(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

The Company	Share Capital	Accumulated Losses	Total
	S\$	S\$	S\$
Balance as at 31.03.2017	6,783,074	(1,135,153)	5,647,921
Issue of shares	82,227	-	82,227
Total comprehensive expenses for the year	-	(15,155)	(15,155)
Balance as at 31.03.2018	6,865,301	(1,150,308)	5,714,993

The Company	Share Capital	Accumulated Losses	Total
	S\$	S\$	S\$
Balance as at 31.03.2016	6,665,115	(1,122,976)	5,542,139
Issue of shares	117,959	-	117,959
Total comprehensive expenses for the year	-	(12,177)	(12,177)
Balance as at 31.03.2017	6,783,074	(1,135,153)	5,647,921

The Group	Share Capital	Accumulated Losses	Total
	S\$	S\$	S\$
Balance as at 31.03.2017	6,783,074	(5,379,217)	1,389,966
Issue of shares	82,227	-	82,227
Total comprehensive income for the year	-	122,104	122,104
Balance as at 31.03.2018	6,865,301	(5,257,113)	1,594,297

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

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
(Company Registration No: 200618024W)
(Incorporated in the Republic of Singapore)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	<u>NOTE</u>	<u>The Group</u> <u>2018</u> S\$	<u>The Company</u> <u>2017</u> S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		122,104	(12,177)
Depreciation		21,320	
Gain on sale of property		(307,457)	
Operating (loss) before working capital changes		<u>(164,033)</u>	<u>(12,177)</u>
Decrease/(Increase) in other receivables		85,481	(107,740)
Increase trade payables and accruals		64,333	1,098
Net cash flows from/(used in) operating activities		<u>(14,219)</u>	<u>(118,819)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceed from sale of property		1,546,050	-
Net cash flows generated from financing activities		<u>1,546,050</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share		82,227	117,959
Repayment of term loans		(535,548)	-
Net cash flows generated from financing activities		<u>(453,321)</u>	<u>117,959</u>
Net increase/(decrease) in cash and cash equivalents		1,078,510	(860)
Cash and cash equivalent at beginning of year		73,129	7,847
Cash and cash equivalent at end of year	8	<u>1,151,639</u>	<u>6,987</u>

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

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

1. CORPORATE INFORMATION

TCI HOLDINGS ASIA PACIFIC PTE. LTD. is a private limited company incorporated in the Republic of Singapore.

The registered and administration office of the Company is located at 435 Orchard Road, #11-F Wisma Atria, Singapore 238877.

The principal activities of the Company are to act as an investment holding company. In 2012, the Company had commences providing value added logistics services such as air and sea freight services

There have been no significant changes in the nature of these activities during the year. However, the Company has no trading activities during the year.

Holding company

TCI Global Holdings (Mauritius) Limited, a company incorporated in Mauritius (the holding company) has gone into liquidation and the investment in the company TCI Holdings Asia Pacific Pte. Ltd., have been transferred to the ultimate parent company Transport Corporation of India Ltd., a company incorporated in India which has now become the holding company.

Subsidiary

Refer to **Note 6** to the financial statements for the subsidiary and its principal activities

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

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

The financial statements are presented in Singapore Dollars (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2017, including the Amendments to FRS 7 Disclosure Initiative. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

	Effective for annual periods beginning on or after
FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 115 Revenue from Contracts with Customers	Date to be
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	determined
FRS 109 Financial Instruments	1 Jan 2018
Amendments to FRS 7: Disclosure Initiative	1 Jan 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 Jan 2017
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 116 Leases	1 Jan 2019
Amendments to FRS 102: Classification and Measurement of Share-Based Payment Transactions	1 Jan 2018

Except for FRS 109, 115 and 116, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115, 109 and 116 are described below.

FRS 109 Financial Instruments

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

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

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

FRS 116 Leases

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

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.3 Standards issued but not yet effective - Continued

FRS 116 Leases

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

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

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

2.4 Basis of consolidation

A. Basis of consolidation

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

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

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

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

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group and the Company loses control over a subsidiary, it:de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amount at the date when control is loss;

- de-recognises the carring amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained
- recognises any surplus or deficit in profit or loss; and
- re-classifies the Group's shares of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.4 Basis of consolidation- Continued

B. Business combination

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

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

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

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

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cashgenerating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cashgenerating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 Transactions with non-controlling interest

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

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

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.6 Foreign currency

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

a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. 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 end of the reporting period are recognised in profit or loss.

b) Consolidated financial statements

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

2.7 Impairment of non-financial assets

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.8 Subsidiaries

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

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

2.9 Financial instruments

a) Financial assets

Initial recognition and measurement

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

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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

i. Loan 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.

ii. Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.10 Financial instruments - Continued

a) Financial assets- Continued

De-recognition

A financial asset is derecognised where 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 had 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 Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus 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.

De-recognition

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

2.11 Impairment of financial assets

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

a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for 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.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.12 Impairment of financial assets - Continued

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

a) Financial assets carried at amortised cost - Continued

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 value of the financial asset.

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

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

b) Financial assets at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost had 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 current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

c) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.12 Impairment of financial assets – Continued

c) Available-for-sale financial assets – continued

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in profit or loss.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.14 Provisions

General

Provisions are recognised when the Group 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. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.15 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.16 Borrowings costs

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

2.17 Employee benefits

a) Defined contribution plans

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

b) Defined contribution plans

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The employee share option reserve is transferred to retained earnings upon expiry of the share option.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.18 Revenue

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

Rendering of services

Revenue from the installation of fire prevention equipment is recognised by reference to the stage of completion at the end of the reporting period. Stage of completion is determined by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be measured reliably, revenue is recognised to the extent of the expenses recognised that are recoverable.

2.19 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 authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

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 end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.19 Taxes - Continued

b) Deferred tax - Continued

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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 relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

c) Sales tax

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

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

2.20 Share capital and share issuance expense

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. SIGNIFICANT ACCOUNTING POLICIES - Continued

2.21 Contingencies

A contingent liability is:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- b) a present obligation that arises from past events but is not recognised because:
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - The amount of the obligation cannot be measured with sufficient reliability.

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

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

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Group's consolidated financial statements requires management to make judgements, 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.

Critical judgements in applying the company's accounting policies

Management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognized in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as discussed below.

Allowances for other receivables

The provision policy for doubtful debts of the Company is based on the ongoing evaluation of collectability and aging analysis of the outstanding receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realization of these receivables, including creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Company were to deteriorate, resulting in an impairment of their ability of make payments, allowances would be made.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY -continued

Income Taxes

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

4. REVENUES

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Service income	74,971	-	-

5. OTHER INCOME

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Fixed deposit interest received	435	422	-
Gain on sale of property	307,457	-	-
	<u>307,892</u>	<u>422</u>	<u>-</u>

6. INVESTMENT IN SUBSIDIARIES

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Unquoted equity shares, at cost	-	3,501,355	3,501,355
Less: provision for impairment loss	-	-	-
	<u>-</u>	<u>3,501,355</u>	<u>3,501,355</u>

TCI HOLDINGS ASIA PACIFIC PTE. LTD.
 (Company Registration No: 200618024W)
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NOTES TO FINANCIAL STATEMENTS - 31 MARCH 2018

6. INVESTMENT IN SUBSIDIARIES - Continued

Details of the subsidiaries:

Name of subsidiaries	Principal activities	Country of incorporation / registration	Cost of investment		Percentage of equity interest	
			<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
			S\$	S\$	%	%
TCI Global (Singapore) Pte Ltd (+)	To provide logistic services such as air and sea freight services	Singapore	2,092,380	2,092,380	100	100
TCI Global (Thailand) Company Limited (*) (#)	To provide freight forwarding service	Thailand	699,453	699,453	100	100
PT. TCI Global (*) (^)	To provide logistic and warehouse services	Indonesia	709,522	709,522	100	100
			<u>3,501,355</u>	<u>3,501,355</u>		

Note:

(*) Unaudited Management report
 (#) 86,702 ordinary shares of THB 100 each of the subsidiary representing an equity interest of 51% in the subsidiary is held by a director of the Company on trust for the Company.

(^)
 (+) 53 ordinary shares of IDR 908,300 of the subsidiary representing equity interest of 1% of the subsidiary is held by a director of the Company on trust for the Company.
 2 Ordinary shares S\$1 each if the subsidiary representing an equity interest of 0.0001% in the subsidiary is held by a director of the Company on trust for the Company.

PT. TCI Global is under liquidation.

7. OTHER RECEIVABLES

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Subsidiaries	-	681,038	1,586,754
Related company	634,569	588,313	560,833
Loan to subsidiaries	13,891	422	-
	<u>648,460</u>	<u>1,269,773</u>	<u>2,147,587</u>
<u>Other receivables are denominated in the</u>			
United States dollar	648,460	770,519	1,675,600
Euro	-	499,254	471,987
	<u>648,460</u>	<u>1,269,773</u>	<u>2,147,587</u>

The amounts due from subsidiaries and related companies are unsecured, interest free and repayable on demand.

8. CASH AND CASH EQUIVALENTS

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Cash at bank	229,956	28,490	6,987
Fixed deposit with bank	921,683	921,683	-
	<u>1,151,639</u>	<u>950,173</u>	<u>6,987</u>
<u>Cash and cash equivalents are denominated in</u>			
Singapore dollar	194,631	480	672
United States dollar	957,008	949,693	6,315
	<u>1,151,639</u>	<u>950,173</u>	<u>6,987</u>

The fixed deposit is a short term United States dollars deposit and matured in one month at an interest rate of 2% p.pa

9. TRADE AND OTHER PAYABLES

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Trade payable	108,095	4,398	6,098
Accruals	79,730	4,398	6,098
Director	4,086	1,910	1,910
	<u>191,911</u>	<u>6,308</u>	<u>8,008</u>

Trade payables and accruals are normally settled on 30-60 days terms and non-interest bearings. The amounts due to director is unsecured, interest free and repayable in demand. Other payables are denominated in the following currencies.

9. TRADE AND OTHER PAYABLES – continued

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
United states dollar	888	6,308	8,008
Singapore dollar	129,244	6,308	8,008
Indonesian rupiah	61,779	-	-
	<u>191,911</u>	<u>6,308</u>	<u>8,008</u>

10. SHARE CAPITAL

	<u>The Company and Group</u>			
	<u>2018</u>		<u>2017</u>	
<u>Ordinary shares issued and fully paid</u>	No of shares issued	S\$	No of shares issued	S\$
Balance at beginning of year	6,643,706	6,783,074	6,537,956	6,665,115
Shares issued	81,957	82,227	105,750	117,959
Balance at end of year	<u>6,725,663</u>	<u>6,865,301</u>	<u>6,643,706</u>	<u>6,783,074</u>

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

11. LOSS BEFORE TAXATION

In addition to the information disclosed elsewhere in the financial statements, the company's loss before income tax is arrived at after charging (crediting) the following:

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Other income (Note 5)	(307,892)	(422)	-
Other receivables written off & related parties	-	-	2,858
Depreciation	21,320	-	-
Bad debt written off	91,936	-	-
Term loan interest	<u>36,614</u>	<u>-</u>	<u>-</u>

12. TAXATION

No income tax is provided as there is no taxable income during the financial year. Domestic income tax is calculated at 17% of the estimated assessable income for the year.

The total charge for the year can be reconciled to the accounting loss as follows:

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
(Loss) before tax	122,104	(15,155)	(12,177)
Tax expense on profit before tax at 17%	20,758	(2,576)	(2,070)
Adjustments:-			
Tax effect of expenses not deductible for income	3,624	2,576	2,070
Tax effect of income not subject to tax	(52,267)	-	-
Tax effect of unabsorbed loss	27,885	-	-
Current tax expense	-	-	-

13. RELATED PARTY TRANSACTIONS

Related parties are entitling with common direct or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operating decisions.

During the year, in addition to related party information disclosed elsewhere in the financial statements, the followings significant transactions with related parties based on terms agreed by the parties, were as follows:

	<u>The Group</u>	<u>The Company</u>	
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	S\$	S\$	S\$
Rental	-	3,965	1,952

14. ON DE-RECOGNISED LOSSES OF LIQUIDATED SUBSIDIARIES

	<u>Accumulated</u>	<u>Reserve on</u>
	<u>losses</u>	<u>Consolidation</u>
Opening Balance	(5,379,217)	-
De-recognised losses	1,774,483	(1,774,483)
Total comprehensive income for the year	122,104	-
	<u>(3,482,630)</u>	<u>(1,774,483)</u>

15. FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

Financial risk management objective and policies

The Company's activities expose it to credit risk, market risks (including foreign currency risk and interest rate risk) and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Company's financial performance.

The Directors of the Company is responsible for setting the objectives and underlying principles of financial risk management for the Company. The Company's management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Directors.

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

15.1 Interest risk

The Company has no significant exposure to market risk for changes in interest rates because it has no interest bearing borrowings from any external sources.

15.2 Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in a meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company has no significant liquidity risk as it maintains a level of cash and bank balances that is sufficient for working capital purpose.

The Company's financial liabilities namely accruals based on contractual undiscounted cash flows are due for repayment within a year as at balance sheet date.

15.3 Foreign currency risk

The Company is exposed to foreign exchange risk from its transactions denominated in United states dollars and other foreign currencies. The management monitor closely these foreign currency debtors and recovers the amount at the earliest to minimised the foreign exchange risk.

As at financial year end, the carrying of monetary assets and liabilities denominated in currencies other than Singapore dollars are disclosed in the respective notes to the financial statements.

15.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has dealing with only customers with good financial position. The company's major classes of financial risks are cash and bank balances and other receivables. Cash is held with creditworthy financial institutions. The Company does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics. The Company's other receivables comprise receivables from subsidiaries and related companies. The management is of the opinion that these subsidiaries and related companies, having a good financial position and does not foresee any risk of default by these intercompany.

The carrying amounts of financial assets recorded in the financial statements, net of any allowances for losses, represent the company's maximum exposure to credit risk.

15. FINANCIAL INSTRUMENT, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT - continued

15.5 Capital risk management policies and objectives

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares and sell assets to reduce debt or adjust the amount of dividends paid to shareholders. The management's overall strategies remains unchanged from 2015.

16. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying amount of cash and cash equivalents, other receivables and other payables and accrual approximate their respective fair values due to the relative short term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow.

17. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statement of the Company for the financial year ended 31 March 2018 were authorised for issue in accordance with a resolution of the directors on 15 May 2018.

TCI HOLDINGS ASIA PACIFIC PTE. LTD.

(Company Registration No: 200618024W)

(Incorporated in the Republic of Singapore)

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	<u>2018</u>	<u>2017</u>
	S\$	S\$
Other income		
Interest received	422	-
	<hr/>	<hr/>
Other operating expenses		
Auditors remuneration	4,000	5,500
Bank charges	1,939	1,867
Exchange loss	2,891	-
Secretarial fees	2,782	-
Rental expense	3,965	1,952
Related party balance written off, non trade	-	2,858
	<hr/>	<hr/>
	15,577	12,177
	<hr/>	<hr/>
(Loss) before income tax	<u>(15,155)</u>	<u>(12,177)</u>

The above does not form part of the statutory financial statements.