



SINGASIA
Holdings Limited

星亞控股有限公司*

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

*For identification purpose only.



Third Quarterly Report **2018**

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

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

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

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

HIGHLIGHTS

- The unaudited revenue of the Company and its subsidiaries (collectively the “Group”) amounted to approximately S\$15,178,000 for the nine months ended 30 April 2018, representing an increase of approximately S\$896,000 or 6.3% as compared with the nine months ended 30 April 2017.
- The unaudited loss for the period of the Group was approximately S\$2,058,000 for the nine months ended 30 April 2018, representing an increase of approximately S\$1,976,000 as compared to the loss for the nine months ended 30 April 2017.
- Basic and diluted loss per share was 0.165 Singapore cents for the nine months ended 30 April 2018 compared to basic and diluted loss per share of 0.007 Singapore cents (restated) for the nine months ended 30 April 2017.
- The Directors do not recommend the payment of an interim dividend for the nine months ended 30 April 2018.

THIRD QUARTERLY RESULTS

The board of Directors (the “Board”) of the Company hereby announces the unaudited condensed consolidated results of the Group for the three months and nine months ended 30 April 2018, together with the unaudited comparative figures for the corresponding periods in 2017, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and nine months ended 30 April 2018

	Notes	Three months ended 30 April		Nine months ended 30 April	
		2018 S\$ (Unaudited)	2017 S\$ (Unaudited)	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)
REVENUE	4	4,940,283	4,367,934	15,177,906	14,281,660
Cost of services		(3,474,062)	(2,972,413)	(10,720,998)	(9,768,647)
Gross profit		1,466,221	1,395,521	4,456,908	4,513,013
Other income and gains	4	34,106	23,216	117,325	212,676
Administrative expenses		(1,948,895)	(1,381,265)	(6,092,721)	(4,634,663)
Other operating expenses		(143,958)	(46,123)	(551,162)	(184,065)
Finance costs		—	—	—	(5,608)
LOSS BEFORE TAX	5	(592,526)	(8,651)	(2,069,650)	(98,647)
Income tax credit	6	3,747	16,793	11,354	16,178
(LOSS)/PROFIT FOR THE PERIOD		(588,779)	8,142	(2,058,296)	(82,469)
OTHER COMPREHENSIVE INCOME					
Exchange difference on translation of foreign operations		427	2,098	3,059	2,540
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		427	2,098	3,059	2,540
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD		(588,352)	10,240	(2,055,237)	(79,929)

Notes	Three months ended 30 April		Nine months ended 30 April	
	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)
(Loss)/Profit attributable to:				
Owners of the Company	(588,779)	8,142	(2,058,296)	(82,227)
Non-controlling interests	—	—	—	(242)
	(588,779)	8,142	(2,058,296)	(82,469)
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(588,352)	10,240	(2,055,237)	(79,687)
Non-controlling interests	—	—	—	(242)
	(588,352)	10,240	(2,055,237)	(79,929)
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Basic and diluted (Singapore cents)	7	(Restated) 0.001	(Restated) (0.165)	(Restated) (0.007)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 April 2018

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Share premium	Merger reserve	Other reserve	Exchange fluctuation reserve	(Accumulated losses)/ Retained profits			
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	
2018									
At 1 August 2017 (audited)	433,000	12,079,017	(2,379,552)	(4,958)	(376)	116,526	—	10,243,657	
Loss for the period	—	—	—	—	—	(2,058,296)	—	(2,058,296)	
Other comprehensive income for the period:									
Exchange differences on translation of foreign operations	—	—	—	—	3,059	—	—	3,059	
Total comprehensive loss for the period	—	—	—	—	3,059	(2,058,296)	—	(2,055,237)	
At 30 April 2018 (unaudited)	433,000	12,079,017	(2,379,552)	(4,958)	2,683	(1,941,770)	—	8,188,420	
2017									
At 1 August 2016 (audited)	433,000	12,079,017	(2,379,552)	—	—	734,796	—	10,867,261	
Loss for the period	—	—	—	—	—	(82,227)	(242)	(82,469)	
Other comprehensive income for the period:									
Exchange differences on translation of foreign operations	—	—	—	—	2,540	—	—	2,540	
Total comprehensive loss for the period	—	—	—	—	2,540	(82,227)	(242)	(79,929)	
Acquisition of a subsidiary	—	—	—	—	—	—	17,172	17,172	
Acquisition of non-controlling interests without a change in control	—	—	—	—	—	—	(16,930)	(16,930)	
At 30 April 2017 (unaudited)	433,000	12,079,017	(2,379,552)	—	2,540	652,569	—	10,787,574	

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 April 2018

1. GENERAL

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The Company's registered office address is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the "Companies Ordinance") on 22 December 2015 and the principal place of business in Hong Kong registered is 19th Floor, Prosperity Tower, 39 Queen's Road Central, Central, Hong Kong. The head office and principal place of business of the Group is at 27 New Bridge Road, Singapore 059391.

The Company is an investment holding company. The Company and its subsidiaries (the "Group") was involved in the following principal activities:

- manpower outsourcing
- manpower recruitment
- manpower training

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements for the year ended 31 July 2017, which have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) which include International Accounting Standards (“IASs”) and Interpretations promulgated by the International Accounting Standards Board. The unaudited condensed consolidated financial statements also comply with the applicable disclosure requirements under the GEM Listing Rules. The accounting policies and methods of computation used in the preparation of these unaudited condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 July 2017, except for the adoption of the following IFRS which are relevant to the Group’s operation and are effective for the Group’s financial year beginning on 1 August 2017.

Amendments to IAS 7	Disclosure Initiative
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of these amendments did not result in substantial changes to the Group’s accounting policies and amounts reported for the current and prior periods.

All IFRSs effective for the accounting period commencing from 1 August 2017, together with the relevant transitional provisions, have been adopted by the Group in preparation of these unaudited condensed consolidated financial statements. The adoption of these new/revised IFRSs does not result in changes to the Group’s accounting policies and has no material effect on the amounts reported for the current or prior period.

The Group has not early adopted any new/revised IFRSs that have been issued but are not yet effective for the financial year beginning on 1 August 2017. The directors are in the process of assessing the possible impact on the future adoption of these new/revised IFRSs, but are not yet in a position to reasonably estimate their impact on the Group’s results and financial statements.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention. The unaudited condensed consolidated financial statements are presented in Singapore dollars (“S\$” or “\$”) except when otherwise indicated.

3. SEGMENT INFORMATION

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

During the nine months ended 30 April 2018, revenue, operating expenses, assets and liabilities are mainly derived from the Group's operations in Singapore.

At the end of each reporting period, the Group's non-current assets were mainly located in Singapore.

4. REVENUE, OTHER INCOME AND GAINS

	Three months ended 30 April		Nine months ended 30 April	
	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)
Revenue				
Manpower outsourcing	4,766,998	4,091,199	14,222,240	13,049,309
Manpower recruitment	118,438	139,312	415,197	520,036
Manpower training	54,847	137,423	540,469	712,315
	4,940,283	4,367,934	15,177,906	14,281,660
Other income and gains				
Government grants	—	1,110	7,440	20,985
Sundry income	9,637	15,924	26,713	47,659
Foreign exchange (loss) gain	—	(23,090)	—	30,215
Forfeiture income	17,600	22,195	49,575	67,945
Sale of merchandise	6,821	7,043	33,333	45,746
Interest income	48	34	264	126
	34,106	23,216	117,325	212,676

5. LOSS BEFORE TAX

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

	Three months ended 30 April		Nine months ended 30 April	
	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)
Cost of services	3,474,062	2,972,413	10,720,998	9,768,647
Depreciation	115,792	103,834	355,012	294,856
Employee benefit expense (excluding Directors' remuneration):				
— Salaries and bonuses ⁽¹⁾	3,884,842	3,070,337	11,930,823	10,205,119
— Central Provident Fund contributions ⁽²⁾	393,893	319,172	1,204,935	1,104,607
— Mandatory Provident Fund contributions	8,463	—	34,940	—
— Foreign Worker Levy ⁽³⁾	290,263	320,828	849,839	863,028
— Short-term benefits	27,959	25,682	64,176	72,804

- (1) Salaries and bonuses included casual labour costs of S\$8,863,291 (2017: S\$7,931,452) for the nine months ended 30 April 2018. These amounts have been included in the cost of services.

Salaries and bonuses included casual labour costs of S\$2,903,570 (2017: S\$2,408,696) for the three months ended 30 April 2018. These amounts have been included in the cost of services.

- (2) Central Provident Fund contributions included casual labour costs of S\$954,679 (2017: S\$848,945) for the nine months ended 30 April 2018. These amounts have been included in the cost of services.

Central Provident Fund contributions included casual labour costs of S\$302,249 (2017: S\$234,870) for the three months ended 30 April 2018. These amounts have been included in the cost of services.

- (3) Foreign Worker Levy included casual labour costs of S\$714,879 (2017: S\$714,938) for the nine months ended 30 April 2018. These amounts have been included in the cost of services.

Foreign Worker Levy included casual labour costs of S\$242,559 (2017: S\$273,322) for the three months ended 30 April 2018. These amounts have been included in the cost of services.

6. INCOME TAX CREDIT

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

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

Hong Kong profits tax has not been provided as the Group had no assessable profits arising in Hong Kong during the period.

For the subsidiary operating in Republic of Korea, corporate tax has been provided at the rate of 10% (2017: 10%) on the estimated assessable profit for the period.

MAJOR COMPONENTS OF INCOME TAX CREDIT

The major components of income tax credit for the three months and nine months ended 30 April 2018 and 2017 are:

	Three months ended 30 April		Nine months ended 30 April	
	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)	2018 S\$ (Unaudited)	2017 S\$ (Unaudited)
Current income tax:				
Charge for the period	23,826	6,702	60,282	20,404
Over provision in respect of prior periods	(8,390)	(8,041)	(12,279)	(8,041)
Deferred income tax:				
Credit for the period	(19,183)	(15,454)	(59,357)	(28,541)
Total tax credit for the period	(3,747)	(16,793)	(11,354)	(16,178)

7. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	Three months ended 30 April		Nine months ended 30 April	
	2018 S\$ (Unaudited)	2017 S\$ (Unaudited) (Restated)	2018 S\$ (Unaudited)	2017 S\$ (Unaudited) (Restated)
(Loss)/Profit attributable to owners of the Company (S\$)	(588,779)	8,142	(2,058,296)	(82,227)
Weighted average number of shares in issue	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000
Basic and diluted (loss)/earnings per share (S\$ cents)	(0.047)	0.001	(0.165)	(0.007)

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

The diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share as the Group had no potentially dilutive ordinary shares in issue during the three months and nine months ended 30 April 2018 and 2017.

8. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the nine months ended 30 April 2018 (2017: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

REVENUE

Our Group's revenue comprised of revenue from our manpower outsourcing, manpower recruitment, and manpower training services in Singapore. The increase is principally due to increase in revenue from our manpower outsourcing services. Our revenue derived from manpower outsourcing services increased by 9% from approximately S\$13,049,000 for the nine months ended 30 April 2017 to approximately S\$14,222,000 for the nine months ended 30 April 2018.

The growth in the revenue from manpower outsourcing services was mainly attributable to increase in demand for our services from our existing customers in hotel and resort sectors.

GROSS PROFIT

The overall gross profit decreased by approximately S\$56,000 or 1.2% from approximately S\$4,513,000 for the nine months ended 30 April 2017 to S\$4,457,000 for the nine months ended 30 April 2018.

The overall gross profit margin decreased slightly from approximately 31.6% for the nine months ended 30 April 2017 to approximately 29.4% for the nine months ended 30 April 2018. This was because we offered competitive prices to penetrate the market and retain market share.

OTHER INCOME AND GAINS

Other income and gains decreased by approximately S\$96,000 from approximately S\$213,000 for the nine months ended 30 April 2017 to S\$117,000 for the nine months ended 30 April 2018 due to unrealised foreign exchange loss (2017: unrealised foreign exchange gain) on bank balances which are denominated in Hong Kong dollars, lower government grant as well as lower forfeiture income.

ADMINISTRATIVE EXPENSES

The administrative expenses increased by approximately S\$1,458,000, or 31.5%, from approximately S\$4,635,000 for the nine months ended 30 April 2017 to approximately S\$6,093,000 for the nine months ended 30 April 2018. The substantial increase was mainly attributable to (i) increase in staff costs of approximately S\$997,000, (ii) motor vehicle expenses incurred of approximately S\$104,000, none for the nine months ended 30 April 2017 and (iii) depreciation expenses, rental expenses, management fees and professional fees collective increased approximately S\$357,000 for the nine months ended 30 April 2018.

OTHER OPERATING EXPENSES

Other operating expenses increased from approximately S\$184,000 for the nine months ended 30 April 2017 to approximately S\$551,000 for the nine months ended 30 April 2018 mainly due to higher business development expenses.

LOSS FOR THE PERIOD

Due to the combined effect of lower gross profit and higher administrative expenses and other operating expenses, the unaudited loss for the Group increased by approximately S\$1,976,000 for the nine months ended 30 April 2018.

EMPLOYEE INFORMATION

As at 30 April 2018, the Group had an aggregate of 264 employees (2017: 247), comprising of 4 executive Directors (2017: 2), 110 support staff (2017: 95) and 150 full-time deployment staff (2017: 150).

Our employees are remunerated according to their job scope and responsibilities. The Group offered attractive remuneration package in order to attract and retain high quality staff. Our employees are also entitled to discretionary bonus depending on their respective performance. Our foreign workers are employed on contractual basis and are remunerated according to their work skills.

Total staff costs, excluding Directors' remuneration, amounted to approximately S\$14,085,000 for the nine months ended 30 April 2018 (2017: S\$12,246,000). Total staff costs included casual labour costs of approximately S\$10,533,000 for the nine months ended 30 April 2018 (2017: S\$9,495,000) which are also included in the cost of services.

EVENTS AFTER THE REPORTING PERIOD

(A) PROPOSED ACQUISITION OF EQUITY INTERESTS IN MOBILE MEDICAL INTERNATIONAL HOLDINGS LIMITED

On 24 May 2018, the Company announced that it has entered into the non-legally binding memorandum of understanding with a vendor, an independent third party not connected with the Company and its connected persons, pursuant to which the Group may acquire the entire issued share capital of Mobile Medical International Holdings Limited and its subsidiaries, which are principally engaged in health check business in Hong Kong from the vendor. As at the date of this report, the terms and conditions of the Proposed Acquisition have not been agreed yet.

(B) PROPOSED ADOPTION OF SHARE OPTION SCHEME

On 14 June 2018, an ordinary resolution will be proposed for the Company to approve and adopt the share option scheme (the "Share Option Scheme") at an extraordinary general meeting ("EGM"), which will take effect on the date of its adoption at the EGM subject to the Stock Exchange granting approval for the listing of and dealing in the ordinary share(s) of HK\$0.002 each in the share capital of the Company to be issued and allotted pursuant to the exercise of options in accordance with the terms and conditions of the Share Option Scheme.

CAPITAL STRUCTURE

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

BUSINESS REVIEW AND OUTLOOK

In view of the increasingly challenging and uncertain business environment due to overall lower market demand, the Directors constantly review the Group's business strategy and have been continuously seeking potential investments to improve the performance of the Group.

On 24 May 2018, the Group has entered into a non-legally binding memorandum of understanding, proposing to diversify and expand its business portfolio by engaging in new opportunities.

Going forward, the Group constantly seeks a delicate balance in deploying its resources between maintaining the manpower businesses to be sustainable in the competitive market, and exploring new businesses and investments, which offer a more promising return to the Group and its shareholders as a whole.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

As at 30 April 2018, the interests and short positions of each Director and chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company and the Stock Exchange pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

LONG POSITIONS IN ORDINARY SHARES OF THE COMPANY

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

Note:

- (1) Centrex Treasure Holdings Limited is beneficially owned as to approximately 94.89% by Mr. Sim Hak Chor. Under the SFO, Mr. Sim Hak Chor is deemed to be interested in all the shares held by Centrex Treasure Holdings Limited. Details of the interest in the Company held by Centrex Treasure Holdings Limited are set out in the section headed "Substantial shareholders' and other persons' interests and short positions in shares and underlying shares of the Company" below.

LONG POSITIONS IN ORDINARY SHARES OF ASSOCIATED CORPORATION

Name of Associated Corporation	Name	Capacity/Nature of interest	Number of shares held	Approximate percentage of issued share capital
Centrex Treasure Holdings Limited (<i>Note 1</i>)	Mr. Sim Hak Chor	Beneficial owner	4,826	94.89%
Centrex Treasure Holdings Limited (<i>Note 1</i>)	Ms. Serene Tan	Beneficial owner	109	2.14%

Note:

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

Save as disclosed above, as at 30 April 2018, none of the Directors and chief executive had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 of the GEM Listing Rules.

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

As at 30 April 2018, the following interests and short positions of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Name	Number of shares held, capacity and nature of interest				Approximate percentage of the issued share capital
	Directly beneficially owned	Interest of spouse	Through controlled corporation	Total	
Centrex Treasure Holdings Limited	400,000,000	—	—	400,000,000	32%
Mr. Yeung Chun Wai, Anthony	41,000,000 <i>(Note 1)</i>	22,100,000	153,850,000	216,950,000	17.36%
Ms. Lui Lai Yan	22,100,000 <i>(Note 1)</i>	194,850,000	—	216,950,000	17.36%
Rising Elite Global Limited	153,850,000 <i>(Note 2)</i>	—	—	153,850,000	12.31%
Mr. Li Haifeng	210,000,000	—	—	210,000,000	16.80%

Notes:

- Ms. Lui Lai Yan is the spouse of Mr. Yeung Chun Wai, Anthony. Ms. Lui Lai Yan is deemed to be interested in all the shares of the Company in which Mr. Yeung Chun Wai, Anthony is interested under Part XV of the SFO.
- Rising Elite Global Limited is beneficially wholly-owned by Mr. Yeung Chun Wai, Anthony. Under the SFO, Mr. Yeung Chun Wai, Anthony is deemed to be interested in all the shares of the Company held by Rising Elite Global Limited.

Save as disclosed above, as at 30 April 2018, no person, other than the Directors and chief executive of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares and underlying shares and debentures of the Company or its associated corporations" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTEREST IN COMPETING BUSINESS

During the period under review, none of the Directors or the controlling shareholders or their respective associates (as defined in the GEM Listing Rules) of the Company had any interests in any businesses which competed with or might compete with the business of the Group.

INTEREST OF THE COMPLIANCE ADVISER

As notified by the compliance adviser of the Company, Vinco Capital Limited, as at 30 April 2018, save for the compliance adviser agreement dated 4 July 2016 entered into between the Company and Vinco Capital Limited, neither Vinco Capital Limited, its directors, employees and associates had any interest in relation to the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period under review.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

Mr. Sim Hak Chor currently assumes the roles of both chairman and chief executive officer of the Company. The Board believes that the vesting of the roles of chairman and chief executive officer in Mr. Sim Hak Chor is beneficial to the business operations and management of the Group. The Board will review the need of appointing a suitable candidate to assume the role of chief executive officer when necessary.

CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings regarding securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings"). The Company had made specific enquiries with all the Directors and each of them had confirmed his/her compliance with the Required Standard of Dealings during the nine months ended 30 April 2018.

DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the nine months ended 30 April 2018.

AUDIT COMMITTEE

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

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

The Audit Committee has reviewed the unaudited results for the nine months ended 30 April 2018 and has provided advice and comments thereon.

By order of the Board
SingAsia Holdings Limited
Sim Hak Chor
Chairman

Hong Kong, 14 June 2018

As at the date of this report, the executive Directors are Mr. Sim Hak Chor, Ms. Serene Tan, Mr. Yeung Chun Sing Standly and Ms. Wang Chunyang; and the independent non-executive Directors are Mr. Lim Cheng Hock, Lawrence, Mr. Jong Voon Hoo and Mr. Chan Fong Kong Francis.

This report will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least seven days from the day of its publication. This report will also be published on the Company's website at www.singasia.com.sg.