A NEW BEGINNING

Annual Report 2010

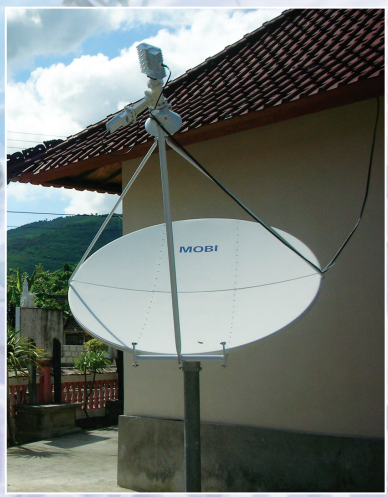
萬裕有限公司

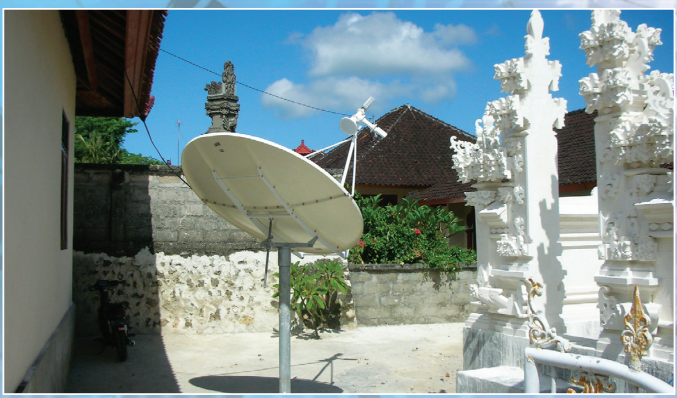
BAN JOO & COMPANY LIMITED

CORPORATE **PROFILE**

Founded in 1964, Ban Joo & Company Limited has recently undergone a sea-change in business strategy, diversifying from its traditional textile business, into telecommunications services and infrastructure.

Following its expansion into telecommunications, Ban Joo is now engaged in the building and operating of universal service obligation sites (USO) in remote villages of Indonesia. These USO sites will enable the roll out of telecommunication services in the remote areas in Indonesia, and is part of the telecom development strategy initiated by the Indonesia government. Moving forward, the Company will continue to build upon this developmental milestone and extend its presence in the Asian telecommunications sphere.





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LETTER TO SHAREHOLDERS

Dear Shareholders,

We are pleased to present to you Ban Joo's Annual Report for the financial period ended 31st March 2010. Ban Joo is reporting results for an 18-month period following a change in its financial year-end from 30th September to 31st March.

Following the entry of Telemedia Pacific Group as a new major shareholder, the team has been working very hard to implement a number of corporate initiatives aimed at diversifying our traditional business activity, which has not been profitable in the last four years. Through this, we hope to develop a more sustainable business that can generate stable income over the long haul.

It has thus been a challenging but satisfying past 18 months for the group, and we are pleased to report that we have made good progress in our foray into the communications infrastructure industry.

In May 2010, the Group completed the acquisition of Multi Skies Nusantra Limited (MSN), a company engaged in the building, operating and leasing of base station controllers for universal service obligation (USO) sites that enable the use of telecommunication services in remote areas of Indonesia.

This USO program is part of the Indonesian Government's telecom development strategy to avail Information and Communication Technology (ICT) throughout the country. MSN and its partners have been contracted to build 4,700 USO sites across various Indonesian provinces and will receive a monthly fee for each site that has been built and is in operation. To date, more than 1,000 sites have been completed.

While this new business foray is still in its infancy, we are encouraged by its progress, and are positive that this undertaking will help pave the way forward for us to spread our wings in the wider telecommunications industry.

Financial Highlights

Concomitantly, we have been working hard to strengthen the Group's economic foundations. For the financial period under review, we managed to achieve a turnaround net profit of $3m, on revenue of $12.2m. The turnaround in the Group's fortunes was mainly due to a reduction in impairment loss on trade receivables, lower interest expenses, and as well as reversal of surplus interest expense accrued in prior years following a full settlement of bank borrowings.

We are heartened to have successfully struck a deal with Ban Joo Investment (Pte) Ltd to dispose of a subsidiary's trade receivables for $16.2m. We have since received $7m in deposit and will be convening an extraordinary general meeting for shareholders to approve the transaction. Upon completion of the disposal, our Group will recognise a gain of $14.4m in our 31 March 2010 financial accounts. Accordingly, our net profit for the financial period will be further boosted to $17.4m.

The Group's balance sheet is also notably stronger. Total shareholder's equity increased to $61.6m from negative $21.1m as at 30 September 2008. Following a full settlement of outstanding bank loans, the Group had some $63.4m in cash and cash equivalents as at 31 March 2010. This stands to be further increased by $9.2m, upon completion of the disposal of trade receivables.

Strengthening our Board and Management team

To support us in terms of strategic direction as we embark on this new journey into the telecommunications industry, we are also pleased to welcome the following directors:

- Mr Hardi Koesnadi, Executive Director, who spearheads the growth of the Group's business in Indonesia.
- Mr Tan Jooi Boon, Executive Director, who brings on board valuable knowledge of corporate finance solutions, capital market instruments and corporate treasury.
- Ms Sri Tjintawati Hartanto, Executive Director, whose wealth of knowledge in accounting, finance, and administration, will prove beneficial to the Group.

- Mr Tay Thai Seng, Executive Director, who has extensive management experience in electronics and automotive industries in Asia.
- Mr Fong Yew Meng, Independent Director, who brings to the table his insights on finance management through the many leadership positions he previously held at international banks in London, New York and Singapore.
- Mr Tao Yeoh Chi, Independent Director, whose valuable knowledge and experience in the Administrative Service, media, human resource and high-end manufacturing sectors will help augment our drive for diversification and new business opportunities.

Apart from strengthening the Board of Directors, we have also beefed up our Management team with the appointment of Mr Tang Peng Yew as Chief Operating Officer of Telemedia Pacific Communications Pte Ltd. Mr Tang has more than 20 years experience in the telecommunications industry, and will spearhead the Group's strategy in this field.

Outlook

While the economic storm that shook our world appears to have reached a calm, the general business sentiment remains one of caution. Nevertheless, we believe that the crisis coupled with our period of transition and change, has given us important lessons to learn from and fresh perspectives with which to chart our course into 2011.

The year ahead looks promising for us. MSN has the bandwidth to take on more USO projects, and is expected to be a new profitable core business that will provide the Group with stable income. We look forward to reaping its returns in the current recovering economic climate while at the same time enhancing our market presence in Indonesia.

Acknowledgements

We would like to first express our gratitude and utmost appreciation to our valued shareholders, customers, business partners and associates for their support, trust and confidence in us that continues to this day, in spite of these uncertain times. In our efforts to enhance shareholder value, we will continue to seek out and leverage potential opportunities for growth to build up our footprint in telecommunications.

We also wish to thank our management and employees, for their diligence and commitment to the Group.

To our fellow Board members, your vast experience, wise counsel, and varied perspectives have no doubt enriched Board deliberations. Thank you all for putting the company's interests first and providing sound advice to the management. We are confident that your insights and belief in our pursuits will continue to keep us steadfast on the road to success.

Together, let us take greater strides into the communications infrastructure sector and beyond. We certainly look forward to reporting more remarkable results in the not too distant future and invite you, who have striven hard alongside us, to share in the fruits of our labour.

Dr Lam Lee G.
Non-executive Chairman

Hady Hartanto
Executive Deputy Chairman

CORPORATE INFORMATION

Board of Directors

Dr Lam Lee G.
(Independent Non-Executive Chairman)

Mr Hady Hartanto
(Executive Deputy Chairman)

Mr Lam Ah Seng @ Lam Pang Chuang
(Executive Director)

Mr Tay Thai Seng
(Executive Director)

Madam Sri Tjintawati Hartanto
(Executive Director)

Mr Hardi Koesnadi
(Executive Director)

Mr Tan Jooi Boon
(Executive Director)

Mr Fong Yew Meng
(Independent Director)

Mr Tao Yeoh Chi
(Independent Director)

Registered Office

25 Circular Road
Singapore 049381
Tel: (65) 6533 8338
Fax: (65) 6533 2596

Company Secretaries

Ms Wee Woon Hong
Mr Lee Hock Heng

Nominating Committee

Dr Lam Lee G. *(Chairman)*
Mr Fong Yew Meng
Mr Tao Yeoh Chi

Remuneration Committee

Dr Lam Lee G. *(Chairman)*
Mr Fong Yew Meng
Mr Tao Yeoh Chi

Audit Committee

Dr Lam Lee G. *(Chairman)*
Mr Fong Yew Meng
Mr Tao Yeoh Chi

Share Registrars and Warrant Agent

B.A.C.S. Private Limited
63 Cantonment Road
Singapore 089758

Auditors

Horwath First Trust LLP
Certifi ed Public Accountants
7 Temasek Boulevard #11-01
Suntec Tower One
Singapore 038987
Partner-in-charge: Alfred Cheong Keng Chuan
(Appointed since financial period ended 30 September 2007)

BOARD OF DIRECTORS

Dr Lam Lee G.

Independent Director & Non-executive Chairman

Dr Lam Lee G. holds a Bachelor of Science in Mathematics and Sciences, a Master of Science in Systems Science, and a Master of Business Administration, all from the University of Ottawa in Canada. He also holds a Postgraduate Diploma in Public Administration from Carleton University in Canada, a Post-graduate Diploma in English and Hong Kong Law and a Bachelor of Law (Hons) from Manchester Metropolitan University in the UK, a PCLL in law (and has completed the Bar Course) from the City University of Hong Kong, a Master of Law from the University of Wolverhampton in the UK, and a Doctor of Philosophy from the University of Hong Kong.

Dr Lam has over 28 years of international experience in general management, corporate governance, investment banking, and direct investment across several industries including telecommunications and media, having worked at Bell Canada, Hong Kong Telecom and Singapore Technologies Telemedia. Dr Lam is Chairman of Monte Jade Science and Technology Association of Hong Kong, and serves as an independent or non-executive director of a number of publicly-listed companies in the Asia Pacific region. Having served as a Part-time Member of the Central Policy Unit of the Government of the Hong Kong Special Administrative Region for two terms, Dr Lam is a Member of the Jilin Province Committee of the Chinese People's Political Consultative Committee (CPPCC), a Member of the Hong Kong Institute of Bankers, a Board Member of the East-West Center Foundation, a Member of the Young Presidents' Organization, a Fellow of the Hong Kong Institute of Directors and a Member of its Corporate Governance Committee, a Fellow of the Hong Kong International Arbitration Centre, a Member of the General Council and the Corporate Governance Committee of the Chamber of Hong Kong Listed Companies, and a Visiting Professor at the School of Economics & Management of Tsinghua University in Beijing.

Hady Hartanto

Executive Deputy Chairman

Mr Hady Hartanto is responsible for the overall strategy, administration and for driving the growth of the Group. He has over twenty years of experience in various industries in China and Indonesia, such as manufacturing, foreign investment services and petrochemical refinery. Mr Hartanto graduated from the Airlangga University with a degree of Social and Politic Study in 1986, and currently holds directorships in Telemedia Pacific Group Limited, Telemedia Pacific Inc, Telemedia Pacific Incorporation Limited and CEO of Guangcai Energy (HK) Ltd.

Mr Hady Hartanto is the brother of Madam Sri Tjintawati Hartanto.

Lam Ah Seng @ Lam Pang Chuang
Executive Director

A Director of the Company since 1987, Mr Lam Pang Chuang is primarily responsible for the management, business development and strategic direction of the Company's textile business. Mr Lam deserves credit for growing the Group's business to its present scale. Mr Lam holds a Diploma in Business Administration from the Singapore Institute of Management. He was also awarded with Honorary Doctorate of Philosophy in Business Administration from Kennedy-Western University, USA. Mr Lam Pang Chuang and Mr Ivan Lam Pang Joo are cousins.

Tay Thai Seng
Executive Director

Mr Tay Thai Seng has 30 years of extensive management experience in the electronics, industrial diesel engines and automotive industries in various Asian countries. Mr Tay is currently an independent business consultant stationed in China, engaged in energy, mining and industrial projects. He is also the President of Worldstar Energy Corporation, a US Nasdaq OTC listed company, and director of Microlight Sensor.

Sri Tjintawati Hartanto
Executive Director

Madam Sri Tjintawati Hartanto is responsible for the overall administrative and financial functions of the Group. She has over 20 years of experience in accounting, finance and administration and is currently the Finance & Administration Director of Super Rodgers Engineering Co., Ltd (HK). She graduated with a degree in Accounting from Surabaya University in Indonesia. Madam Hartanto was born and educated in Indonesia, and now resides in Hong Kong. She is the sister of Mr Hady Hartanto.

Hardi Koesnadi
Executive Director

Mr Hardi Koesnadi spearheads the growth of the Group's business in Indonesia. Having been involved in the computer parts trading since 1985, he currently owns and manages his own electronics trading business in Jakarta. He is the President Director of PT Jayacomp Alpha Electronic and PT Eri Jaya Karsamitra. He is also the Director of RC Component Pte Ltd in Singapore and RC Component (Thailand) Co., Ltd in Thailand.

Tan Jooi Boon
Executive Director

Mr Tan Jooi Boon has over twenty years of experience in corporate finance and corporate treasury in Asia Pacific and European markets. His experience include corporate finance solutions with debt, equity and capital market instruments and corporate treasury systems. Mr Tan graduated from the National University of Singapore with a Bachelor of Business Administration in 1986 and Masters of Business Administration in 1989.

Fong Yew Meng
Independent Director

Mr Fong Yew Meng is currently a corporate advisor to Saffar Capital Limited, a company based in Dubai. Prior to this, he has held several senior positions with international banks in Tokyo, London, New York and Singapore. He was the Managing Director of HSBC Futures (Singapore) Pte Ltd and was the company secretary of the Evolution Group Plc, a company listed on the London Stock Exchange. He was also Managing Director of Deutsche Bank and Deutsche Bank Securities in London and New York respectively, and was an Executive Director of Goldman Sachs in its Tokyo and London offices. Mr Fong graduated from London School of Economics with a BSc (Econs) degree in 1975. He was admitted to Institute of Chartered Accountants in England & Wales in 1978 and is a member of the Institute of Certified Public Accountants of Singapore.

Tao Yeoh Chi
Independent Director

Mr Tao Yeoh Chi began his career in the public service since 1976. He held various senior positions in the Ministry of Defence, Ministry of Education, Ministry of Finance, Ministry of Communications and Information and the Prime Minister's Office. In 1985/86, he was seconded to Temasek Holdings to be its Hongkong wholly-owned subsidiary's General Manager. In 1988, he left the public service to pursue his career in the private sector. Since then, he has served large Singapore multi-national companies in print media sector (Times Publishing Ltd) and the high-end manufacturing sector (Singapore Technologies Pte Ltd). He comes with a strong background in human resources management. In June 1999, Mr Tao joined Media Corporation of Singapore as Senior Vice President (Group Human Resource), where he helped in the re-structuring of the broadcasting media in Singapore. He left MediaCorp in March 2002 to start his own business.

KEY MANAGEMENT

Chin Pang Joo @ Ivan Lam Pang Joo

Mr Ivan Lam Pang Joo is a director of Ban Joo Global Pte Ltd since 2007. Mr Lam joined the Group in 1993 and was in charge of the general finance and administration functions in the textile divisions. He was instrumental in the re-engineering of the Group and played a pivotal role in spearheading the Group towards computerisation and has been in charge of the sales department and was involved in the setting up of overseas operations in the Middle East. Prior to joining the Company, Mr Lam was an auditor in an international public accounting firm. He graduated from the National University of Singapore and holds a Bachelor of Accountancy (Hons) degree. Mr Ivan Lam Pang Joo and Mr Lam Pang Chuang are cousins.

Tang Peng Yew

Mr Tang Peng Yew is Chief Operating Officer and director of Telemedia Pacific Communications Pte Ltd. Mr Tang has more than 20 years experience in the telecommunication industry. Mr Tang is also the director of ETN Singapore Pte Ltd. ("ETN") and VNPT-GS Pte Ltd ("VNPT"), a joint venture between VNPT Group, Vietnam's largest telecommunications and incumbent carrier and ETN. Mr Tang is responsible for the implementation of group's strategy in the telecommunications industry.

CORPORATE GOVERNANCE

This report outlines the corporate governance practices and activities carried out by the company during the financial period under review.

A. BOARD MATTERS

Board's Conduct of its Affairs

Principle 1: Every company should be headed by an effective board to lead and control the company.

The board meets to review the key activities and business strategies of the group.

The board's significant responsibilities include:

- Business direction and corporate strategy;
- Corporate management;
- Internal controls;
- Regulatory compliance;
- Reporting to shareholders;
- Authorising major projects and significant financing matters; and
- Review of financial performance.

The board met 9 times during the financial period under review. All directors review documents relevant to the board meeting prior to any board meeting. These documents are to enable the directors to obtain further explanation, where necessary, and to be adequately briefed before the meeting.

Details of directors' attendance at board and board committee meetings held during the financial period are summarised in Table A below:

TABLE A

	Board	Audit Committee	Nominating Committee	Remuneration Committee
Number of Meetings Held	9	4	2	2
Attendance				
Dr. Lam Lee G.	6	3	1	1
Mr. Hady Hartanto	8	NA	NA	NA
Mr. Lam Ah Seng @ Lam Pang Chuang	7	1	1	1
Mr. Tay Thai Seng	4	NA	NA	NA
Mdm. Sri Tjintawati Hartanto	8	NA	NA	NA
Mr. Hardi Koesnadi	7	NA	NA	NA
Mr. Tan Jooi Boon(1)	7	NA	NA	NA
Mr. Fong Yew Meng	8	3	1	1
Mr. Tao Yeoh Chi (2)	4	1	NA	NA
Mr. Chin Chit @ Ah Choong @ Lam Shah Choong (3)	1	NA	NA	NA
Mr. Chin Pang Joo @ Ivan Lam Pang Joo (4)	6	NA	NA	NA
Dr. Neo Wee Suan (3)	1	1	1	1
Mr. Mahtani Bhagwandas (3)	1	1	1	1
Mr. Lai Chik Fan (4)	0	0	0	0
Mr. Dahlan Iskan (5)	1	NA	NA	NA
Mr. Joseph Sim Soo Chye (4)	1	NA	NA	NA

(1) Appointed on 11 June 2009
(2) Appointed on 4 September 2009
(3) Resigned on 25 March 2009
(4) Resigned on 6 November 2009
(5) Resigned on 1 September 2009

Board members are encouraged to attend seminars and receive training to improve themselves in the discharge of their duties as directors. The company works closely with professionals to provide its directors with updates of changes to relevant laws, regulations and accounting standards.

Board Composition and Guidance

Principle 2: There should be a strong and independent element on the board, which is able to exercise objective judgement on corporate affairs independently, in particular, from management. No individual or small group of individuals should be allowed to dominate the board's decision-making.

The board consisted of nine members, three of whom are independent and non-executive directors. The board, in view of the scope and business operations, found its current size and composition, is efficient, effective and with a strong independent element. Members of the board are individuals with skills, knowledge and experience in the group's business of marketing and distribution, finance, legal and international activities.

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities at the top of the company – the working of the board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

The company adopts a dual leadership structure whereby the positions of chairman and chief executive officer are separated on the board. There is a clear division of responsibilities between the company's chairman and chief executive officer which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

The chairman's duties and responsibilities include:

- Scheduling of meetings to enable the board to perform its duties responsibly;
- Preparing the agenda for meetings;
- Ensuring accurate documentation of the meetings' proceedings; and
- Ensuring the smooth and timely flow of information between the board and management.

In addition to the above duties, the chairman will assume duties and responsibilities as may be required from time to time.

The company currently does not have a chief executive officer or managing director. The Executive Directors are responsible for overseeing the overall management and strategic development of the Group until a chief executive officer or managing director is appointed by the Board.

Board Membership and Board Performance

Principle 4:	There should be a formal and transparent process for the appointment of new directors to the board. As a principle of good corporate governance, all directors should be required to submit themselves for re-nomination and re-election at regular intervals.
Principle 5:	There should be a formal assessment of the effectiveness of the board as a whole and contribution by each director to the effectiveness of the board.

The nominating committee comprised three independent and non-executive directors who had been tasked with the authority and responsibility to devise an appropriate process to review and evaluate the performance of the board as a whole as well as each individual director on the board. The members of the committee and status of them holding office at the date of this report are as follows:

- Dr. Lam Lee G. (Chairman)
- Mr. Fong Yew Meng
- Mr. Tao Yeoh Chi

The nominating committee will take into consideration each individual director's contribution and performance on factors such as attendance, preparedness, participation and candour. The nominating committee will also decide on how the board's performance is to be evaluated and propose objective performance criteria, subject to the approval of the board.

Each member of our nominating committee shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as a director. Saving for the director holding office as managing director (if any), the members of the board are required to submit themselves for re-nomination and re-election at least once in every three years.

The details of the board members' qualifications and experience including the year of initial appointment are presented in this annual report under the heading "Board of Directors".

Access to Information

Principle 6:	In order to fulfill their responsibilities, board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

Timely financial summary reports and other disclosure documents are provided to the board. Furthermore, the board has separate and independent access to the company secretaries and senior executives and there is no restriction of access to the senior management team by the board. The company secretary is present at all formal meetings to respond to the queries of any director and to ensure that meeting procedures are adhered to and that applicable rules and regulations are complied with.

Where decisions to be taken by the board require specialised knowledge or expert opinion, the board has adopted a policy to seek independent professional advice.

B. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7:	There should be a formal and transparent procedure for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The remuneration committee comprised three independent and non-executive directors. The members of the committee and status of them holding office at the date of this report are as follows:

- Dr. Lam Lee G. (Chairman)
- Mr. Fong Yew Meng
- Mr. Tao Yeoh Chi

The remuneration committee is established for the purpose of ensuring that there is a formal and transparent procedure for fixing the remuneration packages of individual directors. The overriding principle is that no director should be involved in deciding his own remuneration. The remuneration committee has adopted a written term of reference that defines its membership, roles, functions and administration.

Level and Mix of Remuneration

Principle 8:	The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more for this purpose. A proportion of remuneration, especially those of executive directors, should be linked to performance.

The recommendation of our remuneration committee would be submitted for endorsement by the entire board. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind shall be covered by our remuneration committee.

In determining remuneration packages of executive directors and key executives, the remuneration committee will ensure that directors are adequately but not excessively remunerated. The committee will also consider, in consultation with executive directors, amongst other things, the respective individuals' responsibilities, skills, expertise and contribution to the company's performance, and whether the remuneration packages are competitive and sufficient to ensure that the company is able to attract and retain the best available executive talent.

The remuneration committee will be reviewing the existing terms and conditions of the service agreements and recommend to the board any changes to such terms and conditions at the expiry of the service agreements.

The remuneration committee will also be adopting a framework to remunerate non-executive directors based on their appointments and roles in respective committees and the fee of the non-executive directors will be tabled at the forthcoming AGM for shareholders' approval.

Disclosure of Remuneration

Principle 9: Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration and the procedures for setting remuneration in the company's annual report.

A breakdown, showing the level and mix of each individual director's remuneration for the financial period ended 31 March 2010 ("FP2010") is as follows:

Name of Director	Fee#	Salary	Bonus	Benefits	Total
Below S$250,000	%	%	%	%	%
Dr. Lam Lee G.	–	–	–	–	–
Mr. Hady Hartanto	–	–	–	–	–
Mr. Lam Ah Seng @ Lam Pang Chuang	5	81	5	9	100
Mr. Tay Thai Seng	–	–	–	–	–
Mdm. Sri Tjintawati Hartanto	–	–	–	–	–
Mr. Hardi Koesnadi	–	–	–	–	–
Mr. Tan Jooi Boon	–	100	–	–	100
Mr. Fong Yew Meng	–	–	–	–	–
Mr. Tao Yeoh Chi	–	–	–	–	–
Mr. Chin Chit @ Ah Choong @ Lam Shah Choong	17	83	–	–	100
Mr. Chin Pang Joo @ Ivan Lam Pang Joo	5	90	–	5	100
Dr. Neo Wee Suan	100	–	–	–	100
Mr. Mahtani Bhagwandas	100	–	–	–	100
Mr. Lai Chik Fan	–	–	–	–	–
Mr. Dahlan Iskan	–	–	–	–	–
Mr. Joseph Sim Soo Chye	–	–	–	–	–

Paid in FP2010.

Annual remuneration of Top Key Executive who is not Director in remuneration bands of S$250,000 are set out below for FP2010:

	Number of employees
S$250,000 to below S$500,000	1

There are 4 employees who are immediate family members of the directors of the company, whose remuneration does not exceed $150,000 during the financial period.

C. ACCOUNTABILITY AND AUDIT

Accountability

Principle 10:	The board is accountable to the shareholders while the management is accountable to the board.

For the financial performance reporting via the SGXNET announcement to SGX-ST, and the annual report to the shareholders, the board has a responsibility to present a fair assessment of the group's financial position, including the prospects of the group.

The board ensures that the management maintains a sound system of internal control to safeguard the shareholders' investment and the group's assets.

The management will provide all members of the board with management accounts of the group's performance, with explanatory details on its operations on a quarterly basis. The board papers are given prior to any board meeting to facilitate effective discussion and decision-making.

Audit Committee

Principle 11:	The board should establish an audit committee with a written term of reference, which clearly sets out its authority and duties.

The role of the audit committee is to assist the board in the execution of its corporate governance responsibilities within the established board's references and requirements. The financial statements, accounting policies and system of internal accounting controls are responsibilities that fall under the ambit of the audit committee. The audit committee has its set of terms of reference defining its scope of authority and further details of its major functions are set out in the Directors' Report.

The audit committee comprised three members, who were the three independent and non-executive directors. The members of the committee and status of them holding office at the date of this report are as follows:

- Dr. Lam Lee G. (Chairman)
- Mr. Fong Yew Meng
- Mr. Tao Yeoh Chi

As the members of the audit committee have many years of financial management–related expertise and experience, the board considers that the members of the audit committee are appropriately qualified to discharge the responsibilities of the audit committee.

The audit committee held 4 meetings during the financial period under review and performed the functions specified below. The committee had also recommended the re-appointment of Horwath First Trust LLP as the company's auditors at the forthcoming annual general meeting.

In performing its functions, the audit committee confirms that it has full access and co-operation from the management and has been given full discretion to invite any director or executive director to attend its meetings. In addition, the audit committee has reviewed the scope of work of the auditors and the assistance given by the group's officers to the auditors. It has also met with the company's auditors to review their audit plan and results, and has separate and independent access to the auditors. The audit committee is satisfied with the independence of the auditors and that the provision of non-audit services does not impact upon their independence.

The audit committee has reviewed the interested party transactions and the unaudited financial statements of the group for the purpose of the quarterly, half-yearly and annual results announcements before they were submitted to the board for approval.

The audit committee meets with external auditors, without the presence of the company's management, at least once a year.

Internal Control and Internal Audit

Principle 12:	The board should ensure that the management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

The board is responsible for maintaining a sound system of internal controls to safeguard the shareholders' interests. In the absence of any evidence to the contrary, the system of internal controls maintained by the management provides reasonable assurance against material financial misstatements or loss, and includes the safeguarding of assets, maintenance of proper accounting records, reliability of financial information, compliance with appropriate legislation, regulation and best practice, and the identification and management of business risks.

Where areas of internal controls had been found to require further management attention and improvement upon, management had since taken action to enhance on documentation and the maintenance of accounting records, as well as implement more proactive, precautionary and preventive monitoring procedures to avoid error or abuse.

The board notes that no system of internal control can provide absolute assurance against the occurrence of material error, poor judgement in decision-making, human error, fraud or other irregularities. Any material internal control matters noted by the external auditors in the course of their statutory audit, as well as the special consultants, have been discussed with the audit committee.

Principle 13:	The company should establish an internal audit function that is independent of the activities it audits.

The company does not have an internal audit function as the company's current scope of business and structure of the organisation would not make it cost-effective to have a separate internal audit function. The key element in the group's internal control system lies in the control which senior management exercises over expenditure and enhanced documentation and monitoring procedures on collections, which are reviewed personally by both the executive directors.

The external auditors have performed a review of the internal accounting controls of the company and its subsidiaries as part of its statutory audit for the financial period under review. As the company has appointed special consultants and the group is currently streamlining its business and operations, the audit committee is of the view that the work carried out by the external auditors is adequate.

Communication with Shareholders

Principle 14:	A company should engage in regular, effective and fair communication with its shareholders.

The company is committed to maintaining and improving its level of corporate transparency of financial results and other pertinent information. Other than the routine announcements made in accordance with the requirements of the Listing Manual, the company has issued additional announcements and press releases to update shareholders on the activities of the company and the group during the year.

Results of the company and pertinent information including the company's new initiatives are released via the SGXNET system on a timely basis for dissemination to shareholders and the general public in accordance with the requirements of the SGX before any news release are made through the media or discussions held with the analysts.

Principle 15: A company should encourage greater shareholder participation at AGMs, and allow its shareholders the opportunity to communicate their views on various matters affecting the company.

Results of the company and the company's annual report and the notice of the AGM are sent to all the shareholders of the company. The notice is also advertised in the newspapers.

At the AGM, shareholders will be given opportunities to express their views and raise any queries regarding the operations of the company.

Dealing in Securities

The company has adopted a code of best practice on dealings in securities by directors and certain key officers, which sets out the guidelines and prohibition from trading in the company's securities for the period commencing two weeks before the announcement of the company's financial results for each of the quarters and one month before the announcement of the company's full year results, as the case may be and ending on the date of the announcement of the results, and insider trading laws under the Securities and Futures Act when dealing in the company's securities within the permitted periods. Directors, department heads, managers and staff who have access to price sensitive information are reminded not to deal in the securities within the specified time period stated earlier.

Interested Person Transactions

The main objective is to ensure that all interested person transactions are conducted on arm's length basis and on normal commercial terms. The transactions were also reviewed by the external auditors and the audit committee in accordance with the internal guidelines and the Listing Manual of the SGX-ST.

There was no transaction with interested person during the financial period ended 31 March 2010.

Material Contracts and Loans

Pursuant to Rule 1207(8) of the Listing Manual of the SGX-ST, the company confirms that except as disclosed in the Directors' Report and Financial Statements, there were no other material contracts and loans of the company and its subsidiaries involving the interests of any director or controlling shareholder, either still subsisting at the end of the financial period or if not then subsisting, which were entered into since the end of the previous financial period.

Use of Proceeds

The placement proceeds of S$3.6 million (net) from the issuance of 145,000,000 ordinary shares in FY2007 have been utilised as follows:

	S$' million
Demolishing the existing building located at 7 Sixth Lok Yang Road Singapore 628105 and laying out the foundation work	0.9
Renovating the premises located at 23-26 Circular Road Singapore 049379-82	0.6
Deposit paid for proposed acquisition	0.5
Convertible loans extended to investment target	1.0
Working capital for exploring investment targets and opportunities	0.5
General working capital	0.1
Balance	–

The placement proceeds of S$23 million (net) from the issuance of 2,300,000,000 placement shares at an issue price of S$0.01 for each share in FP2010 have been utilised as follows:

	S$' million
Foreign exchange losses	2.3
Balance	20.7

The proceeds of S$2.4 million (net) from the issuance of 292,220,978 rights shares at an issue price of S$0.01 for each share in FP2010 have been utilised as follows:

	S$' million
Share issue expenses	0.4
Repayment of bank borrowings under the debt restructuring agreement	2.0
Balance	–

The proceeds of S$43.8 million (net) from the exercise of 1,460,942,880 warrants have been utilised as follows:

	S$' million
General working capital	2.7
Repayment of bank borrowings under the debt restructuring agreement	5.0
Acquisition of Multi Skies Nusantra Limited ("MSN")	4.7
Balance (1)	31.4

(1) Out of the balance warrants proceeds of S$31.4 million, approximately $25.8 million shall be allocated to satisfy the purchase consideration of MSN.

DIRECTORS' REPORT

For the Financial Period From 1 October 2008 To 31 March 2010

The directors present their report to the members together with the audited financial statements of Ban Joo & Company Limited (the "Company") and its subsidiaries (the "Group") for the financial period from 1 October 2008 to 31 March 2010 and the balance sheet of the Company as at 31 March 2010.

Directors

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

Executive directors

Hady Hartanto (Executive Deputy Chairman)	(appointed on 15 January 2009)
Lam Ah Seng @ Lam Pang Chuang	
Tay Thai Seng	(appointed on 15 January 2009)
Sri Tjintawati Hartanto	(appointed on 15 January 2009)
Hardi Koesnadi	(appointed on 15 January 2009)
Tan Jooi Boon	(appointed on 11 June 2009)

Independent non-executive chairman

Lam Lee G.	(appointed on 15 January 2009)

Independent non-executive directors

Fong Yew Meng	(appointed on 15 January 2009)
Tao Yeoh Chi	(appointed on 4 September 2009)

Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

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

Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company for the purpose of Section 164 of the Singapore Companies Act, Cap 50, none of the directors holding office at the end of the financial period had any interest in the shares or debentures of the Company or its related corporations (other than wholly-owned subsidiaries), except as follows:

	Shareholdings registered in name of director			Shareholdings in which a director is deemed to have an interest		
	At 1 October 2008 or date of appointment, if later	At 31 March 2010	At 21 April 2010	At 1 October 2008 or date of appointment, if later	At 31 March 2010	At 21 April 2010
Ordinary shares in the Company						
Hady Hartanto [1]	–	–	–	–	2,998,000,000	2,998,000,000
Hardi Koesnadi [1]	–	–	–	–	2,998,000,000	2,998,000,000
Lam Ah Seng @ Lam Pang Chuang [2]	23,162,176	30,882,901	30,882,901	144,110,888	644,774,887	644,774,887

Directors' interests in shares or debentures (Continued)

Notes:

(1) Mr Hady Hartanto and Mr Hardi Koesnadi are deemed to have an interest in 2,998,000,000 shares held by Telemedia Pacific Group Limited by virtue of Section 7 of the Companies Act.

(2) Mr Lam Ah Seng @ Lam Pang Chuang is deemed to have an interest in 644,774,887 shares held by Ban Joo Investment (Pte) Ltd by virtue of Section 7 of the Companies Act.

By virtue of section 7 of the Singapore Companies Act, Cap 50, Hady Hartanto and Hardi Koesnadi are deemed to be interested in the share capital of the other subsidiaries of the Company, all of which are wholly owned.

Except as disclosed above, no other director has an interest in any shares or debentures of the Company or its related corporations at the beginning or the end of the financial period and on 21 April 2010.

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest, except as disclosed in the financial statements. Certain directors received remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

Share options

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

Warrants

During the financial period, the Company completed the following:

(a) non-renounceable rights issue of 292,220,978 with 292,220,978 free detachable warrants on the basis of one (1) free rights warrant for every one (1) Rights share subscribed. Each rights warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of $0.03 for each new share subject to the adjustments under certain circumstances in accordance with the terms and conditions as set out in the Deed Poll. The warrants were listed on the SGX-ST on 26 December 2008.

(b) Allotment and issue of 2,337,767,836 free placement warrants. Each placement warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of $0.03 for each new share. The warrants were listed on the SGX-ST on 19 January 2009.

Warrants (Continued)
During the financial period, 1,460,915,880 shares were issued pursuant to the exercise of 1,460,915,880 warrants.

Warrant issued	Exercised	Balance at 31 March 2010	Exercise price	Expiry date
2,629,988,814	(1,460,915,880)	1,169,072,934	$0.03	22 December 2011

Audit Committee

The members of the Audit Committee at the date of this report are as follows:

Lam Lee G. (Chairman)
Fong Yew Meng
Tao Yeoh Chi

The Audit Committee carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act, Cap. 50, the Listing Manual of the Singapore Exchange Securities Trading Limited and the Code of Corporate Governance.

In performing those functions, the Audit Committee reviewed:

- the audit plan of the Company’s independent auditors and its report on the weaknesses of internal accounting controls arising from the statutory audit;
- the assistance given by the Company’s management to the independent auditors;
- the periodic results announcements prior to their submission to the Board for approval;
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial period ended 31 March 2010 prior to their submission to the Board of Directors, as well as the independent auditors’ report on the balance sheet of the Company and the consolidated financial statements of the Group; and
- interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and discretion to invite any director or executive officer to attend its meetings.

The Audit Committee convened 4 meetings during the financial period with attendance from majority of the members and has also met with independent auditors, without the presence of the Company’s management, at least once a year.

The Audit Committee has recommended to the Board of Directors that the independent auditors, Horwath First Trust LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Audit Committee (Continued)

The Audit Committee has conducted an annual review of non-audit services to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the independent auditors before confirming their re-nomination.

Further details regarding the Audit Committee are disclosed in the corporate governance report.

Independent auditors

The independent auditors, Horwath First Trust LLP, have expressed their willingness to accept re-appointment as auditors of the Company.

On behalf of the Board of Directors

Hady Hartanto	**Lam Ah Seng @ Lam Pang Chuang**
Director	Director

6 July 2010

STATEMENT BY DIRECTORS

In the opinion of the directors:

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 26 to 75 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010 and of the results, changes in equity and cash flows of the Group for the financial period from 1 October 2008 to 31 March 2010; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors

Hady Hartanto
Director

Lam Ah Seng @ Lam Pang Chuang
Director

6 July 2010

INDEPENDENT AUDITORS' REPORT

To The Members of Ban Joo & Company Limited

Horwath First Trust LLP
Certified Public Accountants
7 Temasek Boulevard
#11-01 Suntec Tower One
Singapore 038987
Tel: (65) 6221 0338
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Horwath First Trust

Report on the Financial Statements

We have audited the accompanying financial statements of Ban Joo & Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 26 to 75, which comprise the balance sheets of the Company and of the Group as at 31 March 2010, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial period from 1 October 2008 to 31 March 2010, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

(a) 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 profit and loss accounts and balance sheets and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Report on the Financial Statements (Continued)

Basis for Qualified Opinion

Our report dated 9 January 2009 for the balance sheet of the Company and of the Group and the consolidated financial statements for the Group for the financial year ended 30 September 2008 ("FY2008") contained a disclaimer of opinion. The grounds for our disclaimer of opinion were summarised as follows:

(1) Limitation of scope in determining the effects of the previous periods' audit qualification matters affecting the opening balances of trade receivables and accumulated losses for the FY2008 financial statements.

Previous periods' audit qualification relates to qualifications on the financial year ended 30 June 2006 ("FY2006") and the disclaimer opinion for the financial period from 1 July 2006 to 30 September 2007 ("FP2007"). The auditors' report for the financial year ended 30 June 2006 contained a qualification on certain accounts receivables balances amounting to approximately $15.7 million. The effects of this qualification on accounts receivables remained unresolved and as we were also unable to contain independent confirmations of certain trade and other receivables of approximately $23.4 million as at 30 September 2007, a disclaimer of opinion was rendered on the consolidated FP 2007 financial statements

(2) Unavailability of audited financial statements of overseas subsidiaries for which we have not acted as auditors.

As at the date of the issuance of our report, we were not able to satisfy ourselves on the form and content of the financial information used in the preparation of the FY2008 consolidated financial statements.

(3) Material uncertainties affecting the ability of the Company and Group to continue as going concerns.

The Group has incurred a net loss of $30.6 million during the financial year ended 30 September 2008 and as at that date, the Group's and Company's net liabilities amounted to $21.1 million and $22.4 million respectively. The ability to operate as going concern was dependent on the successful execution of the debt restructuring agreements, injection of additional funds from a shareholder and positive turnaround in the Group's core business.

(4) Limitation of scope on trade and other receivables of approximately $5.6 million

As at the date of the issuance of our report, we were unable to obtain independent confirmations on certain trade and other receivables of approximately $3.9 million and unable to obtain satisfactory reconciliation with the outcome on independent confirmation on a trade receivable balance of approximately $1.7 million

Save for the residual effects arising from items 1 and 4 above (as more fully discussed below), we are satisfied that the qualification in respect of prior years have, in all material respects, been resolved.

We discuss below the extent to which the matters that gave rise to our disclaimer of opinion in respect of the FY2008 Financial Statements that remained unresolved, insofar as they impact both the corresponding and current periods' figures provided in the current financial statements as well as other additional matters that relate to the current year's financial statements.

Report on the Financial Statements (Continued)

Basis for Qualified Opinion (Continued)

(a) Financial effects on the balance sheet of the Company

During the previous financial year ended 30 September 2008, the Company entered into some agreements to assign and transfer certain assets and liabilities to a subsidiary, Ban Joo Global Pte Ltd ("BJG"). As disclosed in Note 15 to the financial statements, as at 30 September 2008, assets held for sale included net trade receivables amounting to approximately $5.6 million assigned to BJG ("the Assigned Receivables"). During the current financial period, upon the completion of the assignment, the Company recorded a gain of approximately $32 million. This gain has been eliminated upon consolidation.

As we were unable to determine the appropriateness of the opening balance of the carrying amount of Assigned Receivables included as part of the assets held for sale for reasons described above, we are consequently unable to determine whether the gain on assignment of approximately $32 million was appropriately measured and recognised in the statement of comprehensive income statement of the Company for the current financial period from 1 October 2008 to 31 March 2010.

(b) Financial effects on the consolidated financial statement

As disclosed in Note 15 to the consolidated financial statements, assets held for sale of approximately $1.8 million relates to the net carrying value of trade receivables of approximately $38.0 million after adjusting for allowance for impairment loss of approximately $36.2 million. As these trade receivables of approximately $1.8 million were part of the Assigned Receivables and that we are unable to determine the appropriateness of the Assigned Receivables as at 30 September 2008 as described above, we are unable to determine the same for the ending balance of approximately $1.8 million as at 31 March 2010. In addition, we are also unable to determine whether the impairment charge of $0.6 million and reversal of approximately $4.3 million for the current financial period were fairly stated in the consolidated statement of comprehensive income.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the balance sheet of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010, and the results, changes in equity and cash flows of the Group for the financial period then ended on that date.

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 subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Horwath First Trust LLP
Public Accountants and
Certified Public Accountants

Singapore
6 July 2010

BALANCE SHEETS
As at 31 March 2010

(Amounts in thousands of Singapore dollars)

	Note	Group		Company	
		31 March 2010 $'000	30 September 2008 $'000 (Note 33)	31 March 2010 $'000	30 September 2008 $'000 (Note 33)
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	3	134,202	54,256	134,202	54,256
Other reserves					
Capital reserve	4	–	308	–	–
Foreign currency translation reserve		(502)	(600)	–	–
		(502)	(292)	–	–
Accumulated losses	5	(72,077)	(75,092)	(58,178)	(76,613)
TOTAL EQUITY (DEFICIT)		61,623	(21,128)	76,024	(22,357)
ASSETS					
Non-current assets					
Property, plant and equipment	6	230	2,080	–	–
Subsidiaries	7	–	–	18	351
Trade receivables	8	–	140	–	–
Other assets	9	1,654	794	–	–
Current assets					
Inventories	10	2,139	3,178	–	–
Trade receivables	8	3,924	11,340	–	–
Other receivables, deposits and prepayments	11	592	1,361	13	–
Financial assets, at fair value through profit or loss	12	1,463	2,279	–	–
Due from subsidiaries (non-trade)	13	–	–	40,520	2,692
Cash and bank balances	14	63,434	8,716	36,718	–
		71,552	26,874	77,251	2,692
Assets classified as held for sale	15	1,781	4,589	–	30,525
		73,333	31,463	77,251	33,217
TOTAL ASSETS		75,217	34,477	77,269	33,568

The accompanying notes are an integral part of the financial statements.

BALANCE SHEETS (Continued)

As at 31 March 2010

(Amounts in thousands of Singapore dollars)

	Note	Group		Company	
		31 March 2010 $'000	30 September 2008 $'000 (Note 33)	31 March 2010 $'000	30 September 2008 $'000 (Note 33)
LIABILITIES					
Current liabilities					
Trade payables	16	603	1,227	–	–
Other payables and accruals	17	8,488	6,598	776	–
Due to a substantial shareholder (non-trade)	18	4,034	10,000	–	–
Borrowings (interest bearing)	19	–	35,457	–	–
Income tax payable		469	469	469	469
		13,594	53,751	1,245	469
Liabilities associated with assets classified as held for sale	15	–	–	–	55,456
		13,594	53,751	1,245	55,925
Non-current liability					
Due to a substantial shareholder (non-trade)	18	–	1,854	–	–
TOTAL LIABILITIES		13,594	55,605	1,245	55,925
NET ASSETS (LIABILITIES)		61,623	(21,128)	76,024	(22,357)

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Period from 1 October 2008 to 31 March 2010

(Amounts in thousands of Singapore dollars)

	Note	1 October 2008 to 31 March 2010	1 October 2007 to 30 September 2008
		$'000	$'000 (Note 33)
Revenue	20	12,236	14,519
Cost of sales		(10,807)	(11,928)
Gross profit		1,429	2,591
Other income	21	14,259	937
Distribution costs		(1,062)	(1,599)
Administrative expenses		(8,825)	(3,028)
Other expenses	22	(4,796)	(25,031)
Finance income		5,093	–
Finance expenses		(3,083)	(4,450)
Finance income (expenses), net	23	2,010	(4,450)
Profit (Loss) before tax	25	3,015	(30,580)
Income tax	26	–	–
Profit (Loss) for the period/year		3,015	(30,580)
Other comprehensive (expenses) income:			
Currency translation differences		90	(171)
Currency translation differences realised through liquidation of a subsidiary		8	–
Fair value adjustments on amount due to a substantial shareholder		(308)	308
Other comprehensive (expenses) income		(210)	137
Total comprehensive income (expenses) attributable to equity holders of the Company		2,805	(30,443)
Earnings (Loss) per share (cents)			
– Basic	27	0.07	(3.49)
– Diluted	27	0.06	(3.49)

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Period from 1 October 2008 to 31 March 2010

(Amounts in thousands of Singapore dollars)

	Share capital	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total Equity (Deficit)
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 1.10.2007	54,256	–	(429)	(44,512)	9,315
Total comprehensive income (expenses) for the year	–	308	(171)	(30,580)	(30,443)
Balance at 30.09.2008	54,256	308	(600)	(75,092)	(21,128)
Balance at 1.10.2008	54,256	308	(600)	(75,092)	(21,128)
Total comprehensive income (expenses) for the period	–	(308)	98	3,015	2,805
Issuance of shares	80,410	–	–	–	80,410
Share issue expenses	(464)	–	–	–	(464)
Balance at 31.3.2010	134,202	–	(502)	(72,077)	61,623

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Period from 1 October 2008 to 31 March 2010

(Amounts in thousands of Singapore dollars)

	1 October 2008 to 31 March 2010	1 October 2007 to 30 September 2008
	$'000	$'000 (Note 33)
Cash flows from operating activities		
Profit (Loss) before tax	3,015	(30,580)
Adjustments:		
Deposit written off	–	500
Depreciation of property, plant and equipment	389	435
Dividend income from quoted investments	(95)	(55)
Fair value (gain) loss in:		
– financial assets, at fair value through profit or loss	(327)	1,858
– trade receivables	(11)	(148)
– other assets	132	–
Gain on disposal of:		
– leasehold properties classified as held for sale	(6,411)	–
– financial assets, at fair value through profit or loss	(150)	–
– property, plant and equipment	(2,780)	(59)
Reversal of interest expenses previously overaccrued	(5,093)	–
Interest expenses	488	3,072
Interest income	(175)	(180)
Impairment loss on:		
– other receivables	486	364
– other assets	794	–
– trade receivables	3,131	21,956
Other asset written off	–	333
Property, plant and equipment written off	253	17
Reversal of impairment loss on:		
– leasehold property classified as held for sale	–	(206)
– trade receivables	(4,260)	(247)
– other receivables	(22)	–
Reversal of write down of inventories	(429)	(1,729)
Unrealised foreign exchange losses	562	1,833
Write down of inventories	426	199
Operating loss before working capital changes	(10,077)	(2,637)
Inventories	1,042	4,299
Trade receivables	6,916	15,730
Other receivables, deposits and prepayments	(1,516)	240
Due to a substantial shareholder (non-trade)	880	–
Trade payables	(624)	(4,665)
Other payables and accruals	53	260
Restricted cash and bank balances	39	68
Cash (used in) generated from operations	(3,287)	13,295
Income taxes paid	–	(2)
Net cash (used in) generated from operating activities	(3,287)	13,293

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

For the Financial Period from 1 October 2008 to 31 March 2010

(Amounts in thousands of Singapore dollars)

	Note	1 October 2008 to 31 March 2010	1 October 2007 to 30 September 2008
		$'000	$'000
			(Note 33)
Cash flows from investing activities			
Purchase of property, plant and equipment		(132)	(1,393)
Proceeds from disposal of property, plant and equipment		4,120	154
Proceeds from disposal of assets classified as held for sale		11,000	1,078
Proceeds from disposal of financial assets, at fair value through profit or loss		1,293	–
Deposit received from disposal of trade receivables		6,962	–
Deposit paid for proposed acquisition		–	(500)
Purchase of convertible loans		–	(1,000)
Dividend received		83	55
Interest received		221	219
Net cash from (used in) investing activities		23,547	(1,387)
Cash flows from financing activities			
Repayment of borrowings		(35,916)	(20,495)
Issuance of new shares, net of expenses		79,946	–
(Repayment to) Advances from a substantial shareholder		(9,008)	11,730
Interest paid		(519)	(469)
Net cash from (used in) financing activities		34,503	(9,234)
Net increase in cash and cash equivalents		54,763	2,672
Effect of exchange rate changes in cash and cash equivalents		(6)	5
Cash and cash equivalents at beginning of financial period/year		8,677	6,000
Cash and cash equivalents at end of financial period/year	14	63,434	8,677

The accompanying notes are an integral part of the financial statements.

(Amounts in thousands of Singapore dollars)

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

1. GENERAL INFORMATION

The Company is a limited company domiciled and incorporated in Singapore and listed on the Main Board of the Singapore Exchange Security Trading Limited ("SGX-ST"). The address of the Company's registered office and principal place of business is 25 Circular Road Singapore 049381.

The immediate and ultimate holding company of the Company is Telemedia Pacific Group Limited, incorporated in the British Virgin Islands.

The principal activities of the Company are those of supplying or trading in a wide range of textiles and raw materials fibres used in the production of textiles. The principal activities of its subsidiaries are shown in Note 7 to the financial statements.

During the current financial period, the Company changed its financial year-end from 30 September to 31 March to align its financial year end with that of its controlling shareholder, Telemedia Pacific Group Limited.

The balance sheet of the Company and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial period from 1 October 2008 to 31 March 2010 were authorised for issue in accordance with a resolution of the Board of Directors on 6 July 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Singapore Companies Act, Cap 50 and the Singapore Financial Reporting Standards ("FRS").

The financial statements are presented in Singapore dollars and all values are rounded to the nearest thousand ($'000) as indicated.

The preparation of the financial statements in conformity with FRS requires management to exercise its judgements in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Critical accounting estimates and assumptions used that are significant to the financial statements and areas involving a higher degree of judgement or complexity, are disclosed below.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of new and revised standards

The Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS. The following are the new or revised FRS and INT FRS that are relevant to the Group:

(a) *FRS 1 (revised) Presentation of financial statements*

The revised standard prohibits the presentation of items of income and expenses (that is, "non-owner changes in equity") in the statement of changes in equity. All non-owner changes in equity are shown in a performance statement but entities can choose whether to present one performance statement (the "statement of comprehensive income") or two statements (the income statement and statement of comprehensive income). The Group has chosen to adopt the former alternative. In addition, where comparative information is restated or reclassified, a restated balance sheet is required to be presented as at the beginning comparative period. There is no restatement of the balance sheet as at 1 October 2008 in the current financial year.

(b) *Amendments to FRS 107 Improving disclosures about financial statements*

The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy in Note 32(d)(i). The adoption of the amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the Group.

(c) *FRS 108 Operating segments*

This replaces FRS 14 *Segment reporting,* and requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes.

FRS 108 requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary and secondary reporting segments of the Group. The Group determined that the reportable operating segments are the same as the business segments previously identified under FRS 14 *Segment Reporting*.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

New accounting standards and FRS interpretations

Certain new standards, amendments and interpretations to existing standards have been published as of the balance sheet date but are not yet effective and which the Group has not early adopted.

Description	Effective for annual periods beginning on or after
Amendments to FRS 27 *Consolidated and Separate Financial Statements*	1 July 2009
Amendments FRS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*	1 July 2009
Revised FRS 103 *Business Combinations*	1 July 2009
INT FRS 117 *Distributions of Non-cash Assets to Owners*	1 July 2009
Revised FRS *24 Related Party Disclosures*	1 January 2011
Improvements to FRS issued in 2009	
– Amendments to FRS 38 *Intangible Assets*	1 July 2009
– Amendments to FRS 108 *Operating Segments*	1 July 2009
– Amendments to INT FRS 109 *Reassessment of Embedded Derivatives*	1 July 2009
– Amendments to FRS 1 *Presentation of Financial Statements*	1 January 2010
– Amendments to FRS 7 *Statement of Cash Flows*	1 January 2010
– Amendments to FRS 17 *Leases*	1 January 2010
– Amendments to FRS 36 *Impairment of Assets*	1 January 2010
– FRS 39 *Financial Instruments: Recognition and Measurement*	1 January 2010
– Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*	1 January 2010
– Amendments to FRS 108 *Operating Segments*	1 January 2010

Except for the revised FRS 103 and the amendments to FRS 27, the Directors expect that the adoption of the other standards and interpretations 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 the revised FRS 103 and the amendments to FRS 27 are described below.

<u>Revised FRS 103 Business Combinations and Amendments to FRS 27 Consolidated and Separate Financial Statements</u>

The revised standards are effective for annual periods beginning on or after 1 July 2009. The revised FRS 103 introduces a number of changes in the accounting for business combinations occurring after 1 July 2009. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 27 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to FRS 7 Statement of Cash Flows, FRS 12 Income Taxes, FRS 21 The Effects of Changes in Foreign Exchange Rates, FRS 28 Investments in Associates and FRS 31 Interests in Joint Ventures. The changes from revised FRS 103 and Amendments to FRS 27 will affect future acquisitions or loss of control and transactions with minority interests. The standards may be early applied. However, the Group does not intend to early adopt.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated.

The acquisition of a subsidiary is accounted for using the purchase method. Under the purchase method of accounting, the cost of business combination is measured at the aggregate of fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

At the acquisition date, the cost of business combination is allocated to identifiable assets, liabilities and contingent liabilities in the business combination which are measured initially at their fair values at the acquisition date. Adjustments to the fair values of the subsidiary’s identifiable assets, liabilities and contingent liabilities relating to previously held interests of the Group is accounted for as a revaluation and recognised in equity. Any excess of the cost of business combination over the Group’s interest in the net fair value of the acquired subsidiary’s identifiable assets, liabilities and contingent liabilities is recognised as goodwill on the balance sheet. Any excess of the Group’s share in the net fair value of the acquired subsidiary’s identifiable assets, liabilities and contingent liabilities over the cost of the business combination is recognised as income in the profit or loss on the date of acquisition.

The results of subsidiaries are consolidated from the date control is transferred to the Group and de-consolidated from the date on which control ceases. The gain or loss on disposal of a subsidiary, which is the difference between the net disposal proceeds and the Group’s share of its net assets as of the date of disposal including the carrying amount of goodwill and the cumulative amount of any exchange difference that relate to the subsidiary, is recognised in the consolidated statement of comprehensive income.

In the Company’s financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in the statement of comprehensive income. On disposal of investments in subsidiaries the differences between net disposal proceeds and the carrying amount of the investments is taken to the statement of comprehensive income.

Subsidiaries

A subsidiary is an entity over which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of the asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment are recognised in the consolidated statement of comprehensive income as incurred.

After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Property, plant and equipment are depreciated using the straight-line method to write-off the cost of the assets over their estimated useful lives. The estimated useful lives have been taken as follows:

Plant and equipment	–	10% to 33.33%
Leasehold properties	–	4% to 20%

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The estimated useful life and depreciation method are reviewed, and adjusted as appropriate, at each balance sheet date periodically to ensure that the amount, method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the consolidated statement of comprehensive income and the revaluation reserve related to those asset, if any, is transferred directly to retained earnings.

Impairment of non-financial assets, excluding goodwill

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its fair value less costs to sell. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the consolidated statement of comprehensive income in the period in which it arises, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is credited to the consolidated statement of comprehensive income in the period in which it arises, unless the relevant asset is carried at a revalued amount in which case the reversal of the impairment loss is treated as a revaluation increase.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial assets

Financial assets are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets have expired or have been transferred. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in equity is recognised in the consolidated statement of comprehensive income.

All regular way purchases and sales of financial assets are recognised and derecognised on trade date basis where the purchase or sale of assets are under a contract whose terms require delivery of the assets within the timeframe established by the market concerned.

The Group classifies its investments in financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, and available for sale financial assets. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date, with the exception that the designation of financial assets at fair value through profit or loss is not revocable. As at the balance sheet date, the Group did not have any financial assets in the category financial assets at held to maturity and available for sale financial assets.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except those maturing more than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are presented as trade and other receivables, due from subsidiaries (non-trade) and cash and bank balances on the balance sheet.

At subsequent reporting dates, loans and receivables are measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the consolidated statement of comprehensive income when the loans and receivables are derecognised or impaired, and through the amortisation process.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss are measured at subsequent reporting dates at fair value. Where financial assets are held for trading purposes, gains and losses arising from changes in fair value are included in the consolidated statement of comprehensive income for the period. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired and recognise the impairment loss when such evidence exists.

Financial assets carried at amortised cost

An impairment loss is recognised in the consolidated statement of comprehensive income when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the consolidated statement of comprehensive income.

When the asset becomes uncollectible, the carrying amount of impaired financial assets 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 the consolidated statement of comprehensive income.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made for where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, deposits with financial institutions and short term, highly liquid investments readily convertible to known amounts of cash and subject to an insignificant risk of changes in value and have a short maturity of generally within three months when acquired.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets classified as held for sale

Identifiable assets, liabilities and contingent liabilities and disposal groups are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell and are presented separately on the face of the balance sheet if applicable and the results of discontinued operations are presented separately in the consolidated statement of comprehensive income. A discontinued operation is a component of the business that represents a separate major line of business or geographical area of operations. Any impairment loss on initial classification and subsequent measurement is recognised in the statement of comprehensive income, even when there is a revaluation. Any subsequent increase in fair value less cost to sell is recognised in the consolidated statement of comprehensive income. The depreciation on depreciable assets is ceased.

Financial liabilities

Financial liabilities within the scope of FRS 39 are recognised on the balance sheet when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are recognised initially at fair value, plus, directly attributable transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

Gains and losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in the consolidated statement of comprehensive income. Net gains or losses on derivatives include exchange differences.

A financial liability is derecognised when the obligation under the liability is extinguished. 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 derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

Provisions

A provision is recognised when there is a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed regularly and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditures expected to be required to settle the obligation.

Borrowings

Borrowings are initially recorded at fair value, net of transaction costs incurred and subsequently accounted for at amortised costs using the effective interest method. Borrowings which are due to be settled within twelve months after the balance sheet date are included in current borrowings in the balance sheet even though the original term was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the financial statements are authorised for issue. Other borrowings due to be settled more than twelve months after the balance sheet date are included in non-current borrowings in the balance sheet.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

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. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed. It is recorded net of returns, trade allowances and duties and taxes and after eliminating sales within the Group.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rates applicable.

Dividend income is recognised when the right to receive payment is legally established.

Rental income is recognised on a straight- line basis over the lease term.

Recoverable cost is recognised when the services are rendered and upon acceptance by the customers.

Borrowing costs

Borrowing costs are recognised in the consolidated statement of comprehensive income in the period in which they are incurred.

Employees' benefits

(i) Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial periods. The Group's contribution to defined contribution plans are recognised in the financial period to which they relate.

(ii) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability as a result of services rendered by employees up to the balance sheet date.

Jobs Credit Scheme

Cash grants received from the government in relation to the Jobs Credit Scheme are off-set against the personnel expenses.

Operating leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated statement of comprehensive income on a straight-line basis over the lease term.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

Income tax expense represents the sum of tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to the consolidated statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Functional and foreign currencies

Functional currency and presentation currency

The individual financial statements of each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the balance sheet of the Company are presented in Singapore dollars, which is the functional currency of the Company.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional and foreign currencies (Continued)

Foreign currency transactions

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

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the consolidated statement of comprehensive income .

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in consolidated statement of comprehensive income for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

Translation of the Group's financial statements

The assets and liabilities of foreign operations are translated into Singapore dollars at the rate of exchange ruling at the balance sheet date and their statement of comprehensive income are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entity (including monetary items that, in substance, form part of the net investment in foreign entity), are taken to the foreign currency translation reserve.

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

(Amounts in thousands of Singapore dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantee contracts as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantee contracts are subsequently amortised to the consolidated statement of comprehensive income over the period of the subsidiaries' borrowings, unless the Company has incurred an obligation to reimburse the bank for an amount higher than the unamortised amount. In this case, the financial guarantee contracts shall be carried at the expected amount payable to the bank.

Critical accounting estimates and judgments

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment of trade and other receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management specifically reviews its loan and receivables and analyse historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in our customer payment terms when making a judgment to evaluate the adequacy of the allowance for impairment loss. At the balance sheet date, the receivables are measured at fair value and their fair values might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the balance sheet date. The carrying amounts of the Group's trade and other receivables at the balance sheet date are disclosed in Notes 8 and 11 to the financial statements.

(ii) Inventory related allowances

A review is made periodically on inventory for excess inventory, obsolescence and declines in net realisable value below cost and record an allowance against the inventory balance for any such declines. These reviews require management to estimate future demand for our products. Possible changes in these estimates could result in revisions to the valuation of inventory. The amount of allowance of the Group as at the balance sheet date is $2.0 million (2008: $2.2 million).

(Amounts in thousands of Singapore dollars)

3. SHARE CAPITAL

	Group and Company			
	31 March 2010		30 September 2008	
	Number of ordinary shares '000	Amount $'000	Number of ordinary shares '000	Amount $'000
Issued and paid-up:				
Balance at beginning of financial period/year	876,663	54,256	876,663	54,256
Issuance of ordinary shares:				
– Rights Issue (1)	292,221	2,922	–	–
– Placement shares and arrangement shares (2)	2,414,000	24,140	–	–
– Capitalised debt shares (2)	951,963	9,520	–	–
– Conversion of warrants (3)	1,460,916	43,828	–	–
Share issue expenses	–	(464)	–	–
Balance at end of financial period/year	5,995,763	134,202	876,663	54,256

(1) On 24 December 2008, the Company completed a non-renounceable rights issues of 292,220,978 new ordinary shares in the capital of the Company at an issue price of $0.01 for each rights shares with up to 292,220,978 free detachable warrants on the basis of one (1) free rights warrant for every one (1) rights share subscribed.

(2) On 15 January 2009, the Company completed the allotment and issues of the following:

(i) 2,300,000,000 placement shares and 2,337,767,836 placement warrants in the capital of the Company for a subscription consideration of $23,000,000 to Telemedia Pacific Group Limited;

(ii) 114,000,000 arrangement shares to the arranger of the subscription agreement namely Straits Law Practice LLC and Arrow Business Consultants Pte. Ltd. at an issue price of $0.01 for each arrangement shares.

(iii) 951,963,037 capitalised debt shares to Ban Joo Investment (Pte) Ltd ("BJI"), amounting to $9,519,630, as full and final satisfaction of part of the shareholders' loan owing by the Group to BJI.

(3) During the financial period, an aggregate of 1,460,915,880 new ordinary shares were issued in the capital of the Company as a result of the exercise of 1,460,915,880 warrants at an exercise price of $0.03 for each new ordinary share.

The holders of the ordinary shares are entitled to receive dividend as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

4. CAPITAL RESERVE

This represented the difference between the carrying amount and fair value on the amount due to a substantial shareholder as disclosed in Note 18. The capital reserve is non-distributable. During the financial period, following the settlement of the outstanding amount due to the substantial shareholder, the amount was taken directly to accumulated losses.

(Amounts in thousands of Singapore dollars)

5. ACCUMULATED LOSSES

The movements of accumulated losses of the Company are as follows:

	Company	
	31 March 2010 $'000	30 September 2008 $'000
Balance at beginning of financial period/year	76,613	50,723
Total comprehensive (income) expenses for the period/year	(18,435)	25,890
Balance at end of financial period/year	58,178	76,613

6. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold properties $'000	Plant and equipment $'000	Total $'000
Cost			
Balance at 1.10.2007	2,293	3,461	5,754
Additions	1,117	276	1,393
Disposals	–	(447)	(447)
Write-off	–	(973)	(973)
Foreign currency translation adjustment	–	(2)	(2)
Balance at 30.9.2008	3,410	2,315	5,725
Balance at 1.10. 2008	3,410	2,315	5,725
Additions	57	75	132
Disposals	(3,467)	(144)	(3,611)
Write-off	–	(393)	(393)
Balance at 31.3.2010	–	1,853	1,853
Accumulated depreciation			
Balance at 1.10.2007	1,720	2,799	4,519
Charge for the year	185	250	435
Disposals	–	(352)	(352)
Write-off	–	(956)	(956)
Foreign currency translation adjustment	–	(1)	(1)
Balance at 30.9.2008	1,905	1,740	3,645
Balance at 1.10. 2008	1,905	1,740	3,645
Charge for the period	222	167	389
Disposals	(2,127)	(144)	(2,271)
Write-off	–	(140)	(140)
Balance at 31.3.2010	–	1,623	1,623
Net carrying value			
As at 31.3.2010	–	230	230
As at 30.9.2008	1,505	575	2,080
As at 1.10.2007	573	662	1,235

(Amounts in thousands of Singapore dollars)

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Company	Leasehold properties $'000	Plant and equipment $'000	Total $'000
Cost			
Balance at 1.10.2007	2,293	3,029	5,322
Additions	1,117	35	1,152
Disposals	–	(405)	(405)
Write-off	–	(965)	(965)
Reclassified to assets classified as held for sale (Note 15)	(3,410)	(1,694)	(5,104)
Balance at 30.9.2008	–	–	–
Balance at 1.10.2008	–	–	–
Reclassified from assets previously classified as held for sale (Note 15)	3,410	–	3,410
Additions	57	–	57
Disposals	(3,467)	–	(3,467)
Balance at 31.3.2010	–	–	–
Accumulated depreciation			
Balance at 1.10.2007	1,720	2,765	4,485
Charge for the year	106	81	187
Disposals	–	(328)	(328)
Write-off	–	(951)	(951)
Reclassified to assets classified as held for sale (Note 15)	(1,826)	(1,567)	(3,393)
Balance at 30.9.2008	–	–	–
Balance at 1.10.2008	–	–	–
Reclassified from assets previously classified as held for sale (Note 15)	1,826	–	1,826
Charge for the period	301	–	301
Disposals	(2,127)	–	(2,127)
Balance at 31.3.2010	–	–	–
Net carrying value			
As at 31.3.2010	–	–	–
As at 30.9.2008	–	–	–
As at 1.10.2007	573	264	837

(Amounts in thousands of Singapore dollars)

7. SUBSIDIARIES

	Company	
	31 March 2010 $'000	30 September 2008 $'000
Unquoted equity shares at cost		
Balance at beginning of financial period/year	422	2,838
Add: Addition of equity interest	18	–
Less: Liquidation of equity held	(352)	–
Less: Disposal of equity held	(70)	–
Less: Reclassified to assets classified as held for sale (Note 15)	–	(2,416)
Balance at end of financial period/year	18	422
Less: Accumulated impairment losses		
Balance at beginning of financial period/year	71	2,416
Add: Impairment during the financial period/year	–	71
Less: Liquidation of equity held	(71)	–
Less: Reclassified to assets classified as held for sale (Note 15)	–	(2,416)
Balance at end of financial period/year	–	71
Net carrying value	18	351

The details of the subsidiaries held by the Company are listed below:

Name of company	Principal activities	Country of incorporation and place of business	Effective equity held by the Group		Cost of investment by the Company	
			31 March 2010 %	30 September 2008 %	31 March 2010 $'000	30 September 2008 $'000
Ban Joo Global Pte Ltd (1)	Import, export and distribution of textile	Singapore	100	100	18 (Note A)	*
Ban Joo & Company (UAE), FZE (2)	Import, export and distribution of textiles	United Arab Emirates	100	100	– (Note B)	70
Ban Joo Logistics Pte Ltd (1)	Investment holding	Singapore	100	100	– (Note B)	–
BJ Apparel Global Pte Ltd (1)	Dormant	Singapore	100	100	– (Note B)	–
Ban Joo Tex Co., Ltd	Ceased operations	People's Republic of China	–	100	– (Note C)	352
Fortknox Global Pte Ltd (1)	Investment holding	Singapore	100	100	*	*

(Amounts in thousands of Singapore dollars)

7. SUBSIDIARIES (Continued)

Name of company	Principal activities	Country of incorporation and place of business	Effective equity held by the Group		Cost of investment by the Company	
			31 March 2010 %	30 September 2008 %	31 March 2010 $'000	30 September 2008 $'000
VIP (HK) Ltd (3)	Investment holding	Hong Kong SAR	100	–	* (Note D)	–
Telemedia Pacific Communications Pte Ltd (4)	Investment holding	Singapore	100	–	* (Note D)	–
					18	422
Subsidiary of Ban Joo Global Pte Ltd						
Ban Joo & Company (UAE), FZE (2)	Import, export and distribution of textiles	United Arab Emirates	100	100		
Ban Joo Logistics Pte Ltd (1)	Investment holding	Singapore	100	100		
BJ Apparel Global Pte Ltd (1)	Dormant	Singapore	100	100		
Subsidiary of VIP (HK) Ltd						
Multi Bright (HK) Ltd (4)	Dormant	Hong Kong SAR	100	–		

* Denotes amount less than $1,000.

(1) Audited by Horwath First Trust LLP, Certified Public Accountants, Singapore
(2) Audited by Marshal & Associates, United Arab Emirates
(3) Audited by Crowe Horwath (HK) CPA Limited, Hong Kong SAR
(4) Review for consolidation purpose as these entities are dormant and newly incorporated during the financial period.

Note A
During the financial period, the Company has acquired one additional new ordinary share of Ban Joo Global Pte Ltd ("BJG") for consideration of $18,473.

Note B
Pursuant to the hiving-off exercise in Note (15)(C), the Company's interests in the following subsidiaries, namely, Ban Joo & Company (UAE), FZE, Ban Joo Logistics Pte Ltd and BJ Apparel Global Pte Ltd were assigned to Ban Joo Global Pte Ltd.

Note C
On 13 November 2008, Ban Joo Tex Co., Ltd officially ceased operation after obtaining the approval from the People's Government of Qingdao on its liquidation application.

Note D
Newly incorporated during the financial period.

(Amounts in thousands of Singapore dollars)

8. TRADE RECEIVABLES

	Group	
	31 March 2010 $'000	**30 September 2008 $'000**
Due from:		
– Related party	–	1
– Outside parties	8,454	54,482
	8,454	54,483
Less: Allowance for impairment of trade receivables	(4,530)	(43,003)
	3,924	11,480
Current portion	3,924	11,340
Non-current portion	–	140
	3,924	11,480

Movements in allowance for impairment of trade receivables:

	Group		Company	
	31 March 2010 $'000	**30 September 2008 $'000**	**31 March 2010 $'000**	**30 September 2008 $'000**
Balance at beginning of financial period/year	43,003	21,353	–	20,804
Charge for the period/year	3,131	21,956	–	450
Bad debts written off against allowance	(452)	(64)	–	(64)
Reversal of impairment loss	(4,260)	(247)	–	(166)
Reclassified to assets classified as held for sale (Note 15)	(36,198)	–	–	(21,024)
Foreign currency translation adjustment	(694)	5	–	–
Balance at end of financial period/year	4,530	43,003	–	–

(Amounts in thousands of Singapore dollars)

9. OTHER ASSETS

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Long term deposit	1,786	–	–	–
Less: Fair value loss	(132)	–	–	–
	1,654	–	–	–
Convertible loan receivable	794	794	–	–
Less: Impairment loss	(794)	–	–	–
	1,654	794	–	–

Long term deposits relates to a cash deposit of $1.7 million placed with Jurong Town Corporation ("JTC") for a leasehold property. The said property was disposed of prior to the fulfillment of a condition set out by JTC for certain level of investment in development works of that property. The deposit shall be refunded to the Group upon the Purchaser's completion of the development works in accordance with the JTC's investment conditions on the stipulated plot ratio investment and timeline of investments.

The convertible loan of $0.8 million was extended by a wholly-owned subsidiary to an outside party in the course of the last financial year. The loan bears interest rate of 15% per annum and has a maturity period of 3 years. The loan is secured by all assets of borrower and share mortgage given by a substantial shareholder of the borrower. Impairment has been provided for the loan due to uncertainty of its recoverability.

Movements in allowance for impairment of other assets:

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Balance at beginning of financial period/year	–	–	–	–
Charge for the period/year	794	–	–	–
Balance at end of financial period/year	794	–	–	–

The fair value is disclosed in Note 32 (d) (ii).

10. INVENTORIES

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Finished goods	2,139	3,178	–	–

The inventories balance as at 30 September 2008 were pledged as security on borrowings as disclosed in Note 19.

(Amounts in thousands of Singapore dollars)

10. INVENTORIES (Continued)

Inventories are stated after netting of allowance for obsolescence of inventories. Movements in allowance are as follow:

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Balance at beginning of financial period/year	2,163	3,693	–	3,693
Reversal from the consolidated statement of comprehensive income and included in cost of sales, net	(3)	(1,530)	–	(1,320)
Write-off included in cost of sales	(131)	–	–	–
Reclassified to assets classified as held for sale (Note 15)	–	–	–	(2,373)
Balance at end of financial period/year	2,029	2,163	–	–

The reversal of the inventories write-down made in prior years as the inventories were sold above carrying amounts during the financial period ended 31 March 2010.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Other receivables [(1)]	2,144	2,304	–	–
Less: Allowance for impairment of other receivables	(1,783)	(1,414)	–	–
	361	890	–	–
Deposits	112	81	–	–
Prepayments	119	390	13	–
	592	1,361	13	–

(1) Other receivables include an amount of $0.3 million that is recoverable from the proceeds upon the disposal of the Company's shares held legally by OCBC Securities Pte Ltd ("nominees") and beneficially owned by the Purchaser. These shares formed part of the consideration receivable by the Company from the disposal of a former subsidiary during the previous financial periods.

(Amounts in thousands of Singapore dollars)

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Movements in allowance for impairment of other receivables:

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Balance at beginning of financial period/year	1,414	1,112	–	1,112
Foreign currency translation adjustment	(80)	–	–	–
Charge for the period/year	486	364	–	–
Bad debt written off against allowance	(15)	(62)	–	–
Reversal of impairment loss	(22)	–	–	–
Reclassified to assets classified as held for sale (Note 15)	–	–	–	(1,112)
Balance at end of financial period/year	1,783	1,414	–	–

12. FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	31 March 2010 $'000	30 September 2008 $'000
Quoted investments:		
Equity securities	1,463	2,279

Movements of financial assets, at fair value through profit or loss are as follows:

	Group	
	31 March 2010 $'000	30 September 2008 $'000
Balance at beginning of financial period/year	2,279	–
Reclassified to assets classified as held for sale (Note 15)	–	4,137
Fair value gain (losses), net	327	(1,858)
Disposals	(1,143)	-
Balance at end of financial period/year	1,463	2,279

13. DUE FROM SUBSIDIARIES (NON-TRADE)

This non-trade balance is unsecured, interest-free and repayable on demand.

(Amounts in thousands of Singapore dollars)

14. CASH AND BANK BALANCES

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Cash and bank balances	52,734	2,119	30,818	–
Cash held-in trust [(1)]	4,800	–	–	–
Fixed deposits placed with financial institutions	5,900	6,597	5,900	–
Cash and bank balances as stated per balance sheet	63,434	8,716	36,718	–
Less: Restricted cash [(2)]	–	(39)	–	–
Cash and cash equivalents per consolidated statement of cash flows	63,434	8,677	36,718	–

(1) This relates to the portion of cash deposit that Ban Joo Investment (Pte) Ltd ("BJI") paid to the Company's legal counsel, Straits Law Practice LLC, who held this cash deposit in trust of the Group. The deposits was part of the agreement in the assignment of accounts receivables (Note 15).

(2) The restricted cash represent bank balance held by bankers to cover the bank guarantee issued in prior year.

The Group did not have any significant interest earning accounts except for fixed deposit placed with financial institutions, where the interest rates were ranging from 0.05% to 4.2% (2008: 0.5% to 2.8%) per annum.

15. ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

Details of the assets and liabilities classified as held for sale are as follows:

	Group		Company	
	31 March 2010 $'000 (Note A)	30 September 2008 $'000 (Note B)	31 March 2010 $'000	30 September 2008 $'000 (Note C)
Assets classified as held for sale:				
Property, plant and equipment	–	4,589	–	6,300
Investment in subsidiaries	–	–	–	*
Inventories	–	–	–	3,138
Trade receivables	1,781	–	–	5,601
Other receivables, deposits and prepayments	–	–	–	816
Financial assets, at fair value through profit or loss	–	–	–	1,554
Due from a subsidiary (trade)	–	–	–	4,622
Due from subsidiaries (non-trade)	–	–	–	303
Cash and bank balances	–	–	–	8,191
	1,781	4,589	–	30,525

(Amounts in thousands of Singapore dollars)

15. ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE (Continued)

	Group		Company	
	31 March 2010 $'000 (Note A)	30 September 2008 $'000 (Note B)	31 March 2010 $'000	30 September 2008 $'000 (Note C)
Liabilities associated with assets classified as held for sale:				
Trade payables	–	–	–	1,019
Other payables and accruals	–	–	–	7,727
Due to subsidiaries (non-trade)	–	–	–	381
Due to controlling shareholder (non-trade)	–	–	–	12,162
Borrowings (interest bearing)	–	–	–	34,167
	–	–	–	55,456

* Denotes amount less than $1,000.

Note A

On 1 April 2010, the Company's wholly owned subsidiary Ban Joo Global Pte. Ltd. entered into an assignment of accounts receivables with Ban Joo Investment (Pte) Ltd ("BJI") and amended by supplemental agreement dated 27 May 2010 (the "Supplemental Agreement") pursuant to which BJI agreed to acquire the Accounts Receivables of Ban Joo Global Pte Ltd for a total cash consideration of $16.2 million (the "Proposed Disposal"). The Group received $7.0 million from BJI being the deposit in respect of the Proposed Disposal, of which $4.8 million was received in the form of cash and the remaining $2.2 million was to be offset against the amount that was due to BJI. The completion is subject to the Company receiving approval from its shareholders at an extraordinary general meeting to be convened in respect of the Proposed Disposal (the "Completion"). Accordingly, the net trade receivables related to the Proposed Disposal is classified as assets held for sale. Details are as follow:

	31 March 2010 $'000
Assigned trade receivables	37,979
Less: Accumulated allowance for impairment	(36,198)
	1,781

Pursuant to a guarantee executed on 6 July 2010, the Company's executive director, namely Lam Ah Seng @ Lam Pang Chuang and Ban Joo Investment (Pte) Ltd (Note 29), jointly and severally guarantee the repayment to the Group of any trade receivables that are not recorded (including trade receivables that have been understated) together with all interest, cost and charges (including legal charges) and expenses which the Group may incur in enforcing payment of such trade receivables that are not recorded and are due to the Group.

Note B

On 26 August 2008, the Group granted an option to a purchaser to dispose of its leasehold properties at a cash consideration of $11 million (the "Disposal"). Accordingly, the carrying value of the leasehold property was classified as asset held for sale. The Disposal was completed on 5 December 2008.

(Amounts in thousands of Singapore dollars)

15. ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE (Continued)

Note C

Pursuant to the debt structuring agreements ("DRA") entered into between the Company and certain of its lenders, the Company is to take all necessary steps to assign and transfer all assets, liabilities and business of the Company, except for certain assets and liabilities which has been agreed between the Company and the lenders to be excluded (the "Excluded Assets and Liabilities") from the Hiving-Off (as defined thereafter) to its wholly owned subsidiary Ban Joo Global Pte. Ltd. ("BJG"), including the transfer of all the Company's rights, obligations and liabilities as borrower under each of the transactions documents entered by the Company under the DRA to BJG (the "Hiving-Off").

The Company had on 3 July 2008 entered into a hiving-off agreement with BJG pursuant to the Hiving-Off exercise. On 24 September 2008, the Company obtained the shareholders' approval for the Hiving-Off exercise. The completion of Hiving-Off was effective from 1 December 2008. The Hiving-Off exercise undertaken by the Company has not affected the continuity of the operations/business of the Group.

As at 30 September 2008, these assets and liabilities, except for Excluded Assets and Liabilities of the Company were accordingly presented on the Company's balance sheet as a disposal group held for sale.

16. TRADE PAYABLES

Trade payables are non-interest bearing and are generally settled within 0 to 30 days (2008: 30 to 60 days).

17. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Other payables	438	594	333	–
Interest accrued (1)	389	5,514	–	–
Accruals	699	490	443	–
Deposit received in advance (2)	6,962	–	–	–
	8,488	6,598	776	–

(1) Interest accrued as at 31 March 2010, relates to an interest payable that is due to a substantial shareholder.

(2) This relates to the deposit received from Ban Joo Investment (Pte) Ltd ("BJI") in respect of the proposed assignment of accounts receivables (Note 15).

(Amounts in thousands of Singapore dollars)

18. DUE TO A SUBSTANTIAL SHAREHOLDER (NON-TRADE)

This balance is unsecured, interest free (2008: interest-bearing with effective interest rate of 2.5% per annum) and repayable on demand.

19. BORROWINGS (INTEREST BEARING)

On 22 October 2007, the Company entered into a debt restructuring agreement dated 22 October 2007 as amended and restated by a supplemental agreement dated 5 December 2007 and a second supplemental agreement dated 1 December 2008 (the "DRA") pursuant to which each of the lenders agreed to restructure the obligations of the Company under various credit and other facilities granted to the Company and/or its subsidiaries.

The above banking facilities have been restructured based on the DRA which involves, *inter alia*:

Debt A – Represents bills payable to banks, which is secured by the inventories of the Group.

Debt B – Comprises bills payable to banks, bank loans and bank overdrafts which will be repaid according to the terms under the DRA.

As at 30 September 2008, the restructured borrowings as follows:

	Group $'000
Debt A	1,360
Debt B	34,097
	35,457

On 28 October 2009, the Group fully repaid and discharged all its indebtedness under the DRA.

(a) Interest rate

The range of floating interest rates paid were as follows:

	Group	
	31 March 2010 %	**30 September 2008 %**
Total Debt A	0.10 –1.52	0.39 – 1.67
Total Debt B	0.10 –1.52	0.39 – 1.67

(Amounts in thousands of Singapore dollars)

20. REVENUE

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Sale of goods	12,197	14,243
Recoverable costs	17	142
Rental income	22	134
	12,236	14,519

21. OTHER INCOME

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Bad debts recovered	28	32
Dividend income from quoted investments	95	55
Interest income	175	180
Reversal of impairment loss on:		
– trade receivables	4,260	247
– leasehold properties classified as held for sale	–	206
– other receivables	22	–
Gain on disposal of:		
– leasehold properties classified as held for sale	6,411	–
– financial assets, at fair value through profit or loss	150	–
– property, plant and equipment	2,780	59
Fair value gain in:		
– financial assets, at fair value through profit or loss	327	–
– trade receivables	11	148
Others	–	10
	14,259	937

(Amounts in thousands of Singapore dollars)

22. OTHER EXPENSES

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Deposit written off	–	500
Impairment loss on:		
– other assets	794	–
– other receivables	486	364
– trade receivables	3,131	21,956
Fair value loss in:		
– financial assets, at fair value through profit or loss	–	1,858
– other assets	132	–
Other asset written off	–	333
Property, plant and equipment written off	253	17
Others	–	3
	4,796	25,031

23. FINANCE INCOME (EXPENSES), NET

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Finance income:		
Reversal of interest expenses previously overaccrued	5,093	–
Finance expenses:		
Foreign exchange losses, net	(2,595)	(1,378)
Interest expenses	(488)	(3,072)
	(3,083)	(4,450)
Net finance income (expenses)	2,010	(4,450)

(Amounts in thousands of Singapore dollars)

24. PERSONNEL EXPENSES

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Salaries and employee benefits expenses *	2,739	1,368
Contributions to defined contribution plans	134	84
	2,873	1,452

* This includes directors' remuneration as disclosed in Note 25 and key management remuneration as disclosed in Note 27.

25. PROFIT (LOSS) BEFORE TAX

In addition to information as disclosed, this is also determined after charging the following:

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Depreciation of property, plant and equipment	389	435
Directors' remuneration		
– Fee	376	69
– Salaries and allowances	912	349
– Employer's contribution to defined contribution plan	26	17
Operating lease expenses	663	625

(Amounts in thousands of Singapore dollars)

26. INCOME TAX

A reconciliation of the tax expense and the product of accounting loss multiplied by the statutory rate is as follows:

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Profit (Loss) before tax	3,015	(30,580)
Income tax expense (credits) at the statutory rate of 17% (2008: 18%)	513	(5,504)
Non-deductible items	2,459	1,864
Income not subject to tax	(3,756)	–
Effect of concessionary tax rates at 10%	–	40
Effect of different tax rates in different countries	2	–
Deferred tax liabilities not recognised	–	327
Tax exemption income	(9)	(14)
Deferred tax assets not recognised	791	3,287
Total income tax expense	–	–

On 22 January 2009, the Singapore Finance Minister for Finance announced a reduction in the corporate tax rate from 18% to 17% and various tax incentives for the year of assessment 2010 and onwards.

The Group has unused tax losses of $4.8 million (2008: $66.4 million) for which no deferred tax asset is recognised due to uncertainty of its recoverability and also dependant on whether the Group is able to obtain a ministerial waiver of the shareholders' test as there was a substantial change in the Company shareholders and shareholdings as at the dates stipulated in the Income Tax Act. The use of this balance is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation. The tax losses have no expiry date.

At the balance sheet date, the aggregate amount of temporary differences associated with investment in a subsidiary for which deferred tax liabilities have not been recognised was nil (2008: $0.3 million). No liabilities has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not be reversed in the foreseeable future.

(Amounts in thousands of Singapore dollars)

27. EARNINGS (LOSS) PER SHARE

	Group	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
The calculation of earnings (loss) per share is based on the following:		
A. Basic earnings (loss) per share:		
Profit (Loss) attributable to the equity holders of the Company	3,015	(30,580)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share ('000)	4,386,444	876,663
B. Diluted earnings (loss) per share :		
	$'000	$'000
Profit (Loss) attributable to the equity holders of the Company	3,015	(30,580)
Weighted average number of ordinary shares in issue for basic earnings (loss) per share ('000)	4,386,444	876,663
Adjustment for assumed conversion of warrants ('000)	406,634	–
Number of ordinary shares used to determine diluted earnings (loss) per share ('000)	4,793,078	876,663

28. COMMITMENTS

(a) Operating lease commitments – as lessee

At the balance sheet date, the total of future minimum lease payments under non-cancellable operating leases are as follows:

	Group and Company	
	31 March 2010 $'000	30 September 2008 $'000
Future minimum lease payments		
– not later than 1 year	377	449
– 1 year through 5 years	269	501
	646	950

Operating lease payments represent rentals payable by the Group for certain of its offices, office equipment and factory. These leases expire at various dates till 2014.

(Amounts in thousands of Singapore dollars)

28. COMMITMENTS (Continued)

(b) Operating lease commitments – as lessor

At the balance sheet date, the total of future minimum lease income under non-cancellable operating leases are as follows:

	Group and Company	
	31 March 2010	30 September 2008
	$'000	$'000
Future minimum lease income		
– not later than 1 year	–	24

Operating lease income represents rental receivable by the Group for certain of its leasehold properties. The lease rental ceased on 5 December 2008 following the disposal of the aforesaid properties by the Group.

29. RELATED PARTY INFORMATION

Some of the arrangements with related parties and the effects of these bases determined between the parties are reflected elsewhere in this report.

The Company's controlling shareholder and substantial shareholder is Telemedia Pacific Group Limited ("TPGL") and Ban Joo Investment Pte Ltd ("BJI") respectively.

There are transactions and arrangements between the Company and the Group and the effects of these on the basis determined between the parties are reflected in these financial statements.

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and not disclosed in this note.

Details of transaction between the Group and other related parties are disclosed below:

	Group	
	1 October 2008 to 31 March 2010	1 October 2007 to 30 September 2008
	$'000	$'000
(a) Interest payable to a substantial shareholder	138	251
(b) Key management personnel compensation:		
– Salaries and allowance	912	349
– Employer's contribution to defined contribution plan	26	17
– Directors' fee	376	69
	1,314	435

The above amounts are included under personnel expenses (Note 24).

(Amounts in thousands of Singapore dollars)

29. RELATED PARTY INFORMATION (Continued)

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The above amounts for key management personnel compensation are for all the directors.

30. SEGMENT INFORMATION

The primary segment reporting is determined to be business segments as the Group's risk and return rates of returns are affected predominantly by differences in the products produced. Secondary information is reported geographically. A geographical segment is engaged in providing products within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

Business segment

No separate analysis of segment information by business is presented as the Group's major business comprises the supplying or trading of textiles and raw materials fibres used in the production of textiles. Hence, the Group's revenue, expenses, results, assets, liabilities and capital expenditures are principally attributable to a single business segment.

Geographical segment

The Group's business operates in five main geographical areas. Revenue is based on the location of customers regardless of where the goods are produced. Assets and additions to property, plant and equipment are based on the location of those assets.

	Revenue		Total Assets		Capital Expenditure	
	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000	1 October 2008 to 31 March 2010 $'000	1 October 2007 to 30 September 2008 $'000
Asia	7,107	7,324	71,201	24,839	132	1,393
Africa	2,177	2,789	633	1,815	–	–
Indian Sub–continent	872	1,404	60	851	–	–
Middle East	–	2,132	3,297	6,972	–	–
South America	1,695	–	26	–	–	–
Others	385	870	–	–	–	–
	12,236	14,519	75,217	34,477	132	1,393

(Amounts in thousands of Singapore dollars)

31. SUBSEQUENT EVENTS

(a) On 1 April 2010, the Group entered into a conditional sale and purchase agreement (the "Agreement") with Bright Reach International Limited ("BRI"), the vendor, to acquire the entire issued and paid up capital of Multi Skies Nusantra Limited ("MSN") for a cash consideration of approximately $30.5 million (US$21.8 million), which was to be paid progressively to BRI upon the satisfaction of certain conditions as stipulated in the agreement (the "Acquisition").

Subsequently on 20 May 2010, the Group completed the Acquisition (the"Completion"). The Group has paid $4.7 million (US$3.3 million), in the form of cash, to the BRI whereas the remaining was satisfied by part of the letter of credit facilities that the Company has obtained on 7 April 2010 and revised on 25 May 2010, amounting to $26.1 million (US$18.5 million) by the financial institution as to satisfy the purchase consideration of MSN upon the satisfaction of certain conditions as stipulated in the Agreement. No facilities have been drawn down up to the date the financial statements.

Following the Completion, MSN has become a wholly owned subsidiary of the Group. MSN, through its wholly owned subsidiary, PT Multi Skies Nusantara is principally engaged in the business of building, operating and leasing base station controllers for universal service obligations ("USO") sites to enable the roll out of telecommunication services in remote areas in Indonesia.

(b) On 1 April 2010, the Group obtained US$10 miilion letter of credit facilities from a financial institution. The facilities are intended to be used by one of its subsidiaries to satisfy the capital commitment of MSN. No facilities have been drawn down up to the date of the financial statements. The facilities are secured by cash and bank balances of $15 million (approximately US$10.7 million) and the personal guarantee of one of its director.

(c) On 1 April 2010 and further amended by supplemental agreement dated 27 May 2010, the Company's wholly owned subsidiary Ban Joo Global Pte. Ltd. has entered into an assignment of accounts receivables with Ban Joo Investment (Pte) Ltd ("BJI") pursuant to which BJI agreed to acquire the Accounts Receivables of Ban Joo Global Pte Ltd for a total cash consideration of $16.2 million (the "Proposed Disposal"). The completion is subject to the Company receiving approval from its shareholders at an extraordinary general meeting to be convened in respect of the Proposed Disposal (the "Completion").

Upon the completion, the Group is expected to derive a net gain on disposal of trade receivables amounting to approximately $14.4 million.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

Categories of financial instruments

The following table sets out the financial instruments as at the balance sheets:-

	Group		Company	
	31 March 2010 $'000	**30 September 2008 $'000**	**31 March 2010 $'000**	**30 September 2008 $'000**
Financial Assets	70,948	24,240	77,238	2,692
Financial Liabilities	5,787	55,026	400	–

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign exchange risk, interest rate risk, liquidity risk and credit risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

It is the Group's policy not to trade in derivative contracts.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk

(i) Foreign exchange risk

During the ordinary course of business, the Group engages in foreign currency denominated transactions and borrowings, mainly United States Dollar and Dubai Dirham. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in currency that is not the Group's functional currency. The Group has not entered into any derivative instruments for hedging or trading purposes.

Group 31 March 2010	Singapore Dollars	United States Dollars	Dubai Dirham	Others*	Total
	$'000	$'000	$'000	$'000	$'000
Financial assets					
Trade receivables	565	71	3,250	38	3,924
Other receivables and deposits	471	–	2	–	473
Other assets	1,654	–	–	–	1,654
Financial assets, at fair value through profit or loss	1,463	–	–	–	1,463
Cash and bank balances	62,630	673	28	103	63,434
	66,783	744	3,280	141	70,948
Financial liabilities					
Trade payables	43	418	–	142	603
Other payables and accruals	860	174	27	89	1,150
Due from a substantial shareholder (non-trade)	4,034	–	–	–	4,034
	4,937	592	27	231	5,787
Net financial assets (liabilities)	61,846	152	3,253	(90)	65,161
Less: Net financial assets denominated in the respective entities functional currencies	(61,846)	–	(3,253)	–	(65,099)
Foreign currency exposure	–	152	–	(90)	62

* Others comprise Hong Kong Dollars and Ringgit Malaysia.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

Group 30 September 2008	Singapore Dollars	United States Dollars	Dubai Dirham	Others*	Total
	$'000	$'000	$'000	$'000	$'000
Financial assets					
Trade receivables	1,021	4,096	5,891	472	11,480
Other receivables and deposits	686	–	285	–	971
Other assets	794	–	–	–	794
Financial assets, at fair value through profit or loss	2,279	–	–	–	2,279
Cash and bank balances	1,778	6,609	21	308	8,716
	6,558	10,705	6,197	780	24,240
Financial liabilities					
Trade payables	60	1,112	–	55	1,227
Other payables and accruals	6,058	401	29	–	6,488
Due from controlling shareholder (non-trade)	11,854	–	–	–	11,854
Borrowings	13,963	20,150	–	1,344	35,457
	31,935	21,663	29	1,399	55,026
Net financial (liabilities) assets	(25,377)	(10,958)	6,168	(619)	(30,786)
Less: Net financial liabilities (assets) denominated in the respective entities functional currencies	25,377	–	(6,168)	(285)	18,924
Foreign currency exposure	–	(10,958)	–	(904)	(11,862)

* Others comprise Chinese Renminbi, Hong Kong Dollars, Philippines Pesos and Ringgit Malaysia.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

Company 31 March 2010	Singapore Dollars $'000	United States Dollars $'000	Others* $'000	Total $'000
Financial assets				
Due from subsidiaries (non-trade)	19,523	20,997	–	40,520
Cash and bank balances	36,615	7	96	36,718
	56,138	21,004	96	77,238
Financial liabilities				
Other payables and accruals	316	–	84	400
	316	–	84	400
Net financial assets	55,822	21,004	12	76,838
Less: Net financial assets denominated in the entity functional currency	(55,822)	–	–	(55,822)
Foreign currency exposure	–	21,004	12	21,016

* Others comprise Hong Kong Dollars and Ringgit Malaysia.

Company

As at 30 September 2008, the only financial asset of the Company is amounts due from subsidiaries which are denominated in Singapore Dollar, the functional currency of the Company. There is no financial liability as at year-end. Hence, no foreign currency exposure is presented.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

Foreign exchange risk sensitivity

The following table details the sensitivity to a 5% increase and decrease in the Singapore Dollar against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates.

If the Singapore Dollar strengthens by 5% against the relevant foreign currencies, profit or loss and other equity will increase (decrease) by:

31 March 2010	**United States Dollars**	**Others**
	$'000	**$'000**
Group		
Profit (loss)/other equity	(8)	5
Company		
Profit (loss)/other equity	(1,050)	(1)

30 September 2008	**United States Dollars**	**Others**
	$'000	**$'000**
Group		
Profit (loss)/other equity	548	45
Company		
Profit (loss)/other equity	–	–

If the Singapore Dollar weakens by 5% against the relevant foreign currencies, profit or loss and other equity will increase (decrease) by:

31 March 2010	**United States Dollars**	**Others**
	$'000	**$'000**
Group		
Profit (loss)/other equity	8	(5)
Company		
Profit (loss)/other equity	1,050	1

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

If the Singapore Dollar weakens by 5% against the relevant foreign currencies, profit or loss and other equity will increase (decrease) by:

30 September 2008	**United States Dollars**	**Others**
	$'000	**$'000**
Group		
Profit (loss)/other equity	(548)	(45)
Company		
Profit (loss)/other equity	–	–

(ii) Interest rate risk

The Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure. The Group constantly monitors its interest rate risk and does not utilise currency forward contracts or other arrangements for trading or speculative purposes. As at 31 March 2010, there were no such arrangements, interest rate swap contracts or other derivative instruments outstanding.

The following table sets out the carrying amount, by maturity, of the Group's financial instruments, that are exposed to interest rate risk:

	Group	
	31 March 2010 $'000	**30 September 2008 $'000**
Within 1 year – fixed rates		
Fixed deposits placed with financial institutions	5,900	6,597
Due to a substantial shareholder (non-trade)	–	10,000
On demand or within 1 year – floating rates		
Borrowings	–	35,457
Within 2 to 5 years – fixed rates		
Due to a substantial shareholder (non-trade)	–	1,854
Other assets	–	794

Interest in financial instruments subject to floating interest rates is repriced regularly. Interests on financial instruments at fixed rates are fixed until the maturity of the instruments. The other financial instruments of the Group that are not included in the above table are not subject to interest rate risks.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(b) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

Group	On demand or within 1 year	Within 2 to 5 years
	$'000	$'000
31 March 2010		
Trade payables	603	–
Other payables and accruals	1,150	–
Due to a substantial shareholder (non-trade)	4,034	–
	5,787	–
30 September 2008		
Trade payables	1,227	–
Other payables and accruals	6,488	–
Due to a substantial shareholder (non-trade)	10,000	1,854
Borrowings	35,457	–
	53,172	1,854

Company	On demand or within 1 year	Within 2 to 5 years
	$'000	$'000
31 March 2010		
Other payables and accruals	400	–

As at 30 September 2008, the Company does not have any financial liabilities.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties. Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Directors based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by respective management.

The Group does not have significant concentration of credit risk with any single entity as at 31 March 2010 and 30 September 2008. The average credit period generally granted to trade receivables customers is about 30 to 180 days (30 September 2008: 30 to 210 days).

As the Group and the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet. The credit risk for trade receivables based on the information provided to key management is as follows:

	Group	
	31 March 2010 $'000	**30 September 2008 $'000**
By geographical areas		
– Asia	603	2,197
– Africa	71	1,815
– Indian Sub-continent	–	851
– Middle East	3,250	6,617
	3,924	11,480
By types of customers		
Related parties	–	1
Non-related parties		
– Corporate	650	2,356
– Individuals	3,274	9,123
	3,924	11,480

The carrying amounts of cash and bank balances, trade and other receivables, including due from subsidiaries (non-trade), represent the Group's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

Cash and bank balances are placed with reputable local financial institutions. Therefore, credit risk arises mainly from the inability of its customers to make payments when due. The amounts presented in the balance sheet are net of allowances for impairment of trade receivables, estimated by management based on prior experience and the current economic environment.

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(c) Credit risk (Continued)

The age analysis of trade receivables is as follows:

	Group	
	31 March 2010	30 September 2008
	$'000	$'000
Not past due and not impaired	347	918
Past due but not impaired		
– Past due 0 to 3 months	282	1,225
– Past due 3 to 6 months	33	750
– Past due over 6 months	3,262	8,587
	3,577	10,562
Pass due and impaired trade receivables	4,530	43,003
Less: Impaired trade receivables	(4,530)	(43,003)
	3,924	11,480

The movement in allowance for impairment loss is disclosed in Note 8.

Trade receivables that are individually determined to be impaired at the balance sheet date related to debtors that are in financial difficulties and have defaulted on payments as well as by reference to past default experience.

Included in the Group's trade receivables balances are debtors with total carrying amount of approximately $3,577,000 (2008: $10,562,000) which are past due but not impaired as there has not been a significant change in credit quality and the amounts are still considered recoverable.

(d) Fair values of financial assets and financial liabilities

(i) Fair value of financial instruments that are carried at fair value

Fair value hierarchy

Effective 1 January 2009, the Group adopted the amendment to FRS 107 which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy.

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

(d) Fair values of financial assets and financial liabilities (Continued)

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy as at 31 March 2010:

	Group			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Equity instruments (quoted)	1,463	–	–	1,463

Equity instruments: Fair value is determined by reference to their published market bid price at the balance sheet date.

(ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and bank balances, trade and other current receivables and payables and amount due to substantial shareholder and subsidiaries are reasonable approximation of fair values due to the relatively short-term maturity of these financial instruments.

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

The fair values are determined from a discounted cash flow analysis, using a discount rate of 8% (2008: 8%) per year which is approximately 3% premium of the prime rate at the balance sheet date. The carrying amounts and fair values of non-current trade receivables, other assets and amount due to a substantial shareholder (non-trade) are as follows:

Group	Carrying Amounts		Fair Values	
	31 March 2010 $'000	30 September 2008 $'000	31 March 2010 $'000	30 September 2008 $'000
Non-current				
Trade receivables	–	140	–	140
Other assets:				
– Long term deposit	1,654	–	1,654	–
– Convertible loan receivable	–	794	–	794
Due to a substantial shareholder (non-trade)	–	1,854	–	1,854

(Amounts in thousands of Singapore dollars)

32. FINANCIAL INSTRUMENTS (Continued)

Capital risk management policies and objectives

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which amount due to a substantial shareholder (non-trade) as disclosed in Note 18, cash and bank balances as disclosed in Notes 14 and equity attributable to equity holders of the Company, comprising issued share capital and other reserves as disclosed in Notes 3 to 5.

The Board of Directors reviews the capital structure on an annual basis. As part of this review, the board considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the board, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the issue of new debt. The Group's overall strategy remains unchanged from 2008.

The Group and Company are in compliance with all externally imposed capital requirements for the financial period from 1 October 2008 to 31 March 2010 and the period from 1 October 2007 to 30 September 2008.

33. COMPARATIVES

During the current financial period, the Company changed its financial year-end from 30 September to 31 March to align its financial year end with that of its controlling shareholder, Telemedia Pacific Group Limited.

Accordingly, the current financial statements are presented for the 18-month period from 1 October 2008 to 31 March 2010 and the balance sheet as at 31 March 2010. The comparative financial statements are presented from 1 October 2007 to 30 September 2008 and as at 30 September 2008.

INFORMATION ON SHAREHOLDING

Issued and fully paid-up capital	:	S$134,666,428.55
Number of shares issued	:	5,995,789,828
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

Distribution of shareholdings as at 18 June 2010

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 999	50	0.41	23,173	0.00
1,000 – 10,000	4,749	38.72	18,757,762	0.32
10,001 – 1,000,000	7,301	59.52	904,357,766	15.08
1,000,001 and above	166	1.35	5,072,651,127	84.60
Total	12,266	100.00	5,995,789,828	100.00

Based on the information available to the Company as at 18 June 2010, approximately 38.6% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Limited is complied with.

Twenty largest shareholders as at 18 June 2010

No.	Name of Shareholders	No. of Shares	%
1	Telemedia Pacific Group Limited	2,265,500,000	37.78
2	Phillip Securities Pte Ltd	1,131,634,999	18.88
3	Straits Law Practice LLC	600,000,000	10.01
4	United Overseas Bank Nominees Pte Ltd	116,538,711	1.94
5	Wong Kwan Seng Robert	76,000,000	1.27
6	Miao Mingfeng	74,634,000	1.24
7	Kim Eng Securities Pte. Ltd.	71,720,886	1.20
8	Ban Joo Investment (Pte) Ltd	44,774,887	0.75
9	OCBC Securities Private Ltd	42,539,024	0.71
10	Wisanggeni Lauw	38,533,333	0.64
11	Lee Keng Weng Levin	38,506,000	0.64
12	Neo Ban Chuan	37,209,000	0.62
13	Lam Ah Seng @ Lam Pang Chuang	30,882,901	0.52
14	Song Yafen	28,996,000	0.48
15	Ace Pacific Capital Pte Ltd	26,432,000	0.44
16	HSBC (Singapore) Nominees Pte Ltd	25,160,000	0.42
17	Chan Keng Chun (Zhen Qingquan)	16,520,000	0.28
18	DBS Nominees Pte Ltd	16,391,799	0.27
19	Lim Seck Yeow	14,000,000	0.23
20	UOB Kay Hian Pte Ltd	13,949,000	0.23
	Total:	4,709,922,540	78.55

Substantial Shareholders

Name of Shareholders	Direct Interest No. of Shares	% of Issued Capital (1)	Deemed Interest No. of Shares	% of Issued Capital (1)
Telemedia Pacific Group Limited (2)	2,265,500,000	37.78	732,500,000	12.22
Great Partner Industries Limited (3)	–	–	2,998,000,000	50.00
Rariro International Enterprise (HK) Limited (3)	–	–	2,998,000,000	50.00
Family Unit Foundation Ltd (3)	–	–	2,998,000,000	50.00
Hady Hartanto (4)	–	–	2,998,000,000	50.00
Hardi Koesnadi (4)	–	–	2,998,000,000	50.00
Ban Joo Investment (Pte) Ltd ("BJI") (5)	44,774,887	0.75	600,000,000	10.01
Lam Ah Seng @ Lam Pang Chuang (6)	30,882,901	0.52	644,774,887	10.75

Notes:

1. The percentage of issued share capital is calculated based on 5,995,789,828 shares.
2. Telemedia Pacific Group Limited is deemed to be interested in 732,500,000 shares held through Phillip Securities Pte Ltd.
3. These companies are deemed to have an interest in 2,998,000,000 shares held by Telemedia Pacific Group Limited by virtue of Section 7 of the Companies Act.
4. Mr Hady Hartanto and Mr Hardi Koesnadi are deemed to have an interest in 2,998,000,000 shares held by Telemedia Pacific Group Limited by virtue of Section 7 of the Companies Act.
5. BJI is deemed to be interested in 600,000,000 shares held by Straits Law Practice LLC who is holding the same as escrow agent.
6. Mr Lam Ah Seng @ Lam Pang Chuang is deemed to have an interest in 644,774,887 shares held by BJI by virtue of Section 7 of the Companies Act.

INFORMATION ON WARRANTHOLDING

Distribution of Warrantholdings as at 18 June 2010

Size of warrantholdings			No. of warrantholders	%	No. of Warrants	%
1	–	999	79	4.08	45,707	0.00
1,000	–	10,000	508	26.24	2,857,171	0.25
10,001	–	1,000,000	1,244	64.26	186,834,887	15.98
1,000,001 and above			105	5.42	979,308,169	83.77
Total			1,936	100.00	1,169,045,934	100.00

Twenty largest warrantholders as at 18 June 2010

No.	Name of warrantholders	No. of Warrants	%
1	Chan Keng Chun (Zhen Qingquan)	220,000,000	18.82
2	United Overseas Bank Nominees Pte Ltd	143,687,331	12.29
3	Citibank Nominees Singapore Pte Ltd	134,197,000	11.48
4	Phillip Securities Pte Ltd	79,158,760	6.77
5	Ban Joo Investment (Pte) Ltd	48,036,962	4.11
6	HSBC (Singapore) Nominees Pte Ltd	24,500,000	2.10
7	Goh Lee Cheng @ Cheng Lee Cheng	24,000,000	2.05
8	Lam Sze Min	14,624,000	1.25
9	Lim Yan Ling	13,083,000	1.12
10	Chew Choy Seng	13,000,000	1.11
11	Tay Aik Kong	11,500,000	0.98
12	Tan Chiang Peng	10,000,000	0.85
13	Yeo Seng Buck	8,000,000	0.68
14	OCBC Securities Private Ltd	7,852,567	0.67
15	Kim Eng Securities Pte. Ltd.	7,527,172	0.64
16	Lee Jing Yi	7,200,000	0.62
17	Goh Choon Wei Or Goh Soon Poh	7,000,000	0.60
18	Elaine Goh Hwee Sar (Elaine Wu Huisha)	5,800,000	0.50
19	CIMB Securities (Singapore) Pte Ltd	5,127,000	0.44
20	Ong Kah Lam	5,097,000	0.44
	Total:	789,390,792	67.52

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ban Joo & Company Limited (the "Company") will be held at Copthorne Orchid Hotel, 214 Dunearn Road, Singapore 299526 on Wednesday, 28 July 2010 at 10.00 a.m., to transact the following businesses:-

(A) ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Accounts for the financial period ended 31 March 2010 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring pursuant to the Company's Articles of Association:

   (i) Mr Lam Ah Seng @ Lam Pang Chuang (Article 91) **(Resolution 2)**
   (ii) Dr Lam Lee G. (Article 91) *[See Explanatory Note (i)]* **(Resolution 3)**
   (iii) Mr Tay Thai Seng (Article 91) **(Resolution 4)**
   (iv) Mr Tan Jooi Boon (Article 97) **(Resolution 5)**
   (v) Mr Tao Yeoh Chi (Article 97) *[See Explanatory Note (ii)]* **(Resolution 6)**

3. To approve the payment of Directors' fees of S$376,024 (2008: S$110,000) for the financial period ended 31 March 2010. **(Resolution 7)**

4. To re-appoint Messrs Horwath First Trust LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 8)**

(B) SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following resolution as Ordinary Resolution, with or without amendments: **(Resolution 9)**

   General Share Issue Mandate

   "That pursuant to Section 161 of the Companies Act, Cap. 50 and the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:

   (a) (i) allot and issue shares, whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued during the continuance of such authority or thereafter, including but not limited to the creation and issue (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Board may, in their absolute discretion, deem fit; and

   (b) issue Shares in pursuance of any Instrument made or granted by the Board while such authority was in force (notwithstanding that such issue of the Shares pursuant to the Instruments may occur after the expiration of the authority contained in this Resolution);

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed 50% of the issued shares in the capital of the Company (excluding treasury shares) (as calculated in accordance with sub-paragraph (2) below) of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(aa) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

(bb) any subsequent consolidation or subdivision of shares;

(3) the 50% limit in sub-paragraph (1) above may be increased to 100% for the Company to undertake pro-rata renounceable rights issues;

(4) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company;

(5) unless revoked or varied by the Company in general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting ("AGM") of the Company is required by law to be held, whichever is the earlier." *[See Explanatory Note (iii)]*

6. To consider and, if thought fit, to pass the following resolution as Ordinary Resolution, with or without amendments: **(Resolution 10)**

Authority to issue shares at a discount

"That subject to and pursuant to the share issue mandate in resolution 9 above being obtained, authority be and is hereby given to the Directors to issue new shares other than on a pro-rata basis to shareholders of the Company at an issue price per new share which shall be determined by the Directors in their absolute discretion provided that such price shall not represent more than 20% discount for new shares to the weighted average price per share determined in accordance with the requirements of the SGX-ST." *[See Explanatory Note (iv)]*

7. To transact any other business that may be properly transacted at an Annual General Meeting.

Explanatory Notes:

(i) Dr Lam Lee G. will, upon re-election as a Director of the Company, remain as Chairman of the Audit Committee, Nominating Committee and Remuneration Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

(ii) Mr Tao Yeo Chi will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

(iii) The Ordinary Resolution 9 proposed in item 5 above, if passed, will empower the Directors of the Company to issue shares up to 50% of the Company's issued share capital, with an aggregate sub-limit of 20% of the Company's share capital for any issue of shares not made on a pro-rata basis to shareholders of the Company. The 50% limit referred to in the preceding sentence may be increased to 100% for the Company to undertake pro-rata renounceable rights issues from the date of the AGM until 31 December 2010 or such timeline as may be prescribed by the SGX-ST.

(iv) The Ordinary Resolution proposed in item 6 above, if passed, will authorise the Directors to issue new shares (other than on a pro-rata basis to shareholders of the Company) at an issue price of up to 20% discount to the weighted average price per share. The Ordinary Resolution 10 above is pursuant to measures implemented by the SGX-ST as stated in a press release entitled "SGX introduces further measures to facilitate fund raising" dated 19 February 2009 which became effective on 20 February 2009 and will expire on 31 December 2010 unless extended.

BY ORDER OF THE BOARD

Wee Woon Hong
Lee Hock Heng
Company Secretaries

13 July 2010

Notes:

(i) A member of the Company entitled to attend and vote at the above Meeting may appoint not more than two proxies to attend and vote instead of him.

(ii) Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.

(iii) If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

(iv) The instrument appointing a proxy must be deposited at the Registered Office of the Company at 25 Circular Road, Singapore 049381, not less than 48 hours before the time appointed for holding the above Meeting.

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BAN JOO & COMPANY LIMITED
(Registration No.: 196400100R)
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING

Important:
1. For investors who have used their CPF monies to buy the Shares, this report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We*, ______________________________ (Name) NRIC/Passport No.* ____________________ of

____ (Address)

being a shareholder/shareholders of BAN JOO & COMPANY LIMITED (the "Company") hereby appoint :

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

and/or *

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

or failing him/her, the Chairman of the Annual General Meeting (the "AGM") of the Company as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf and, if necessary, to demand a poll at the AGM of the Company to be held at Copthorne Orchid Hotel, 214 Dunearn Road, Singapore 299526 on 28 July 2010 at 10.00 a.m., and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the Ordinary Resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.)

No.	**Resolutions**	**For**	**Against**
1.	Adoption of Directors' Report and Audited Accounts for the financial period ended 31 March 2010		
2.	Re-election of Mr Lam Ah Seng @ Lam Pang Chuang as Director		
3.	Re-election of Dr Lam Lee G. as Director		
4.	Re-election of Mr Tay Thai Seng as Director		
5.	Re-election of Mr Tan Jooi Boon as Director		
6.	Re-election of Mr Tao Yeo Chi as Director		
7.	Approval of Directors' Fees for the financial period ended 31 March 2010		
8.	Re-appointment of Messrs Horwath First Trust LLP as Auditors and authorise the directors to fix their remuneration		
9.	Approval to allot and issue of shares and convertible securities		
10.	Authority to issue shares at a discount		

* Delete accordingly.

Dated this ____________________ day of ____________________ 2010.

Signature(s) of Shareholder(s)/or
Common Seal of Corporate Shareholder

Total Number of Shares held

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50), you should insert that number of shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

3. The instrument appointing the a proxy or proxies must be deposited at the Company's registered office at 25 Circular Road, Singapore 049381, not less than 48 hours before the time appointed for the meeting.

4. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its Common Seal or under the hand of its attorney or a duly authorised officer.

Fold along dotted line

Affix
Postage
Stamp

The Company Secretary

Ban Joo & Company Limited

25 Circular Road
Singapore 049381

Fold along dotted line

6. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50.

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose Shares are entered against his/her name in the Depository Register, the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register 48 hours before the time appointed for holding the meeting, as certified by the Depository to the Company.

萬裕有限公司
BAN JOO & COMPANY LIMITED
Co. Regn No. 196400100R

25 Circular Road, Singapore 049381
Tel: (65) 6533 8338 Fax: (65) 6533 2596