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Alpha Energy Holdings Limited
(formerly known as JK Tech Holdings Limited)
Annual Report 2015

This annual report has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this annual report, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.
This financial year was marked by the diversification of the Group into the new business of exploration, exploitation and production of oil and gas (the “New Business”).
Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present to you the annual report for Alpha Energy Holdings Limited (formerly known as JK Tech Holdings Limited) for the financial year ended 31 March 2015 (“FY2015”). In FY2015, the Group’s IT business continued to perform solidly. The Group diversified into the new business of exploration, exploitation and production of oil and gas (the “New Business”) at the end of the 2nd quarter of FY2015.

The Group obtained the approval of shareholders at the extraordinary general meeting held on 22 May 2014 for the proposed diversification of the Group into the New Business.

As the first step in diversifying into the New Business, the Group acquired an interest in the Mustang Field which is located on the North Slope of Alaska, United States of America ("USA"). The Group believes that the acquisition of the Mustang Field represents a good opportunity to expand into the New Business after taking into consideration the quality of the Mustang Field, which are as follows:–

- it is located in Alaska, USA, a country with an established oil and gas legal framework and infrastructure;
- it has completed the exploration phase and has proved reserves; and
- upon commencement of production, the Mustang Field is expected to contribute positively to the Group’s financial results and cash flow.

THE NEW BUSINESS
The Company entered into the New Business at the end of the 2nd quarter of FY2015, comprising:

- a 38.2% working interest ("WI") in the Mustang Field;
- a 52.5% membership interest in Mustang Road, LLC; and
- a 46.8% interest in various oil concession leases in Alaska.

The Mustang Operations Centre, LLC has been contracted to build and operate the Mustang Operations Centre through which oil production from the field will be processed. The Group placed 8.6% of its WI in the Mustang Field as security for future lease payments, hence the WI decreased from 46.8% to 38.2%.

MUSTANG FIELD
The Mustang Field is a prospective oil field in the Southern Miluveach Unit which encompasses approximately 7,680 acres (31 square kilometer) in the North Slope oil productive region of Alaska. Mustang Field is adjacent to the southwestern corner of the Kuparuk River Oil Field, the second largest oil field in North America having produced approximately 2.7 billion barrels of oil.

The Mustang Field is served by established infrastructure in the form of a seven (7) kilometer all-weather access road and a 70,400 square meter gravel production pad (the “Gravel Road and Gravel Production Pad”) which can accommodate a 15,000 barrels of oil per day ("bopd") production...
facility. The Mustang Field is also located about 200 meters away from the Alpine Oil Pipeline, a distribution channel for processed crude oil.

**MUSTANG ROAD, LLC**

Mustang Road, LLC is a limited liability corporation incorporated in the State of Alaska and it owns the Gravel Road and Gravel Production Pad. The Gravel Road and Gravel Production Pad are expected to enhance the future development of the Mustang Field as they allow all-weather access into and the construction of a production facility on the Mustang Field.

The Gravel Road and Gravel Production Pad were also extensively used by adjacent oil majors for their exploration and development work in the nearby fields during the calendar year 2014 for which they paid lease income to the Group of S$2.04 million.

**FUND RAISING FOR NEW BUSINESS**

During FY2015, the Group raised funds for the New Business through share placements and raised gross proceeds of S$64.5 million.

**ACKNOWLEDGEMENTS**

On behalf of the Board, I would like to thank all our customers, vendors, business partners, bankers and shareholders for their continuing support. I would also like to express my sincere appreciation to our management and staff for their dedicated work and commitment during the past year and our Directors for their advice and guidance, and we look forward to working with all of them in the coming year.

Mr Ravinder Singh Grewal s/o Sarbjit Singh
Independent Non-Executive Chairman

Mr Ang Yew Jin Eugene
Managing Director
Corporate Structure

ALPHA ENERGY HOLDINGS LIMITED
(formerly known as JK Tech Holdings Limited)

IT BUSINESS

100% → JK TECHNOLOGY PTE LTD
100% → MAGENTA CONSULTING PTE LTD
100% → JK TECH SYSTEMS (M) SDN BHD
25% → PRO-DATECH SYSTEMS PTE LTD

E & P BUSINESS

100% → JK E&P GROUP PTE LTD
100% → CONQUEST ENERGY PTE LTD
99% → JK NORTH SLOPE GROUP INC SRL
1% → JK NORTH SLOPE LLC
100% → CARACOL PETROLEUM LLC
38.2% → MUSTANG PROJECT
The Mustang Field is a prospective oil field in the Southern Miluveach Unit which encompasses approximately 7,680 acres (31 square kilometer) in the North Slope oil productive region of Alaska.
Financial Highlights

**Revenue**
Revenue increased by 45% in FY2015 to S$48.14 million. Revenue derived from the supply and delivery segment accounted for approximately 86% of our Group’s total revenue in FY2015. Revenue from the supply and delivery segment increased by 39% to S$41.32 million in FY2015. The increase mainly arose from increased sales generated by our expanding sales team and increased business opportunities. Revenue from the systems integration and services segment increased by 99% to S$6.82 million in FY2015 as the Group managed to secure more such projects.

**Gross Profit Margin**
Gross profit decreased by 1% to S$4.02 million in FY2015. Gross profit from the supply and delivery segment decreased by 69% to S$0.66 million in FY2015 due to new contracts secured at lower margins. Gross profit from the systems integration and services segment increased by 75% to S$3.35 million in FY2015, as the Group managed to secure better margins for such projects.

Gross profit margin decreased from approximately 12% in FY2014 to 8% in FY2015. The decrease in gross profit margin was mainly attributable to new contracts secured at lower margins from the supply and delivery segment.

**Other Income**
In FY2015, other income increased by S$7.01 million. This was mainly due to the re-measurement of US denominated amount owing by a subsidiary which resulted in an exchange gain of S$4.74 million upon appreciation of US dollar during the year and rental income of S$2.04 million due to the Group’s leasing of the Mustang production pad and access road to third parties during the year.

**Selling and Distribution Expenses**
Selling and distribution expenses increased by 27% to S$1.57 million in FY2015, mainly due to the increase in sales staff related costs, such as base salaries and sales commission and number of sales staff.

**General and Administrative Expenses**
General and administrative expenses increased by 131% to S$4.61 million in FY2015. This was mainly due to the increase in legal and professional fees of S$1.11 million incurred for the diversification of business and increase in salaries and bonus of S$0.47 million arising from the increase in base salaries and number of support staff.

**Other Expenses**
The significant increase in other expenses to S$3.26 million in FY2015 was mainly due to one-off additional expenses related to the New Business.

**Finance Costs**
The significant increase in finance costs to S$0.39 million in FY2015 was consistent with the additional loan facilities obtained during the year.

**Net Profit**
As a result of the above, the Group achieved a profit after tax of S$1.25 million in FY2015, as compared to a profit after tax of S$1.15 million in FY2014.

**Financial Position**
As at 31 March 2015, the Group’s statement of financial position remained healthy with total cash and cash equivalents of S$7.26 million and shareholders’ equity of S$74.93 million.
The Group’s total assets increased by S$112.80 million, from S$13.67 million as at 31 March 2014 to S$126.47 million as at 31 March 2015, driven primarily by the following:-

- Increase in trade receivables by S$2.80 million to S$9.41 million as at 31 March 2015, which was in line with the increase in revenue;
- Increase in other receivables by S$13.87 million to S$14.03 million as at 31 March 2015, which was mainly due to recoverable cash tax credit of S$13.46 million for which the Company is eligible to receive from the Alaskan State Government for certain capital expenditures incurred for the Mustang Project;
- Increase in inventories by S$2.42 million to S$5.88 million as at 31 March 2015, as the Group continued to build up inventories for our rental and leasing business and on-going larger sized projects for our IT business;
- Increase in cash and cash equivalents by S$5.01 million to S$7.26 million as at 31 March 2015, mainly as a result of the proceeds received from the issuance of new shares during the year;
- Exploration, evaluation and development assets of S$77.12 million for the Mustang Project; and
- Available-for-sale investments of S$10.96 million mainly due to the acquisition of a majority interest in Mustang Road, LLC of S$8.51 million in which the only asset is the Mustang production pad and access road and approximately S$2.39 million pertaining to shares held in Ezion Holdings Limited (“Ezion”) from the diversification exercise completed during the year.

The Group’s total liabilities increased by S$44.10 million, from S$7.45 million as at 31 March 2014 to S$51.55 million as at 31 March 2015, mainly attributable to the increase in trade payables of S$18.99 million to S$25.24 million mainly due to outstanding amount related to the Mustang Project and increase in other payables of S$22.66 million to S$22.83 million mainly due to the Mustang Project, for the recognition of deferred consideration for the Mustang Project.

**CASH FLOW**

The Group recorded net cash used in operating activities of S$15.02 million in FY2015 which comprised operating cash inflow before movements in working capital of S$3.60 million, primarily adjusted for a net decrease in working capital of S$18.62 million. The net decrease in working capital mainly arose from the increase in trade and other receivables of S$15.95 million mainly due to recoverable cash tax credits of approximately S$13.46 million and increase in inventories of S$2.72 million which was mainly attributed to the increase in revenue and operations for the IT business.

The Group recorded net cash used in investing activities of S$45.73 million in FY2015, primarily attributable to the purchase of exploration, evaluation and development assets with regards to the Mustang Project of S$35.99 million and available-for-sale investment of S$8.03 million in the Mustang production pad and access road.

The Group recorded net cash from financing activities of S$64.77 million in FY2015 mainly due to net proceeds from the issuance of shares of S$63.65 million.

As at 31 March 2015, the Group posted a negative working capital position of S$1.20 million. The Group intends to fund the negative S$1.20 million working capital with the executed credit facility with a financial institution and future tax rebates are anticipated to be paid by the Alaskan State Government between August 2015 and August 2016. As at 31 March 2015, the Group also has shares in Ezion valued at S$2.39 million which are readily available for sale.
The Group has three business segments, namely Supply and Delivery, Systems Integration and Services and Exploration and Production. Total revenue grew by 45% or S$15.01 million in FY2015.

The Supply and Delivery segment and the Systems Integration and Services segment contributed S$11.61 million and S$3.40 million, respectively, to the increase in total revenue in FY2015. No revenue was derived from the Exploration and Production segment in FY2015.

**SUPPLY AND DELIVERY SEGMENT**

In the Supply and Delivery segment, which represented about 86% of the Group’s total sales in FY2015, the Group represented some of the leading names in the computer hardware and software industry – Adobe, APC, Apple, Autodesk, Canon, Cisco, Dell, Fortinet, Hewlett Packard, IBM, Lenovo, Microsoft, Samsung, Symantec and Trendmicro. Gross profit from this segment decreased by 69% due to new contracts secured at lower margins.

**SYSTEMS INTEGRATION AND SERVICES SEGMENT**

Sales from the Systems Integration and Services business represented about 14% of the Group’s total sales in FY2015. This segment focuses on providing IT solutions, analysis of our clients’ infrastructure needs and the integration of hardware and software components required to implement the systems architecture and specified software solutions to cater for different applications required by our clients. Gross profit from this segment increased by 75% as the Group managed to secure better margins for such projects.

**EXPLORATION AND PRODUCTION SEGMENT**

The diversification of business into exploration and production only took place in FY2015.
Disclosures Relating to Mineral, Oil and Gas Companies

As announced on 1 July 2015, the Company will be henceforth deemed as a mineral, oil and gas (“MOG”) company based on its audited consolidated financial statements for the financial year ended 31 March 2015. As such, the Company is required to comply with the disclosure rules applicable to the MOG companies.

The Group has engaged US-based petroleum consulting company, DeGolyer & MacNaughton to issue a Qualified Person’s Report (“QPR”) dated no earlier than 31 March 2015 on the Group’s relevant assets in the Mustang Field. Additional information received through the drilling of SMU-02 and SMU-03 wells in March and April 2015 is currently being incorporated into the QPR.

The Company has applied to the Singapore Exchange Securities Trading Limited (“SGX-ST”) for an extension of time to issue the QPR and resultant Summary of Reserves and Resources (“R&R Summary”) in this Annual Report as required by the Listing Manual (Section B: Rules of Catalist) of the SGX-ST. It is envisaged that the QPR and the R&R Summary would be ready for circulation to the shareholders no later than 15 August 2015. The Company will announce the outcome of the extension application in due course.

MUSTANG FIELD OPERATIONS REVIEW

After the completion of the acquisition of the Mustang Field leases and assets, SMU-02 (Lipizzan) well was drilled and successfully reached its target depth of 9,140 feet measured depth (“MD”). The SMU-02 well is intended to be a water injector well that will be used to maintain reservoir pressure when production operations commence.

The well intersected approximately 13 feet of the targeted Kuparuk “C” Sand, which is in accordance with pre drill expectations. Additionally, 15 feet of Kuparuk “A” Sand was intersected below the “C” Sand.

The “A” Sand was not visible on 3D seismic and was not expected to be intersected at this location. The current independently assessed reserves of the Mustang Project make no provision for any “A” Sand reserves.

The “A” Sand is a prolific producing sand in nearby fields and makes up the majority of the 2.7 billion barrels of oil produced from the Kuparuk Sand formation in those fields.

The Group’s cost of the SMU-02 well, net of cash tax rebates from the Alaskan State Government, was approximately US$9.0 million which was higher than pre drill estimates. The cost overruns were as a result of adverse geological conditions and poor drilling rig performance. It is the Group’s intention to seek a credit from the drilling contractor as compensation for the poor performance while drilling the SMU-02 well.

In March 2015, drilling operations on the SMU-03 (Shamrock) well commenced. The SMU-03 well was intended to be a horizontal producer well when the Mustang Field commences production.

The surface section of the well was successfully drilled to approximately 2,500 feet and cased. The intermediate section of the well was successfully drilled to 7,231 feet MD and casing was run, however just prior to cementing operations shallow sections of the well started to become unstable meaning cementing the well would be problematic. Attempts were made to stabilise the well to allow cementing to take place but these were unsuccessful and a decision was made to plug and temporarily abandon the well so as to allow further studies to be undertaken.

Drilling rig performance on the SMU-03 well improved significantly compared to SMU-02. A total amount of US$5.62 million has been expended on SMU-03 after plugging operations were completed.

In April 2015, the Group put in place a funding agreement with ING Capital, LLC. The facility provides funding of the cash tax credits available from the Alaskan State Government and reduces the Group’s capital contribution in any well by approximately 40%.
Disclosures Relating to Mineral, Oil and Gas Companies

The original development plan had a total of 23 wells made up of 12 horizontal producers and 11 vertical injectors being drilled. Given the decline in oil prices from in excess of US$100 per barrel to US$60 per barrel, a revised development plan has been completed which maximises field economics and has a total of 11 wells being drilled made up of 6 horizontal producers and 5 vertical injectors, of which the SMU-02 well was the first vertical injector.

The construction and financing of the Mustang Operations Centre ("MOC") is being undertaken by third parties from whom the MOC will be leased by the Mustang Project partners, including the Group. The Group also understands that the continued progress of the Mustang Operations Centre towards commissioning is dependent on continued development drilling under the revised development plan.

The Group continues to evaluate opportunities to acquire additional oil and gas projects, and we are focusing on projects that are in or near production and which have proven reserves.

SUSTAINABILITY

The Group’s mission is to operate a safe, environmentally responsible North Slope Oil Exploration and Development project. Utilizing experienced land, exploration and operations employees, the Group intends to grow from startup oil exploration and appraisal company to a significant business enterprise.

The Group will collaborate with employees, stakeholders, other companies and governmental entities to ensure compliance and maximize investments while keeping the costs of exploration and development low.

SAFETY, HEALTH AND ENVIRONMENTAL MANAGEMENT POLICY

The Group’s vision is to cause no harm to people, no damage to the environment, while achieving full compliance with applicable regulations and standards. Excellence in health, safety and environmental (HSE) compliance and performance will demonstrably improve production, profit and public image.

To meet show our commitment to this vision, the Group shall:

- Assign clear HSE responsibilities to employees;
- Assign clear HSE responsibilities to the Group contractors;
- Allocate the necessary resources to meet HSE responsibilities;
- Utilize highly trained professionals and experts;
- Evaluate, document and recognize performance and behaviors consistent with HSE policies and compliance standards;
- Integrate HSE and compliance programs with processes to continually improve production and performance;
- Improve HSE performance;
- Facilitate communication within the Group to ensure HSE policies are integrated into commercial agreements, operational decisions and work planning procedures; and
- Enhance HSE strategies by welcoming suggestions for improvement from user groups, regulatory authorities and reviewers.

HSE MANAGEMENT SYSTEM

The Group is committed to the implementation of an integrated Safety, Health, and Environmental Management System (SHEMS) for the Group project operations. SHEMS objectives and targets for its project operations are as follows:

- Fulfils permit requirements to ensure zero compliance actions;
- Implements environmental controls and strategies to ensure zero spills or compliance actions;
- Develops contractors work plans and trains workers so that there are zero injuries or compliance actions;
Achieves compliance with permits, governmental requirements and the North Slope Oil Producers (NSOP) rules;
Meets the philosophy and beliefs of the Group;
Supports the achievement of the Group’s objectives by providing leadership and guidance in matters involving HSE; and
Achieves Occupational, Health and Safety Administration (OSHA) compliance; and
Verifies that HSE performance objectives are met.

GOALS AND OBJECTIVES OF SHEMS PROGRAM
Safety, health and pollution prevention are the fundamental responsibility of each individual person. SHEMS promotes HSE at the Group. Contractors’ HSE programs are the responsibility of each contractor. Experience has shown that integrating contractors’ HSE programs and SHEMS reduces loss incidents and improves productivity among contractors and work groups. Accordingly, the Group emphasizes that all HSE programs objectives remain foremost in everyone’s thoughts and conduct:
Safe and environmentally sound operations are a priority management objective;
HSE concerns and accountability are addressed through chain-of-command managers and augmented by other tiers of the Group organization;
Operations are conducted by professionals, whose expertise demonstrates their ability to take swift, preventative actions;
Work activities and locations are evaluated and hazards are identified;
Hazards are controlled using best available technologies for safety engineering and personal protection; and
Comprehensive training and certifications demonstrate employees are skilled at their jobs.
The SHEMS program provides a structured approach for demonstrating and improving HSE performance and compliance.

LEGAL, REGULATORY AND PERMIT COMPLIANCE
The Group operates in compliance with the applicable legal, federal, state and local government rules and regulations, and policy-driven environmental requirements for field project operations on the North Slope.
The Group reviews some of the work plans and operational guidelines for the project and monitors contractors for compliance with these plans. The Group, and its contractors, once notified of a regulatory change, operational change, or other information that may affect the project, are responsible for communication of that change to the affected parties.

OBJECTIVE AND GOALS FOR TRAINING
The Group requires HSE training that is consistent with applicable governmental rules and regulatory requirements and job responsibilities for its employees and contractors’ employees.
Project and position specific training that is consistent with operational and maintenance responsibilities is provided by the contractors to employees who have the potential to impact health, safety and the environment.
Board of Directors

1. **MR RAVINDER SINGH GREWAL S/O SARBJIT SINGH**
   
   **Independent Non-Executive Chairman**

   Mr Ravinder was appointed as Non-Executive Independent Director on 6 June 2014 and as the Chairman of the Board on 4 September 2014. He has extensive experience in private equity and corporate finance. He was with Standard Chartered Bank from 1997 to 2014, with his last position as a Managing Director in the private equity division. He has more than 20 years of experience in corporate finance and private equity. His corporate finance deals have included IPOs and bond issues in Singapore, merger and acquisition transactions in South-East Asia as well as debt restructuring transactions in Malaysia and Indonesia. His private equity deals have included development capital investments and buy-outs in the region. He previously worked for DBS Bank Ltd in Singapore. Mr Ravinder is a graduate of the University of New South Wales, Australia, with a Bachelor of Commerce Degree. He is also a member of the Certified Public Accountants of Australia.

2. **MR ANG YEW JIN EUGENE**
   
   **Managing Director**

   Mr Ang is responsible for developing and steering our corporate directions and strategies, overseeing day-to-day management as well as our strategic and business development. Mr Ang has more than 25 years of experience in the IT industry and business and has contributed significantly to our growth in the last 24 years. Prior to establishing JK Technology Pte. Ltd. (a wholly-owned subsidiary of our Company) in 1990, he was a private banking officer with Rabobank Asia Limited from 1988 to 1990. From 1987 to 1988, he was a corporate banking officer with Overseas Union Bank Limited. From November 2002, Mr Ang was a director of JK Technology Group Limited (now known as Perennial Real Estate Holdings Limited) and was the managing director of JK Technology Group Limited from 2003 to 2008. Mr Ang graduated with a Degree in Bachelor of Science from The University of Michigan, Ann Arbor in December 1984, and a Master of Business Administration from The University of British Columbia in May 1987.

3. **MR LIM YEOK HUA**
   
   **Lead Independent Non-Executive Director**

   Mr Lim was appointed as the Non-Executive Independent Director on 4 August 2011 and as the Lead Independent Director on 7 November 2012. He has extensive experience in audit, tax, mergers and acquisitions and financial management and consultancy. Mr Lim spent more than 17 years with the Inland Revenue Authority of Singapore and three international and local accounting firms before running his own public accounting practice. Mr Lim presently runs his own management consultancy firm and is currently also an independent director of Tritech Group Limited and Kori Holdings Limited, which are listed on the SGX-ST. Mr Lim is a fellow member of The Association of Chartered Certified Accountants, a member of the Institute of Singapore Chartered Accountants, a member of the Singapore Institute of Directors and an Accredited Tax Advisor of the Singapore Institute of Accredited Tax Professionals.
**MR LEE SEK LEONG CHRISTOPHER**  
Independent Non-Executive Director

Mr Lee was appointed to our Board on 4 August 2011 and was a co-founder and presently the chief executive officer of Shareinvestor.com Holdings Pte Ltd (a wholly-owned subsidiary of Singapore Press Holdings Ltd.) and its group of companies (the "Shareinvestor Group"). Mr Lee has been with the Shareinvestor Group since it was founded in 2000. Prior to co-founding the Shareinvestor Group, he started his career as a marketing representative with IBM Singapore Pte Ltd ("IBM Singapore") in 1992 and had assumed various responsibilities including sales, marketing, training and management during his 8 years tenure with IBM Singapore. His last held appointment with IBM Singapore was country manager (public sector) in 2000. He obtained a Degree of Bachelor of Engineering (Second Class Honours (Upper Division)) from the National University of Singapore in June 1992, and a Degree of Master of Business Administration (Management of Information Technology) from Nanyang Technological University in April 1997. Mr Lee is a member of the Singapore Institute of Directors.

**MR YONG BOON CHUAN LESLIE**  
Non-Executive Director

Mr Yong was appointed to our Board on 4 August 2011 and currently is a Group Director of WIS Holdings Pte Ltd, Primech Services and Engineering Pte Ltd, Tong Ren International Trading Pte. Ltd. and Cherry Pink Pte. Ltd. From 1971 to 1997, Mr Yong worked in various positions in Shangri-La Hotel Singapore and his last designation was deputy purchasing manager and cost analyst. Since 1997, he had been involved in the management, consultancy and/or advisory of various businesses and companies, including the director of JK Technology Group Limited (now known as Perennial Real Estate Holdings Limited) from November 2002 to August 2008. Following the reverse takeover of JK Technology Group Limited, Mr Yong continued to be employed by JK Technology Pte. Ltd. (a wholly-owned subsidiary of our Company) as a director of business development till March 2011. Mr Yong is currently involved in various associations and community groups, where he is the Patron of the Cheng San Citizens' Consultative Committee, and Mr Yong is also the District Governor of the Lions Clubs International of Multiple District 308 in District 308A-1 Singapore for the fiscal years 2014 to 2015. Mr Yong obtained the Educational Institute Diploma from The Educational Institute of the American Hotel and Motel Association in the United States of America in 1980. In 1982, he completed the Purchasing, Financial Management, Operations Analysis and Staff Planning Program by the School of Hotel Administration, Cornell University. In 1987, Mr Yong was awarded as a Certified Hotel Administrator by The Educational Institute of the American Hotel & Motel Association. Mr Yong was awarded the Public Service Medal (PBM) in 1988, the Public Service Star (BBM) in 1996 and the Public Service Star (Bar) BBM (L) in 2012. The PBM, BBM and the BBM (L) were awarded to him by His Excellency, The President of Singapore, in recognition of his contributions towards community service in Singapore.

**MR TAN SER KO**  
Non-Executive Director

Mr Tan was first appointed to the Board as Non-Executive Director of the Company on 6 June 2014. He is presently the Chief Executive Officer and Executive Director of Charisma Energy Services Limited ("Charisma") responsible for overseeing the strategic planning, corporate management, daily operations, business development and performance of Charisma. Mr Tan has more than 16 years of experience in banking, finance and investment. After serving his scholarship bond with the Singapore Armed Forces, he started his banking career in consumer and enterprise banking. His past directorships in companies listed on the SGX-ST include Contel Corporation Limited (now known as Yuuzoo Corporation Limited), M Development Limited and Surface Mount Technology (Holdings) Limited. Mr Tan holds a Bachelor of Engineering Degree from the National University of Singapore.
Management Team

**MR DEAN LLOYD GALLEGOS**
Chief Financial Officer

Mr Gallegos joined our Group in 4 September 2014 and is responsible for the financial and accounting functions of the Group. He served as finance director of Buccaneer Energy Limited from July 2007 until November 2013 and has more than 20 years of experience in corporate finance and investment. His corporate finance transactions have included IPOs, reserve-based lending in Australia and the USA, merger and acquisition transactions in Australia and the USA, venture capital in Australia as well as debt restructuring transactions with hedge funds and private equity groups.

In the last 8 years, he has arranged both equity and debt financing for energy projects within the US and was part of the management team that successfully drilled and subsequent developed three oil and gas fields located in the Gulf of Mexico (Shell) and Alaska in both the onshore and offshore environments. He has extensive experience within the US energy industry in both the operational and regulatory environments and has managed complex negotiations with both project partners and commercial suppliers in addition to direct working experience with sub surface technical and surface operational teams in the energy sector.

He has a strong background in corporate governance and shareholder relations both at the retail and institutional level.

**MS KOH YEN HAN**
Finance Manager

Ms Koh joined our Group in April 2011 and is responsible for the financial and accounting functions of our Group. Prior to joining our Group, she was an accountant and subsequently a finance manager of S-Team Switchgear Pte Ltd from 2009 to 2011. From 2007 to 2008, she joined as an audit senior and was subsequently promoted to an audit assistant manager at AT ADLER Pte Ltd. From 2001 to 2006, she worked in various positions with Moores Rowland International and her last designation in Moores Rowland International was an audit senior. She obtained a Diploma in Accounting and Finance from Temasek Polytechnic Singapore in August 2001. In addition, she obtained an ACCA qualification in August 2005 and became a member of the Association of Chartered Certified Accountants. In June 2008, she was admitted as a non-practising member of the Institute of Singapore Chartered Accountants. In September 2010, she was also admitted as a fellow of the Association of Chartered Certified Accountants.
Ms G Makaswari joined our Group in June 2003 and is primarily responsible for attracting new customers, the development of existing markets and expansion of the customer base. She has more than 20 years of experience in the IT industry across various areas, which include inventory control, procurement, accounting, product management, marketing and sales. Prior to joining our Group, she worked in various positions with Diversitec Distributors Pte Ltd (now known as Sapura Synergy Singapore Pte Ltd) from end-1983 to 2003 and her last designation was marketing executive. In early 1983, she commenced her career at Giotrans Marine Services as an office administrator. She is an associate member of the Management Development Institute of Singapore. She obtained a Professional Certificate in Marketing and Communications Management from Oklahoma City University, in collaboration with the Management Development Institute of Singapore, in April 2001.

Mr Zali Teo joined our Group in September 2004 and is responsible for overseeing our technical department and provides technical advice and services (including development, design, and systems integration) to our clients. He obtained a Diploma in Internet Computing from Temasek Polytechnic Singapore in August 2002. In addition, while under the employment of our Group, he had obtained IT certifications from Microsoft and Cisco.
Corporate Information

BOARD OF DIRECTORS
Ravinder Singh Grewal s/o Sarbjit Singh
Independent Non-Executive Chairman
Ang Yew Jin Eugene
Managing Director
Lim Yeok Hua
Lead Independent Non-Executive Director
Lee Sek Leong Christopher
Independent Non-Executive Director
Yong Boon Chuan Leslie
Non-Executive Director
Tan Ser Ko
Non-Executive Director

INDEPENDENT AUDITORS
KPMG LLP
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Partner-in-charge: Mr Koh Wei Peng
(Appointed since the financial year ended
31 March 2015)

PRINCIPAL BANKER
The Development Bank of Singapore Limited
United Overseas Bank Limited

SPONSOR
PrimePartners Corporate
Finance Pte. Ltd.
10 Collyer Quay
#10-00 Income at Raffles
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COMPANY SECRETARY
Lim Ka Bee

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Email: dg@alphaenergy.com.sg

SHARE REGISTRAR
Tricor Barbinder Share Registration Services
80 Robinson Road #02-00
Singapore 068898
Corporate Governance Report

Alpha Energy Holdings Limited (formerly known as JK Tech Holdings Limited) [the "Company" and together with its subsidiaries, the "Group"] recognises the importance of and is committed to maintaining a high standard of corporate governance within the Group. Good corporate governance provides the framework for an ethical and accountable corporate environment, which will protect the interests of the Company’s shareholders and promote investors’ confidence.

This report outlines the Company’s main corporate governance practices that were in place for the financial year ended 31 March 2015 ["FY2015"] with references to the principles of the Code of Corporate Governance 2012 [the "Code"]. The Company has complied with the principles and guidelines as set out in the Code, where applicable. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code.

[A] BOARD MATTERS

Board’s Conduct of its Affairs
Principle 1: Effective Board to lead and control the company

The Board of Directors [the "Board"] has six members and comprises the following:

<table>
<thead>
<tr>
<th>Name of Director</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Ravinder Singh Grewal s/o Sarbjit Singh</td>
<td>Independent Non-Executive Chairman</td>
</tr>
<tr>
<td>Mr Ang Yew Jin Eugene</td>
<td>Managing Director</td>
</tr>
<tr>
<td>Mr Lim Yeok Hua</td>
<td>Lead Independent Non-Executive Director</td>
</tr>
<tr>
<td>Mr Lee Sek Leong Christopher</td>
<td>Independent Non-Executive Director</td>
</tr>
<tr>
<td>Mr Yong Boon Chuan Leslie</td>
<td>Non-Executive Director</td>
</tr>
<tr>
<td>Mr Tan Ser Ko</td>
<td>Non-Executive Director</td>
</tr>
</tbody>
</table>

Role of Board

The Board is entrusted with the responsibility for the overall management of the business and corporate affairs of the Group, and its principal functions include:

(i) providing entrepreneurial leadership, setting strategic objectives, and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;

(ii) establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the Group’s assets;

(iii) reviewing the performance and approving the remuneration of key management personnel;

(iv) identifying the key stakeholder groups and recognising that their perceptions affect the Group’s reputation;

(v) setting the Group’s value and standards [including ethical standards], and ensuring that obligations to shareholders and other stakeholders are understood and met;
Corporate Governance Report

(vi) considering sustainability issues [e.g. environmental and social factors] in the formulation of its strategic objectives; and

(vii) generally managing the affairs of the Group.

Delegation to Board Committees

Certain matters are delegated to committees of the Board, whose duties and responsibilities are monitored and endorsed by the Board. These committees include the Audit Committee [“AC”], the Nominating Committee [“NC”] and the Remuneration Committee [“RC”] (collectively, the “Board Committees”), all of which operate within clearly defined and written terms of reference and functional procedures, which are reviewed on a regular basis by the Board. Each of these Board Committees reports its activities regularly to the Board.

Frequency of Meetings

The Board meets regularly with at least two (2) scheduled meetings within each financial year. Adhoc meetings are convened as and when circumstances require. The articles of association of the Company [“Articles”] also provide for Board meetings to be held by way of telephone conference.

The number of meetings of the Board and Board Committees held in FY2015, as well as the attendance of each Board member thereat, are set out below:

<table>
<thead>
<tr>
<th>Type of Meetings</th>
<th>Board</th>
<th>Audit</th>
<th>Nominating</th>
<th>Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of meetings held</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Director</th>
<th>Number of meetings attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Ravinder Singh Grewal s/o Sarbjit Singh</td>
<td>1 2 1 1</td>
</tr>
<tr>
<td>Mr Ang Yew Jin Eugene</td>
<td>N.A. 2 N.A.</td>
</tr>
<tr>
<td>Mr Lim Yeok Hua</td>
<td>2 3 2 2</td>
</tr>
<tr>
<td>Mr Lee Sek Leong Christopher</td>
<td>2 3 2 2</td>
</tr>
<tr>
<td>Mr Yong Boon Chuan Leslie</td>
<td>2 3 N.A. 2</td>
</tr>
<tr>
<td>Mr Tan Ser Ko(2)</td>
<td>N.A. N.A. N.A.</td>
</tr>
</tbody>
</table>

(1) Mr Ravinder Singh Grewal s/o Sarbjit Singh was appointed as an Independent Non-Executive Director (member of the AC, NC and RC) on 6 June 2014.

(2) Mr Tan Ser Ko was appointed as a Non-Executive Director on 6 June 2014.
Corporate Governance Report

Matters Requiring Board Approval

The Board had previously approved and adopted internal control procedures and guidelines for the Company. Under such procedures and guidelines, matters which specifically require the Board’s decision or approval are those involving:

- corporate strategy and business plans;
- investment and divestment proposals;
- funding decisions of the Group;
- nomination of Directors and appointment of key executives;
- half-year and full-year results announcements, the annual report and financial statements;
- material acquisitions and disposals of assets; and
- all matters of strategic importance.

Training for Directors

The Board ensures that incoming newly-appointed Directors will undergo an orientation program introducing them to the Group’s business strategies, operations and governance practices to facilitate the effective discharge of their duties. The Company also provides training for first-time Directors in areas such as accounting, legal and industry-specific knowledge as appropriate.

A formal letter of appointment setting out, among other things, a Director’s duties and obligations is provided to all new Directors.

Board members have been and will be encouraged to attend seminars and receive training to develop the necessary skills in facilitating the discharge of their duties as Directors. All Directors are provided with regular updates on changes to the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") (the "Catalist Rules"), relevant laws, regulations and accounting standards. The Company also arranges, and funds, regular briefings and training for Directors.

Directors are also provided with regular insights into the Group’s operational facilities and periodically meet with the management to gain a better understanding of the Group’s business operations. The Board, as a whole, is updated regularly on the Company’s risk management initiatives and key changes in the relevant regulatory environment, which have an important bearing on the Company and the Directors’ obligations to the Company.
Board Composition and Guidance

Principle 2: Strong and independent element on the Board

Strong and Independent Element on the Board

The Board comprises of six (6) members, five (5) of whom are Non-Executive Directors, of which three (3) are independent. The Company endeavours to maintain a strong and independent element on the Board.

The Board considers an Independent Director as one who has no relationship with the Company, its related companies, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independent business judgment with a view to the best interests of the Group.

The Independent Directors have confirmed that they do not have any relationship with the Company, its related companies, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgment with a view to the best interests of the Group. Additionally, there are no Independent Directors who have served on the Board beyond nine (9) years from the date of his first appointment.

The independence of each Director is reviewed annually by the NC. The NC adopts the Code’s definition on what constitutes an Independent Director in its review. The NC has reviewed and determined that Mr Ravinder Singh Grewal s/o Sarbjit Singh, Mr Lim Yeok Hua and Mr Lee Sek Leong Christopher are independent.

Board Size

The Board has examined its present size and is satisfied that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Group. The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience. The NC is of the view that no individual or small group of individuals dominates the Board’s decision-making process.

Competencies of Directors

The NC is of the view that the current Board comprises persons who as a group provide an appropriate balance and diversity of skills, experience and knowledge for the Board to be effective. Details of the Board members’ qualifications and experience are presented in pages 16 to 17 of this Annual Report under the heading “Board of Directors”.

The Non-Executive Directors constructively challenge and assist in the formulation of strategy, and assist the Board in reviewing management’s performance in meeting goals and objectives. The Non-Executive Directors also monitor the reporting of performance. The Non-Executive Directors meet at least once annually without the presence of management.
Corporate Governance Report

Chairman and Managing Director
Principle 3: Clear division of responsibilities and balance of power and authority

The roles of the Chairman and Managing Director are separate to ensure a clear division of their responsibilities, increased accountability and greater capacity of the Board for independent decision making. The Chairman, Mr Ravinder Singh Grewal s/o Sarbjit Singh, is an Independent Non-Executive Director. Mr Singh leads the Board and ensures that the Board members engage the management in constructive discussions on various strategic issues.

As the Managing Director of the Company, Mr Ang Yew Jin Eugene is in charge of the management, overall strategy planning and oversight of the day-to-day operations of the Company. He is responsible for developing the overall strategic direction of the Company, the business strategies and policies.

The Chairman is not related to the Managing Director.

The Chairman is assisted by the Board, the Company Secretary and management, and they collectively ensure:

(i) the timely scheduling and proper conduct of meetings to enable the Board to perform its duties responsibly;

(ii) the promotion of a culture of openness and debate at the Board;

(iii) effective communication with shareholders;

(iv) the quality, quantity and timeliness of information between management and the Board; and

(v) compliance with the Code (where appropriate).

Mr Lim Yeok Hua ("Mr Lim"), an Independent Non-Executive Director of the Company is currently the Lead Independent Director. He leads the Independent Directors to ensure effective corporate governance of the Company. Mr Lim will be available to the shareholders of the Company where they have concerns and for which contact through the normal channels of the Chairman, Managing Director, the Chief Financial Officer or the Finance Manager, has failed to resolve or is inappropriate.

The Independent Directors meet at least once annually without the presence of management.

Board Membership
Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board

Establishment, Composition and Membership of the NC

The NC comprises the following Directors, majority of whom, including the Chairman are independent:

- Mr Lee Sek Leong Christopher    Chairman
- Mr Ang Yew Jin Eugene     Member
- Mr Ravinder Singh Grewal s/o Sarbjit Singh  Member
- Mr Lim Yeok Hua       Member
Responsibilities of the NC

The NC has written terms of reference clearly defining its membership, administration and duties. The NC meets at least once a year. The NC is responsible for, and its key terms of reference include, the following:

(i) to make recommendations to the Board on all Board appointments, including re-appointments, having regard to a Director’s contribution and performance (i.e., attendance, preparedness, participation and candour) including, if applicable, as an Independent Director. All Directors are required to submit themselves for re-nomination and re-election at regular intervals and at least once every three (3) years;

(ii) to determine annually, and as and when circumstances require, whether or not a Director is independent (bearing in mind the guidelines of the Code, and any other salient factors);

(iii) in respect of a Director who has multiple board representations on various companies, to decide whether or not such Director is able to and has been adequately carrying out his duties as Director, having regard to the competing time commitments that are faced when serving on multiple boards (it should be noted that to address the competing time commitments that are faced when Directors serve on multiple boards, the NC has reviewed and the Board has determined that the maximum number of listed company board representations which any Director may hold is six (6);

(iv) to review and approve any new employment of related persons and the proposed terms of their employment;

(v) to decide how the Board’s performance is to be evaluated, and propose objective performance criteria, subject to Board’s approval, which address how the Board enhances long-term shareholders’ value; and

(vi) to review board succession plans for Directors and review the training and professional development programs for the Board.

Each member of the NC will abstain, and had in FY2015 abstained, from reviewing and voting on any resolution relating to the assessment of his performance or his re-nomination as Director, or in any matter where he has an interest.

Selection and Appointment of New Directors

The NC will ensure that there is a formal and transparent process for all appointments to the Board. For new appointments, the NC will determine if a candidate’s background, experience and knowledge will bolster the core competencies of the Board. The selected candidate must also be a person of integrity and be prepared to commit time and attention to the Company’s affairs, especially if he is serving on multiple boards.

Where a vacancy arises under any circumstances, or where it is considered that the Board will benefit from the services of a new Director with particular skills, the NC will determine the selection criteria and selects candidates with the appropriate expertise and experience for the position. The NC will then make recommendations for the Board’s approval in relation to the shortlisted candidates. The process for the selection and appointment of new Directors is as follows:

(i) the NC evaluates the balance of skills, knowledge and experience of the Board and, in light of such evaluation and in consultation with the Board, prepares a description of the role and the essential and desirable competencies for a particular appointment;
Corporate Governance Report

(iii) where necessary, the Board and the management may seek help and suggestions from external parties to source for potential candidates;

(iii) the NC meets with shortlisted candidates to assess their suitability and to ensure that the candidates are aware of the expectations and the commitment required of them; and

(iv) the NC makes the recommendations to the Board for approval.

Re-Election of Directors

Article 104 of the Articles requires one-third of the Directors to retire from office at the annual general meeting of the Company ("AGM") every year provided always that all Directors shall retire from office at least once every three (3) years and are, subject to the Companies Act (Cap. 50) of Singapore (the "Companies Act"). Such retiring directors are eligible to offer themselves for re-election. Article 105 of the Articles provides that the Directors to retire in every year shall be those who have been longest in office since their last election.

In addition to the foregoing, Article 114 of the Articles provides that a newly appointed Director shall hold office only until the next AGM of the Company, and shall be eligible for re-election.

Pursuant to Article 104 of the Articles, the NC has recommended to the Board that Mr Lim Yeok Hua and Mr Yong Boon Chuan Leslie be nominated for re-election at the forthcoming AGM. In making the abovementioned recommendation, the NC has considered the Directors' overall contributions and performance.

Mr Lim Yeok Hua will, upon re-election as a Director, remain as the Chairman of the AC, a member of the NC and RC. Mr Lim will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

Mr Yong Boon Chuan Leslie will, upon re-election as a Director, remain as a member of the AC and RC. Mr Yong Boon Chuan Leslie will not be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

While some Directors have multiple board representations, the NC is satisfied the Directors are able to adequately carry out their duties as directors, taking into consideration the number of listed company board representations and other principal commitments that these Directors hold.

The dates of initial appointment and last re-election of each Director are set out as follows:

<table>
<thead>
<tr>
<th>Name of Director</th>
<th>Appointment</th>
<th>Date of initial appointment</th>
<th>Date of last re-election</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Ravinder Singh Grewal s/o Sarbjit Singh</td>
<td>Independent Non-Executive Chairman</td>
<td>6 June 2014</td>
<td>21 July 2014</td>
</tr>
<tr>
<td>Mr Ang Yew Jin Eugene</td>
<td>Managing Director</td>
<td>28 October 2003</td>
<td>21 July 2014</td>
</tr>
<tr>
<td>Mr Lim Yeok Hua</td>
<td>Lead Independent Director</td>
<td>4 August 2011</td>
<td>26 July 2012</td>
</tr>
<tr>
<td>Mr Lee Sek Leong Christopher</td>
<td>Independent Non-Executive Director</td>
<td>4 August 2011</td>
<td>21 July 2014</td>
</tr>
<tr>
<td>Mr Yong Boon Chuan Leslie</td>
<td>Non-Executive Director</td>
<td>4 August 2011</td>
<td>26 July 2012</td>
</tr>
<tr>
<td>Mr Tan Ser Ko</td>
<td>Non-Executive Director</td>
<td>6 June 2014</td>
<td>21 July 2014</td>
</tr>
</tbody>
</table>
## Key information on Directors

The list of directorships in other listed companies and other principal commitments of the respective Directors are set out below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Directorship in other listed companies and/or other principal commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ravinder Singh Grewal s/o</td>
<td>46</td>
<td>Present Listed Company Directorships</td>
</tr>
<tr>
<td>Sarbjit Singh</td>
<td></td>
<td>Thai Union Frozen Public Co Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scomi Energy Services Bhd</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Past Listed Company Directorships (in the last three preceding years)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Shangri-La Hotels [Malaysia] Berhad</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Otto Marine Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Straits Resources Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Other Principal Commitments (Directorship)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>MW Brands Holdings</td>
</tr>
<tr>
<td>Ang Yew Jin Eugene</td>
<td>54</td>
<td>Present Listed Company Directorships</td>
</tr>
<tr>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Past Listed Company Directorships (in the last three preceding years)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Other Principal Commitments (Directorship)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Canyon Investments Pte Ltd</td>
</tr>
<tr>
<td>Lim Yeok Hua</td>
<td>66</td>
<td>Present Listed Company Directorships</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TriTech Group Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kori Holdings Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Past Listed Company Directorships (in the last three preceding years)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CNMC Goldmine Holdings Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Manufacturing Integration Technology Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Other Principal Commitments (Directorships)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Radiant M &amp; A Pte Ltd</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Radiant Management Services Pte Ltd</td>
</tr>
</tbody>
</table>
## Corporate Governance Report

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Directorship in other listed companies and/or other principal commitments</th>
</tr>
</thead>
</table>
| Lee Sek Leong Christopher | 48  | Present Listed Company Directorships  
None  
Past Listed Company Directorships (in the last three preceding years)  
None  
Other Principal Commitments (Directorships)  
Shareinvestor.com Holdings Pte Ltd  
Shareinvestor Pte Ltd  
Waterbrooks Pte Ltd  
SI.com[Thailand] Co Ltd |
| Yong Boon Chuan Leslie | 67  | Present Listed Company Directorships  
None  
Past Listed Company Directorships (in the last three preceding years)  
None  
Other Principal Commitments (Directorships)  
Cherry Pink Pte Ltd  
Tong Ren International Trading Pte Ltd  
WIS Holdings Pte Ltd  
Primech Services and Engineering Pte Ltd |
| Tan Ser Ko            | 48  | Present Listed Company Directorships  
Charisma Energy Services Limited  
Past Listed Company Directorships (in the last three preceding years)  
Contel Corporation Limited (now known as Yuuzoo Corporation Limited)  
M Development Ltd  
Surface Mount Technology (Holdings) Limited  
Other Principal Commitments (Directorship)  
None |

Key information of each Director is disclosed in the profile of that Director as set out in this Annual Report.

**Board Performance**

**Principle 5: Formal assessment of the effectiveness of the Board as a whole and its Board Committees and the contribution by each Director to the effectiveness of the Board**

The NC had adopted processes for the evaluation of the Board and its committees’ performance and effectiveness as a whole, and the performance of individual Directors, based on performance criteria set by the Board. For the evaluation of the Board’s performance, the criteria include return on assets, return on equity and the Company’s share price performance which will allow the Company to make comparisons with its industry peers and link Board performance to long-term shareholders’ value. For the evaluation of the performance of individual Directors, the criteria include, inter alia, attendance at Board meetings and related activities, participation in Board discussions, ability to make informed business decisions and performance in respect of specific delegated tasks.
Corporate Governance Report

The assessment process involves and includes inputs from Board members, and applying the performance criteria determined by the NC and approved by the Board. This data is collated and reviewed by the Chairman of the NC, who presents a summary of the overall assessment to the NC for review. Areas where the Board’s performance and effectiveness could be enhanced and recommendations for improvements are then submitted to the Board for discussion and, where appropriate, approved for implementation.

The NC has reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole for FY2015 and is of the view that the performance of the Board as a whole has been satisfactory. The NC has also reviewed the overall performance of each of the Company’s individual Directors and is of the view that the performance of each of the Company’s Directors has been satisfactory. No external facilitator was used in the evaluation process in FY2015.

Access to Information
Principle 6: Board members should be provided with adequate and timely information

Each member of the Board has complete and timely access to information regarding the Group as may be required for the discharge of his duties and responsibilities. Prior to each Board meeting, the members of the Board are each provided with the relevant documents and information, including but not limited to, background and explanatory statements, financial statements, budgets, forecasts and progress reports of the Group’s business operations, which are necessary for them to comprehensively understand the issues to be deliberated upon and to make informed decisions thereon.

As a general rule, notices are sent to the Directors at least one (1) week in advance of Board meetings, followed by the Board papers in order for the Directors to be adequately prepared for the meetings. Key executives, if required, will attend Board meetings to address queries from the Directors. The Directors also have separate and independent access to the Company’s management and the Company Secretary. Requests for the Company’s information by the Board are dealt with promptly.

The Company Secretary attends all Board and Board Committees meetings and ensures that Board procedures and the provisions of applicable laws, the Companies Act, the Articles and the Catalist Rules are followed and complied with. The Company Secretary also assists with the circulation of Board papers and update the Directors on changes in laws and regulations relevant to the Group. The Company Secretary also ensures that good information flows within the Board, the Board Committees and between management, Non-Executive and Non-Executive Independent Directors. The appointment and removal of the Company Secretary is a matter for the Board as a whole, and is subject to the Board’s approval.

The Board (whether as individual members or as a group) has direct access to independent professional advisers, where so requested by them, at the expense of the Company.
Procedures for Developing Remuneration Policies

Principle 7: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors

The RC comprises of the following Non-Executive Directors:

Mr Lee Sek Leong Christopher    Chairman
Mr Lim Yeok Hua       Member
Mr Ravinder Singh Grewal s/o Sarbjit Singh  Member
Mr Yong Boon Chuan Leslie     Member

The RC has written terms of reference clearly defining its membership, administration and duties. The RC is responsible for, and its key terms of reference include, reviewing and recommending to the Board a framework of remuneration for the Directors and key management personnel and will determine specific remuneration packages for each Executive Director and key management personnel. The recommendations of the RC will be submitted for endorsement by the Board. The recommendations should cover all aspects of remuneration, including but not limited to Directors’ fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind.

With a view to be fair and to avoid rewarding poor performance, the RC is also responsible for reviewing the Company’s obligations arising in the event of the termination of a Director’s and/or key management personnel’s contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC also makes recommendations to the Board on long term incentive schemes, including share performance schemes, which may be set up from time to time. The RC may do all acts necessary in connection therewith. The RC will review and consider whether any Director should be eligible for benefits under such incentive schemes. In addition, the RC will perform an annual review of the remuneration of employees related to the Company’s Directors and substantial shareholders (if any) to ensure that their remuneration packages are in line with the Group’s staff remuneration guidelines and commensurate with their respective job scope and level of responsibilities. The RC will also review and approve any bonuses, pay increases and/or promotion for these employees.

Each member of the RC will abstain from voting on any resolution in respect of his remuneration package. While each member of the RC is familiar with executive compensation matters (as they manage their own businesses and/or are holding other directorships), the RC has access to expert professional advice on remuneration matters, as and when necessary. The RC ensures that existing relationships, if any, between the Company and its appointed remuneration experts will not affect the independence and objectivity of the remuneration experts. The expenses of such services shall be borne by the Company. No remuneration consultants were engaged by the Company during FY2015.

Level and Mix of Remuneration

Principle 8: Level of remuneration should be appropriate and not excessive

In setting remuneration packages, the RC will ensure that Directors are adequately but not excessively remunerated, and that remuneration packages of the Directors are in line with the industry and comparable companies.
Corporate Governance Report

The remuneration packages for Executive Directors take into account the performance of the Group and each individual Executive Director. The remuneration of Executive Directors and key management personnel include a fixed monthly salary, an annual wage supplement and a variable incentive bonus which is designed to align the interests of such Directors and key management personnel with those of the shareholders.

Non-Executive Directors (including Independent Directors) receive fixed Directors’ fees. The Directors’ fees are based on the effort, time spent and responsibilities of the Non-Executive Directors (including Independent Directors). The Directors’ fees will be recommended by the RC for the endorsement of the Board and are subject to shareholders’ approval at the AGM.

All remuneration packages for Directors and key management personnel are subject to review and approval by the Board. Directors’ fees are further subject to the approval of shareholders at the Company’s AGM. Each member of the RC will abstain from voting on any resolution in respect of his remuneration package, or persons related to him.

Disclosure on Remuneration
Principle 9: Clear disclosure of remuneration policy, level and mix of remuneration, and the procedure for setting remuneration

The RC recommends to the Board a framework of remuneration for the Board and key management personnel to ensure that the structure is competitive and sufficient to attract, retain and motivate the Directors and key management personnel to run the Company successfully in order to maximise shareholders’ value.

Directors’ fee is subject to the approval of the shareholders at general meetings. The breakdown, showing the level and mix of each individual Director’s remuneration in FY2015, by percentage (%), was as follows:

<table>
<thead>
<tr>
<th>Remuneration Band &amp; Name of Director</th>
<th>Base / Fixed salary</th>
<th>Directors fees</th>
<th>Variable or performance benefits related income / Bonus</th>
<th>Share Plan Awards</th>
<th>Other Benefits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>S$500,000-S$750,000</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ang Yew Jin Eugene</td>
<td>52%</td>
<td>–</td>
<td>42%</td>
<td>–</td>
<td>6%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Below S$250,000</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ravinder Singh Grewal s/o Sarbjit Singh</td>
<td>–</td>
<td>100%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>100%</td>
</tr>
<tr>
<td>Lim Yeok Hua</td>
<td>–</td>
<td>100%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>100%</td>
</tr>
<tr>
<td>Lee Sek Leong Christopher</td>
<td>–</td>
<td>100%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>100%</td>
</tr>
<tr>
<td>Yong Boon Chuan Leslie</td>
<td>–</td>
<td>100%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>100%</td>
</tr>
<tr>
<td>Tan Ser Ko</td>
<td>–</td>
<td>100%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>100%</td>
</tr>
</tbody>
</table>
As at the end of FY2015, the Company only has 4 key management personnel (who are not Directors or the Managing Director). The remuneration of the Company’s top 4 key management personnel (who are not Directors or the Managing Director) in FY2015 was as follows:

<table>
<thead>
<tr>
<th>Remuneration Band &amp; Name of Key Management Personnel</th>
<th>Base / Fixed salary</th>
<th>Variable or performance related income / Bonus</th>
<th>Share Plan Awards</th>
<th>Other Benefits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Below S$250,000</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dean Lloyd Gallegos</td>
<td>83%</td>
<td>–</td>
<td>–</td>
<td>17%</td>
<td>100%</td>
</tr>
<tr>
<td>Koh Yen Han</td>
<td>71%</td>
<td>25%</td>
<td>–</td>
<td>4%</td>
<td>100%</td>
</tr>
<tr>
<td>G Makaswari</td>
<td>86%</td>
<td>7%</td>
<td>–</td>
<td>7%</td>
<td>100%</td>
</tr>
<tr>
<td>Mohammad Zali Teo</td>
<td>86%</td>
<td>9%</td>
<td>–</td>
<td>5%</td>
<td>100%</td>
</tr>
</tbody>
</table>

The Company has not disclosed exact details of the remuneration of each individual Director and key management personnel due to the competitive pressures in the industry and talent market and to prevent poaching of key management personnel. The annual aggregate remuneration paid to the Company’s top 4 key management personnel of the Company (who are not Directors or the Managing Director) for FY2015 was S$435,000.

The Company has in place an employee share award scheme (the “Share Plan”). Under the terms of the Share Plan, the Company is entitled to grant to eligible Group’s employees and Directors (“Participants”), awards representing the right of a Participant to receive fully paid ordinary shares of the Company (“Shares”) free of charge, upon the relevant Participant achieving prescribed performance targets upon expiry of the prescribed performance period (“Awards”). Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon the achievement of prescribed performance targets. No Awards were granted in FY2015. Details of the Share Plan can be found in the Report of the Directors as set out in this Annual Report.

For FY2015, there were no terminations, retirement or post-employment benefits granted to Directors and key management personnel other than the standard contractual notice period termination payment in lieu of service.

There were no employees who were immediate family members of a Director whose remuneration exceeded S$50,000 in the Group’s employment during FY2015.
Corporate Governance Report

(C) ACCOUNTABILITY & AUDIT

Accountability
Principle 10: Presentation of a balanced and understandable assessment of the Company's performance, position and prospects

In line with the continuing disclosure obligations of the Company under the Catalist Rules, the Board's policy is that shareholders shall be informed of all major developments and material information on the Company. Information is presented to shareholders on a timely basis through SGXNET and press releases. In presenting the annual financial statements and the half-year and full-year financial results announcements to its shareholders, it is the objective of the Board to provide its shareholders with a balanced and understandable assessment of the Group's financial position, performance and prospects. The Board had released, and will continue to release, other price sensitive public reports and reports to regulators, where required.

The management currently provides the Board with management accounts of the Group’s performance, position and prospects on a quarterly basis or as and when deemed necessary.

Risk Management and Internal Controls
Principle 11: Maintains a sound system of risk management and internal controls

The management is responsible for the effective design, implementation and monitoring of the Group’s risk management strategy and internal controls.

While the Board reviews the adequacy and effectiveness of the Group’s risk management strategy and internal controls on an annual basis, the Group has outsourced the internal audit function to Yang Lee & Associates and their primary line of reporting is to the AC. The Company’s internal auditors had, during FY2015 conducted a review of the effectiveness and adequacy of the Company’s internal controls, including its financial, operational, compliance and information technology controls and its risk management policies and systems and had reported to the AC any material non-compliance or failures in internal controls, with recommendations for improvements where necessary. The AC had also reviewed the effectiveness of the actions taken by the management on the recommendations made by the internal auditors.

The Managing Director and the Chief Financial Officer have also provided assurance to the Board that (a) the financial records have been properly maintained and the financial statements for FY2015 give a true and fair view of the Company’s operations and finances; and (b) the Company’s risk management and internal control systems are effective.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, various Board Committees and the Board, the Board (with the concurrence of the AC) is of the opinion that the Group’s risk management and internal control systems addressing financial, operational, compliance and information technology controls, and risk management systems were adequate and effective for FY2015.

The Board notes that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.
Audit Committee

Principle 12: Establishment of Audit Committee with written terms of reference, which clearly set out its authority and duties.

The AC comprises of the following Non-Executive Directors:

Mr Lim Yeok Hua       Chairman
Mr Lee Sek Leong Christopher    Member
Mr Yong Boon Chuan Leslie     Member
Mr Ravinder Singh Grewal s/o Sarbjit Singh  Member

The AC has written terms of reference clearly defining its membership, administration and duties, which include:

(i) review with the external auditors and the internal auditors their audit plan, their evaluation of the system of internal accounting controls, their audit report, their management letter and the management’s response;

(ii) review the internal controls and procedures and ensure co-ordination between the external auditors and the management, and review the co-operation and assistance given by the management to the external auditors, and discuss issues and concerns, if any, arising from the interim and final audits and any matters which the auditors may wish to discuss (in the absence of the management where necessary);

(iii) ensure that the internal audit function is adequate and has appropriate standing within the Company, and review the scope and results of the internal audit procedures, including the effectiveness of the internal audit function;

(iv) review and ensure the integrity of the financial statements (including but not limited to the annual and/or periodic, consolidated financial statements, external auditors’ report, the profit and loss statements, the balance sheets and such other information required by the Catalist Rules) of the Group before submission to the Board for approval, focusing in particular on significant financial reporting issues, significant adjustments, changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

(v) commission and review and discuss with the external auditors and internal auditors, if necessary, any suspected fraud or irregularity, or suspected failure of internal controls, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group’s operating results and/or financial position, and the management’s response;

(vi) review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external auditors, and where the external auditors also supply a substantial volume of non-audit services to the Company, keep the nature and extent of such services under review, seeking to balance the maintenance of objectivity and cost effectiveness;

(vii) review the independence of the external auditors annually, and recommend to the Board the appointment, re-appointment or removal of the external auditors and approve the remuneration and terms of engagement of the external auditors;
Corporate Governance Report

(viii) review the adequacy and supervision of the finance and accounting team on an annual basis;

(ix) review the guidelines and procedures set out in the “Interested Person Transactions – Guidelines and Review Procedures for On-going and Future Interested Person Transactions” of the Company’s Offer Document and future interested person transactions, if any;

(x) review and monitor the activities of the Company on a continuing basis for any potential conflicts of interests and to set out a framework to resolve or mitigate any potential conflicts of interest;

(xi) approve internal control procedures and arrangements for all interested person transactions;

(xii) review the procedures by which employees of the Company may, in confidence, report to the Chairman of the AC, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions in relation thereto;

(xiii) review and rectify transactions falling within the scope of the Catalist Rules, in particular, matters pertaining to Interested Person Transactions and Acquisitions and Realisations as laid down in Chapters 9 and 10 respectively;

(xiv) conduct periodic review of foreign exchange transactions and hedging policies (if any) undertaken by the Group;

(xv) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(xvi) review at least annually the Group’s key financial risk areas, with a view to provide an independent oversight of the Group’s financial reporting, the outcome of such review to be disclosed in the annual reports of the Company or, where the findings are material, to announce such material findings via SGXNET; and

(xvii) undertake generally such other functions and duties as may be required by law or the Catalist Rules, and by such amendments made thereto from time to time.

The AC also has explicit authority to investigate any matters within its terms of reference, full access to and cooperation by the management and has full discretion to invite any Director or executive officer to attend its meetings.

Each member of the AC will abstain from voting on any resolution in respect of matters in which he is interested.

The members of the AC have sufficient financial and/or management expertise and reasonable resources, as assessed by the Board, to effectively discharge its functions.

The AC met three (3) times in FY2015. Details of members’ attendance at the meetings are set out on page 22 of this Annual Report. The AC also met with the external auditors and the internal auditors, without the presence of the management one (1) time in FY2015.
Corporate Governance Report

While the AC is required to meet at least on a half-yearly basis, it had reviewed the Company’s various announcements and all related disclosures, including financial statements, to shareholders before submission to the Board for approval. The AC had also reviewed the audit plan and AC report presented by the external auditors. The AC also received from the external auditors regular updates on changes and amendments to accounting standards to enable the AC’s members to keep abreast of such changes, and issues which have a direct impact on financial statements. Following its review, the AC recommended to the Board for approval of the audited annual financial statements and unaudited half year and full year results announcements.

The AC reviews the independence of the external auditors annually. The AC reviewed the non-audit services provided by the external auditors in FY2015 and is of the view that the nature and extent of non-audit services does not compromise the independence and objectivity of the external auditors. Details of the aggregate amount of fees paid to the external auditors in FY2015 and a breakdown of the fees paid in total for audit and non-audit services respectively can be found on page 94 of this Annual Report.

The Company has appointed different auditors for its overseas subsidiaries as well as two of its Singapore-incorporated subsidiaries, namely JK Technology Pte Ltd and Magenta Consulting Pte. Ltd.. The Board and the AC have reviewed the appointment of different auditors for its subsidiaries and were satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Group. Accordingly, the Company has complied with Rule 712 and 716 of the Catalist Rules. The AC had also recommended that KPMG LLP be nominated for re-appointment as the Company’s auditors at the forthcoming AGM.

The Company has in place a whistle-blowing policy which has been communicated to all employees. The policy provides well-defined and accessible channels in the Group through which employees may raise concerns about improper conduct within the Group directly to the AC Chairman, Managing Director or one of the Non-Executive Directors, as appropriate. The AC oversees the administration of the policy and will ensure that arrangements are in place for the independent and timely investigation of such matters for appropriate follow-up action.

Internal Audit

Principle 13: Establish an effective internal audit function that is adequately resourced and independent of the activities it audits

While the Board reviews the adequacy and effectiveness of the Group’s risk management strategy and internal controls on an annual basis, the Group has outsourced the internal audit function to an external CPA firm, Yang Lee & Associates, and their primary line of reporting is to the AC. The Company’s internal auditors have had unfettered access to all the Company’s documents, records, properties and personnel, including access to the AC.

The Company’s internal auditors had, during FY2015 conducted a review of the effectiveness and adequacy of the Company’s internal controls, including its financial, operational, compliance and information technology controls and its risk management policies and systems and had reported to the AC any material non-compliance or failures in internal controls, with recommendations for improvements where necessary. The AC in turn had ensured that the internal audit function is adequate and has appropriate standing within the Company, and had reviewed the scope and results of the internal audit procedures, including the effectiveness of the internal audit function. The AC had also reviewed the effectiveness of the actions taken by the management on the recommendations made by the internal auditors.

The IA is guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The AC is satisfied that the internal auditors are staffed by qualified and experienced personnel.
Principle 14: Companies should treat all shareholders fairly and equitably.
Principle 15: Communication with shareholders
Principle 16: Conduct of shareholder meetings

All shareholders are treated fairly and equitably to facilitate their ownership rights. The Board is mindful of its obligations to provide timely disclosure of material information to shareholders of the Group. Pertinent information will be disclosed to shareholders on a timely, accurate and comprehensive manner. The Company does not practice selective disclosure. Price sensitive information is first publicly released where required under the Catalist Rules before the Company meets with any group(s) of investors or analysts. The Company provides disclosure through the following channels:

(i) annual reports issued to all shareholders. Non-shareholders may access the SGX website for the Company’s annual reports;
(ii) half-year and full-year announcements of its financial statements on the SGXNET;
(iii) other announcements on major developments and material information on the SGXNET;
(iv) press releases on major developments regarding the Group; and

The Company is committed to regular and proactive communication with its shareholders in line with continuous disclosure obligations of the Company under the Catalist Rules. The Board also supports the Code’s principle to encourage shareholders’ participation at general meetings of the Company.

General meetings of shareholders are the main forum for communication with shareholders. Annual reports and circulars including notices of the meetings are sent to all shareholders. The Company requires all Directors to be present at all general meetings, unless of exigencies. The members of the Board Committees, including the respective Chairpersons, will be present at general meetings to answer questions relating to the work of these committees. The management and the external auditors will also be present to assist the Directors in addressing any relevant queries by shareholders. The Board welcomes the views of shareholders on matters affecting the Company, whether at general meetings or on an ad hoc basis.

Separate resolutions are proposed for each substantially separate issue that is to be tabled at the general meeting. The Company will make available minutes of general meetings to shareholders upon their requests.

All the resolutions are put to vote by poll and the voting results of all votes cast for, or against, each resolution are announced at the general meeting and via SGXNET after the general meeting.

The Company’s Articles allow a member of the Company to appoint not more than two (2) proxies to attend and vote at its general meetings.
Corporate Governance Report

The Company does not have a fixed dividend policy. The form, frequency and amount of future dividends on the shares will depend on the Company’s earnings, general financial condition, results of operations, capital requirements, cash flow, general business conditions, development plans and other factors as the Directors may deem appropriate. The Board has not declared or recommended dividend for FY2015, as the management is of the view that it can better utilise the cash to invest in its new exploration and production segment.

Dealing in Securities

In line with Rule 1204(19) of the Catalist Rules, the Group has adopted and implemented an internal policy in relation to the dealing in securities of the Company.

The Company, its Directors, all key executives and officers are prohibited from dealing in the Company’s shares during the period commencing one (1) month prior to the announcement of the Company’s half-year and full-year financial results and ending on the date of the announcement of the relevant results.

The Group has also reminded its Directors, all key executives and officers that it is an offence under the Securities and Futures Act, Chapter 289, for a listed issuer and its officers to deal in the listed issuer’s securities as well as securities of other listed issuers when the officers are in possession of unpublished material price-sensitive information in relation to those securities. Directors, all key executives and officers of the Company are expected and reminded to observe insider-trading laws at all times even when dealing in securities within permitted trading periods and not to deal in the Company’s securities on short-term considerations.

Non-Sponsor Fees

The amount of non-sponsor fees paid to the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd., in FY2015 was S$26,000.

Material Contracts

Save as disclosed in the “Interested Person Transactions” section, there were no material contracts (including loans) entered into by the Group involving the interests of the Directors or controlling shareholders which are either still subsisting as at the end of FY2015 or if not then subsisting, entered into since the end of the previous financial year.
Corporate Governance Report

Interested Person Transactions

The Group has established procedures to ensure that all transactions entered into with interested persons are properly documented and reported on a timely manner to the AC at least on a half yearly basis and that the transactions are conducted on an arm’s length basis and are not prejudicial to the interest of the Company and its minority shareholders, in accordance with the internal controls set up by the Company on dealing with interested person transactions. In the event that a member of the AC is involved in any interested person transaction, he will abstain from reviewing that particular transaction.

<table>
<thead>
<tr>
<th>Name of interested person</th>
<th>Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and conducted under shareholders’ mandate pursuant to Rule 920)</th>
<th>Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S$100,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease of office premises from Ang Yew Jin Eugene, the Managing Director of the Company</td>
<td>165,600</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

The Company does not have a general mandate from its shareholders for recurring interested person transactions.

Update on use of IPO proceeds

<table>
<thead>
<tr>
<th>Intended use as per Offer Document</th>
<th>Amount allocated</th>
<th>Amount utilised as at the date of this report</th>
<th>Balance amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(A) S$</td>
<td>(B) S$</td>
<td>(A) - (B) S$</td>
</tr>
<tr>
<td>Purchase of a wider range of IT equipment</td>
<td>240,000</td>
<td>240,000</td>
<td>–</td>
</tr>
<tr>
<td>Investment in a new management information system</td>
<td>60,000</td>
<td>60,000</td>
<td>–</td>
</tr>
<tr>
<td>General working capital</td>
<td>372,000</td>
<td>372,000</td>
<td>–</td>
</tr>
<tr>
<td>IPO expenses</td>
<td>1,328,000</td>
<td>1,328,000</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,000,000</strong></td>
<td><strong>2,000,000</strong></td>
<td>–</td>
</tr>
</tbody>
</table>

The entire general working capital had been used to purchase inventories.
Use of proceeds from the SF Subscription and the Placement

On 2 May 2014, the Company completed the allotment and issuance of (i) 13,000,000 ordinary shares in the capital of the Company to SF Ventures (the "SF Subscription") at an issue price of S$0.135 per share; and (ii) 19,963,000 new ordinary shares in the capital of the Company at an issue price of S$0.135 per share (the "Placement").

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount allocated (A)</th>
<th>Amount utilised as at the date of this report (B)</th>
<th>Balance amount (A) - (B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from SF Subscription</td>
<td>1,755,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from Placement</td>
<td>2,695,005</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,450,005</strong></td>
<td><strong>4,450,005</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

The SF Subscription and Placement proceeds had been fully utilized as at end of FY2015.

Use of proceeds from the Placement in August 2014

On 12 August 2014, the Company completed the allotment and issuance of 150,000,000 new ordinary shares in the capital of the Company at an issue price of S$0.40 per share (the "Placement 2").

As at the date of this report, the Company had utilized approximately S$55.8 million from the net proceeds of S$59.0 million for the acquisition of the Mustang Project. The use of proceeds was in accordance with the intended use as stated in the Placement 2 announcement.
FINANCIAL CONTENTS

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53. Consolidated Statement of Comprehensive Income
54. Consolidated Statement of Changes in Equity
56. Consolidated Statement of Cash Flows
58. Notes to the Financial Statements
Directors’ Report

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2015.

DIRECTORS

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

Ravinder Singh Grewal s/o Sarbjit Singh  (Appointed on 6 June 2014)
Ang Yew Jin Eugene
Lim Yeok Hua
Lee Sek Leong Christopher
Yong Boon Chuan Leslie
Tan Ser Ko  (Appointed on 6 June 2014)

DIRECTORS’ INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the “Act”), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

<table>
<thead>
<tr>
<th>Holdings at beginning of the year/date of appointment</th>
<th>Holdings at end of the year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ordinary shares in the Company</strong></td>
<td></td>
</tr>
<tr>
<td>Ang Yew Jin Eugene</td>
<td>53,617,539</td>
</tr>
<tr>
<td>Yong Boon Chuan Leslie</td>
<td>53,617,539</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Options granted by the Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ravinder Singh Grewal s/o Sarbjit Singh</td>
<td>–</td>
</tr>
<tr>
<td>Tan Ser Ko</td>
<td>–</td>
</tr>
</tbody>
</table>

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.
Directors’ Report

There were no changes in any of the above mentioned interests in the Company between the end of the financial year and 21 April 2015.

Except as disclosed under the “Share Options” section of this report, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE OPTIONS

Option Agreements

On 4 April 2014, the Company entered into option agreements (the “Option Agreements”) with each of Ezion Holdings Limited (“Ezion”) and SF Ventures Pte. Ltd. (“SF Ventures”) (collectively, the “Option Subscribers”), pursuant to which the Company shall issue to the Option Subscribers an aggregate of 325,000,000 share option (the “Options”), with each Option carrying the right to subscribe for one new ordinary share in the capital of the Company at the issue price of S$0.09 per share, as follows:

Subject to the terms and conditions of the Option Agreements:

(a) the Company shall grant, and Ezion shall acquire 260,000,000 Options, with each Option carrying the right to subscribe for one new ordinary share in the capital of the Company at the exercise price of S$0.09;

(b) the Company shall grant and SF Ventures shall acquire 65,000,000 Options with each Option carrying the right to subscribe for one new ordinary share in the capital of the Company at the exercise price of S$0.09 (the “Second Option Share”);

(c) Out of the 65,000,000 Options that SF Ventures acquired, 50,000,000 Options shall be transferred to such persons to be jointly determined by the executive directors of SF Ventures and the Company at a later date.

On 12 August 2014, SF Ventures transferred a total of 5,000,000 Options to two directors of the Company, Mr Ravinder Singh Grewal s/o Sarbjit Singh and Mr Tan Ser Ko.
Directors’ Report

During the financial year, details of the Options granted under Option Agreements on the unissued ordinary shares of the Company are as follows:

<table>
<thead>
<tr>
<th>Date of grant of options</th>
<th>Exercise price per share $</th>
<th>Options outstanding as at 1 April 2014 '000</th>
<th>Options issued '000</th>
<th>Options outstanding as at 31 March 2015 '000</th>
<th>Exercise period</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 May 2014</td>
<td>0.09</td>
<td>325,000</td>
<td>325,000</td>
<td>22 May 2014 to 21 May 2019</td>
<td></td>
</tr>
</tbody>
</table>

The Options granted by the Company do not entitle the holders of the Options by virtue of such holding, to any rights to participate in any share issue of any other company.

Performance shares

The Company has implemented an employee share award scheme ("Share Plan"). The Share Plan was approved and adopted by the Shareholders at an Extraordinary General Meeting of the Company held on 22 July 2011. The Share Plan is administered by the Remuneration Committee of the Company.

The Company will grant share awards of the Company ("Awards") to eligible Group employees and directors ("Participants"). Awards represent the right of a Participant to receive fully paid ordinary shares of the Company ("Shares") free of charge, upon the Participant achieving prescribed performance targets. Awards may only be vested and consequently, any Shares comprised in such Awards shall only be delivered upon the Remuneration Committee’s satisfaction that the prescribed performance targets have been achieved.

From the commencement of the Share Plan to 31 March 2015, the Company had granted a total of 50,000 Awards (including the Awards granted to Mr Yong Boon Chuan Leslie) under the Share Plan. During the financial year, the abovementioned Awards granted had been vested and shares comprised therein were released to the relevant Participants in one tranche on 23 September 2014.

The Awards granted, vested and cancelled during the financial year and outstanding as at the end of the financial year are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>At the beginning of the year</th>
<th>Awards granted</th>
<th>Awards vested</th>
<th>Awards cancelled</th>
<th>At the end of the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yong Boon Chuan Leslie</td>
<td>20,000</td>
<td>–</td>
<td>20,000</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Other participants</td>
<td>30,000</td>
<td>–</td>
<td>30,000</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>
AUDIT COMMITTEE

The Audit Committee comprises the following members, who are all Non-Executive Directors and a majority of whom, including the Chairman, are Independent Directors. The members of the Audit Committee during the financial year and at the date of this report are:

Lim Yeok Hua (Chairman)
Yong Boon Chuan Leslie
Lee Sek Leong Christopher
Ravinder Singh Grewal s/o Sarbjit Singh

The Audit Committee carries out its functions in accordance with Section 201B (5) of the Companies Act, Chapter 50 and the Code of Corporate Governance, including the following:

(i) review the audit plans of the internal and external auditors and results of the internal auditors examination and evaluation of the Company's system of internal accounting controls;

(ii) review the Group’s financial and operation results and accounting policies;

(iii) review statements of financial position of the Company and the consolidated financial statements of the Group before their submission to the Directors of the Company and the external auditors’ report on those financial statements;

(iv) reviews the half yearly and annual announcements on the results of the Group and financial position of the Company and of the Group;

(v) ensures the co-operation and assistance given by the management to external auditors;

(vi) makes recommendations to the Board on the appointment of external and internal auditors; and

(vii) reviews the Interested Person Transactions as defined in Chapter 9 of the Rules of Catalist of the SGX-ST as is required by SGX-ST and ensures that the transactions were on normal commercial terms and not prejudicial to the interests of the members of the Company.

The Audit Committee has full access to and co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any Director and executive officer to attend its meetings. The external auditors have unrestricted access to the Audit Committee.

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditors to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditors.
Directors’ Report

AUDITORS

At the Extraordinary General Meeting held on 12 December 2014, KPMG LLP were appointed as auditors of the Company. The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

_________________________________
Ravinder Singh Grewal s/o Sarbjit Singh
Director

_________________________________
Ang Yew Jin Eugene
Director

1 July 2015
Statement by Directors

In our opinion:

(a) the financial statements set out on pages 51 to 111 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

______________________________
Ravinder Singh Grewal s/o Sarbjit Singh
Director

______________________________
Ang Yew Jin Eugene
Director

1 July 2015
MEMBERS OF THE COMPANY 
ALPHA ENERGY HOLDINGS LIMITED (FORMERLY KNOWN AS JK TECH HOLDINGS LIMITED) AND ITS SUBSIDIARIES

Report on the financial statements

We have audited the accompanying financial statements of Alpha Energy Holdings Limited (formerly known as JK Tech Holdings Limited) (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2015, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 51 to 111.

Management’s responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 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 judgment, 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 of the financial statements that give a true and fair view 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 audit opinion.
Independent Auditors’ Report

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company 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 financial position of the Group and of the Company as at 31 March 2015 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date.

Other matters

The financial statements for the financial year ended 31 March 2014 were audited by another firm of Chartered Accountants, whose report dated 26 June 2014 expressed an unqualified opinion on those financial statements.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
1 July 2015
Statement of Financial Position
As at 31 March 2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploration and evaluation assets</td>
<td>4</td>
<td>77,117,628</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>5</td>
<td>890,407</td>
<td>207,266</td>
<td>1,088</td>
</tr>
<tr>
<td>Intangible asset</td>
<td>6</td>
<td>33,000</td>
<td>33,000</td>
<td>–</td>
</tr>
<tr>
<td>Investments in subsidiaries</td>
<td>7</td>
<td>–</td>
<td>–</td>
<td>4,447,369</td>
</tr>
<tr>
<td>Investment in associate</td>
<td>9</td>
<td>696,412</td>
<td>663,692</td>
<td>50,000</td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>10</td>
<td>10,956,864</td>
<td>–</td>
<td>2,385,033</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>11</td>
<td>203,133</td>
<td>286,008</td>
<td>–</td>
</tr>
<tr>
<td>Other receivables</td>
<td>12</td>
<td>9,068,955</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td></td>
<td>98,966,399</td>
<td>1,189,966</td>
<td>6,883,490</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>13</td>
<td>5,878,264</td>
<td>3,462,720</td>
<td>–</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>12</td>
<td>14,371,114</td>
<td>6,775,815</td>
<td>62,634,564</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>14</td>
<td>7,257,037</td>
<td>2,242,598</td>
<td>5,510,293</td>
</tr>
<tr>
<td></td>
<td></td>
<td>27,506,415</td>
<td>12,481,133</td>
<td>68,144,857</td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td></td>
<td>126,472,814</td>
<td>13,671,099</td>
</tr>
<tr>
<td>Equity</td>
<td></td>
<td></td>
<td>75,028,347</td>
<td>6,093,489</td>
</tr>
<tr>
<td>Share capital</td>
<td>15</td>
<td>76,535,142</td>
<td>9,352,117</td>
<td>76,535,142</td>
</tr>
<tr>
<td>Reserves</td>
<td>16</td>
<td>209,675</td>
<td>(57,155)</td>
<td>196,809</td>
</tr>
<tr>
<td>Accumulated losses</td>
<td></td>
<td>(1,817,963)</td>
<td>(3,071,657)</td>
<td>(2,475,425)</td>
</tr>
<tr>
<td>Total equity</td>
<td></td>
<td></td>
<td>74,926,854</td>
<td>6,223,305</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
<td>74,256,526</td>
<td>5,668,440</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>18</td>
<td>125,099</td>
<td>96,167</td>
<td>–</td>
</tr>
<tr>
<td>Other payables</td>
<td>19</td>
<td>22,409,373</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Provision for restoration costs</td>
<td>20</td>
<td>303,660</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22,838,132</td>
<td>96,167</td>
<td>–</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>18</td>
<td>31,973</td>
<td>22,118</td>
<td>–</td>
</tr>
<tr>
<td>Bank borrowings</td>
<td>21</td>
<td>1,872,957</td>
<td>337,982</td>
<td>–</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>19</td>
<td>26,802,898</td>
<td>6,991,527</td>
<td>771,821</td>
</tr>
<tr>
<td></td>
<td></td>
<td>28,707,828</td>
<td>7,351,627</td>
<td>771,821</td>
</tr>
<tr>
<td>Total liabilities</td>
<td></td>
<td></td>
<td>51,545,960</td>
<td>7,447,794</td>
</tr>
<tr>
<td>Total equity and liabilities</td>
<td></td>
<td></td>
<td>126,472,814</td>
<td>13,671,099</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements.
## Consolidated Statement of Profit or Loss
**Year ended 31 March 2015**

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue</td>
<td>48,137,524</td>
<td>33,125,048</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(44,121,659)</td>
<td>(29,049,846)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>4,015,865</td>
<td>4,075,202</td>
</tr>
<tr>
<td>Other income</td>
<td>7,100,358</td>
<td>95,320</td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>1,565,964</td>
<td>1,231,955</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>4,606,026</td>
<td>1,992,965</td>
</tr>
<tr>
<td>Other expenses</td>
<td>3,261,871</td>
<td>(10,042)</td>
</tr>
<tr>
<td>Results from operating activities</td>
<td>1,682,362</td>
<td>935,560</td>
</tr>
<tr>
<td>Finance income</td>
<td>13,308</td>
<td>11,045</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(391,877)</td>
<td>(21,868)</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td>(378,569)</td>
<td>(10,823)</td>
</tr>
<tr>
<td>Share of results of associate, net of tax</td>
<td>32,720</td>
<td>136,892</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>1,336,513</td>
<td>1,061,629</td>
</tr>
<tr>
<td>Income tax (expense)/credit</td>
<td>(82,819)</td>
<td>85,750</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>1,253,694</td>
<td>1,147,379</td>
</tr>
</tbody>
</table>

### Earnings per share (in cents)
- **basic**
  - 2015: 0.56
  - 2014: 1.73
- **diluted**
  - 2015: 0.29
  - 2014: 1.73

The accompanying notes form an integral part of these financial statements.
## Consolidated Statement of Comprehensive Income

**Year ended 31 March 2015**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit for the year</strong></td>
<td>$1,253,694</td>
<td>$1,147,379</td>
</tr>
<tr>
<td><strong>Other comprehensive income, net of tax</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Item that may be reclassified subsequently to profit or loss:</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign currency translation differences relating to financial statements of foreign operations</td>
<td>$9,830</td>
<td>$1,419</td>
</tr>
<tr>
<td>Other comprehensive income for the year, net of tax</td>
<td>$9,830</td>
<td>$1,419</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>$1,263,524</td>
<td>$1,148,798</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements.
## Consolidated Statement of Changes in Equity

**Year ended 31 March 2015**

<table>
<thead>
<tr>
<th>Note</th>
<th>Share capital</th>
<th>Treasury shares</th>
<th>Foreign currency translation reserve</th>
<th>Accumulated losses</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>9,352,117</td>
<td>–</td>
<td>1,617</td>
<td>(3,953,543)</td>
<td>5,400,191</td>
</tr>
<tr>
<td><strong>Attributable to owners of the Company</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2013</td>
<td>9,352,117</td>
<td>–</td>
<td>1,617</td>
<td>(3,953,543)</td>
<td>5,400,191</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1,147,379</td>
<td>1,147,379</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign currency translation differences relating to financial statements of foreign operations</td>
<td>–</td>
<td>–</td>
<td>1,419</td>
<td>–</td>
<td>1,419</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>–</td>
<td>–</td>
<td>1,419</td>
<td>1,147,379</td>
<td>1,148,798</td>
</tr>
<tr>
<td><strong>Transactions with owners, recognised directly in equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions by and distributions to owners</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend paid</td>
<td>17</td>
<td>–</td>
<td>–</td>
<td>(265,493)</td>
<td>(265,493)</td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>16</td>
<td>–</td>
<td>(60,191)</td>
<td>–</td>
<td>(60,191)</td>
</tr>
<tr>
<td><strong>Total transactions with owners</strong></td>
<td>–</td>
<td>(60,191)</td>
<td>–</td>
<td>(265,493)</td>
<td>(325,684)</td>
</tr>
<tr>
<td>At 31 March 2014</td>
<td>9,352,117</td>
<td>(60,191)</td>
<td>3,036</td>
<td>(3,071,657)</td>
<td>6,223,305</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements.
### Consolidated Statement of Changes in Equity

Year ended 31 March 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>Share capital</th>
<th>Treasury shares</th>
<th>Share option reserve</th>
<th>Foreign currency translation reserve</th>
<th>Accumulated losses</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2014</td>
<td>9,352,117</td>
<td>[60,191]</td>
<td>–</td>
<td>3,036</td>
<td>[3,071,657]</td>
<td>6,223,305</td>
</tr>
</tbody>
</table>

**Total comprehensive income for the year**

- Profit for the year: 
  - 
  - 
  - 
  - 
  1,253,694 
  1,253,694

**Other comprehensive income**

- Foreign currency translation differences relating to financial statements of foreign operations: 
  - 
  - 
  - 
  9,830 
  - 
  9,830

**Total comprehensive income for the year**

- 
- 
- 
9,830 
1,253,694 
1,263,524

**Transactions with owners, recognised directly in equity**

**Contributions by and distributions to owners**

| Issue of shares | 15 | 67,183,025 | – | – | – | – | 67,183,025 |
| Share-based payments | – | 7,000 | 250,000 | – | – | – | 257,000 |

**Total transactions with owners**

- 67,183,025 
  7,000 
  250,000 
  – 
  – 
  67,440,025

At 31 March 2015

- 76,535,142 
  [53,191] 
  250,000 
  12,866 
  [1,817,963] 
  74,926,854

The accompanying notes form an integral part of these financial statements.
Consolidated Statement of Cash Flows
Year ended 31 March 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>1,336,513</td>
<td>1,061,629</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for inventory obsolescence</td>
<td>13</td>
<td>84,252</td>
</tr>
<tr>
<td>Inventories written off</td>
<td>13</td>
<td>223,211</td>
</tr>
<tr>
<td>Depreciation of plant and equipment</td>
<td>5</td>
<td>90,411</td>
</tr>
<tr>
<td>Provision for doubtful receivables</td>
<td>12</td>
<td>105,083</td>
</tr>
<tr>
<td>Bad debts written back</td>
<td>25</td>
<td>–</td>
</tr>
<tr>
<td>Gain on disposal of plant and equipment</td>
<td>25</td>
<td>(1,000)</td>
</tr>
<tr>
<td>Write-off of plant and equipment</td>
<td>25</td>
<td>24,169</td>
</tr>
<tr>
<td>Impairment of available-for-sale financial assets</td>
<td>25</td>
<td>1,394,967</td>
</tr>
<tr>
<td>Finance income</td>
<td>24</td>
<td>(13,308)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>24</td>
<td>391,877</td>
</tr>
<tr>
<td>Share of results of associate</td>
<td></td>
<td>(32,720)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,603,455</td>
<td>1,037,645</td>
</tr>
</tbody>
</table>

Changes in working capital:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>(2,723,007)</td>
<td>(683,975)</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>(15,954,545)</td>
<td>(2,414,623)</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>55,468</td>
<td>2,573,350</td>
</tr>
<tr>
<td><strong>Cash (used in)/generated from operating activities</strong></td>
<td>(15,018,529)</td>
<td>512,397</td>
</tr>
<tr>
<td>Income tax received/paid</td>
<td>56</td>
<td>(250)</td>
</tr>
<tr>
<td><strong>Net cash (used in)/generated from operating activities</strong></td>
<td>(15,018,573)</td>
<td>512,147</td>
</tr>
</tbody>
</table>

**Cash flows from investing activities**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of plant and equipment</td>
<td>(731,421)</td>
<td>(35,143)</td>
</tr>
<tr>
<td>Available-for-sale investments</td>
<td>(8,028,406)</td>
<td>–</td>
</tr>
<tr>
<td>Purchase of exploration and evaluation assets</td>
<td>(35,990,483)</td>
<td>–</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>(998,340)</td>
<td>–</td>
</tr>
<tr>
<td>Proceeds from disposal of plant and equipment</td>
<td>1,000</td>
<td>–</td>
</tr>
<tr>
<td>Finance income received</td>
<td>13,308</td>
<td>11,045</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(45,734,342)</td>
<td>(24,098)</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements.
Consolidated Statement of Cash Flows
Year ended 31 March 2015

<table>
<thead>
<tr>
<th>Cash flow from financing activities</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net proceeds from issuance of shares</td>
<td>63,653,025</td>
<td>-</td>
</tr>
<tr>
<td>Finance costs paid</td>
<td>(391,877)</td>
<td>(21,868)</td>
</tr>
<tr>
<td>Proceeds from bank borrowings</td>
<td>1,634,975</td>
<td>237,982</td>
</tr>
<tr>
<td>Repayment of bank borrowings</td>
<td>(100,000)</td>
<td>(100,000)</td>
</tr>
<tr>
<td>Repayment of finance lease payables</td>
<td>(27,513)</td>
<td>(13,377)</td>
</tr>
<tr>
<td>Repayment to a director of the Company</td>
<td>-</td>
<td>(3,181)</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>17</td>
<td>(265,493)</td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>16</td>
<td>(60,191)</td>
</tr>
<tr>
<td><strong>Net cash from/(used in) financing activities</strong></td>
<td>64,768,610</td>
<td>(226,128)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net change in cash and cash equivalents</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents at beginning of financial year</td>
<td>2,242,598</td>
<td>1,979,258</td>
</tr>
<tr>
<td>Effects of exchange rate changes on cash and cash equivalents</td>
<td>404</td>
<td>1,419</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of financial year</strong></td>
<td>6,258,697</td>
<td>2,242,598</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 1 July 2015.

1. DOMICILE AND ACTIVITIES

Alpha Energy Holdings Limited (formerly known as JK Tech Holdings Limited) (the “Company”) is incorporated in Singapore. The address of the Company’s registered office is 61 Kaki Bukit Avenue 1, #02-13 Shun Li Industrial Park, Singapore 417943. The Company is listed on Catalist, the sponsor-supervised listing platform, of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The financial statements of the Group as at and for the year ended 31 March 2015 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interest in associate.

The principal activity of the Company is that of an investment holding.

The principal activities of the subsidiaries are set out in note 7 to the financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise disclosed in the accounting policies set out in note 3.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company’s functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with FRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
2. BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgments (cont’d)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are discussed as follows:

**Impairment of investments in subsidiaries and associate**

The Group determines whether there is impairment on the investments in subsidiaries and associate where events or changes in circumstances indicate that the carrying amounts of the investments may be impaired. If any such indications exist, the recoverable amount is estimated. The level of allowance is evaluated by the Group on the basis of factors that affect the recoverability of the investments. These factors include, but are not limited to, the activities and financial position of the entities, and market factors.

**Impairment of available-for-sale financial assets**

At the end of each financial year, an assessment is made on whether there is objective evidence that an available-for-sale equity instrument is impaired. A significant or prolonged decline in the fair value of the instrument below its cost is considered in determining whether the asset is impaired. Judgment is used in determining what a significant or prolonged decline is. As a Group policy, available-for-sale investments in equity instrument are assessed for impairment when the market value as at the end of the financial year is significantly below cost, or the market value remained below cost for the previous 12 months or longer.

**Useful lives and depreciation of plant and equipment**

The Group depreciates the plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management’s estimate of the period that the Group intends to derive future economic benefits from the use of the Group’s plant and equipment. The residual value reflects management’s estimated amount that the Group would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset were already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economic, useful lives and residual values of these assets which could then consequentially impact future depreciation charges.
2. BASIS OF PREPARATION (CONT’D)

2.4 Use of estimates and judgments (cont’d)

Impairment of plant and equipment

The Group assesses the impairment of plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- Extended periods of idle time;
- Inability to contract the plant and equipment; and
- Significant adverse industry or economic trends.

The complexity of the estimation process and issues related to the assumptions, risks and uncertainties inherent in the application of the Group’s accounting estimates in relation to the plant and equipment affect the amounts reported in the financial statements, especially the estimates of the expected useful economic life and the carrying value of the plant and equipment. If business conditions were different, or if different assumptions were used in the application of this and other accounting estimates, it is likely that materially different amounts could be reported in the Group’s financial statements.

Allowance for trade and other receivables

Trade and other receivables are recorded at the invoiced amount and do not bear interest. The allowance for doubtful receivables is the Group’s best estimate of the amount of probable credit losses in the Group’s existing trade and other receivables.

Management uses judgment to determine the allowance for doubtful receivables which are supported by historical write-off, credit history of the customers and repayment records. The Group reviews its allowance for doubtful receivables monthly. Balances which are past due for more than 60 days are reviewed individually for collectability. Accounts balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Actual results could differ from estimates.

Allowance for inventory obsolescence

The Group recognises allowance on inventory obsolescence when inventory items are identified as obsolete. Obsolescence is based on the physical and internal condition of inventory items. Obsolescence is also established when inventory items are no longer marketable. Obsolete goods when identified are charged to the profit or loss. Factors, however beyond the Group’s control, such as demand levels, technological advances and pricing competition could change from period to period and will have differing impact on the value of inventories and profit or loss.
2. BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgments (cont'd)

Acquisition of joint operation

The Group was required to determine the consideration transferred to acquire working interests in a joint operation. The deferred and contingent consideration was determined based on the probability of meeting certain hydrocarbon production and sale volume targets. The Group classified the obligation to pay deferred and contingent consideration as a financial liability.

Impairment of exploration and evaluation assets

Hydrocarbon reserves are estimates of the amount of oil which can be economically and legally extracted by the Group in approved fields. For the purpose of estimating reserves, several factors are considered, among others, such as: geological, technical and economic, production techniques, recovery rates, production costs, transportation costs, demand and prices for commodities and exchange rates. Estimating the quantity and grade of reserves requires determining the size, shape and depth of the reservoirs or fields to be determined by analysing geological data and drilling samples. This process may require interpreting complex and difficult geological judgments. Because the economic assumptions change from period to period and the Group still generating additional geological data during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the recovery of the carrying amount of oil properties due to changes in estimated future cash flows and hence, impairment recorded in profit or loss.

Provision for restoration costs

In determining the amount of provision for restoration costs, estimates are made in relation to the expected cost to decommission and reinstate the site back to its original form after the expiration of the licenses. Changes in various factors, such as relevant legal requirements, emergence of new restoration techniques and expected timing of the expenditure will have impact on the amount of provision recorded as at the end of each financial year.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below.

Exploration and evaluation expenditure

The application of the Group’s accounting policy for exploration and evaluation expenditure requires judgment to determine whether future economic benefits are likely, from future exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that requires varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure.
2. BASIS OF PREPARATION (CONT’D)

2.4 Use of estimates and judgments (cont’d)

Exploration and evaluation expenditure (cont’d)

The deferral policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information become available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalized amount is written off in profit or loss in the period when the new information becomes available.

2.5 Changes in accounting policies

Subsidiaries

As a result of FRS 110 Consolidated Financial Statements, the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. FRS 110 introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns.

The adoption of the FRS 110 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

Offsetting of financial assets and financial liabilities

Under the Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.

The Group has presented the respective receivables and payables on a gross basis prior to the amendment as the right to set-off is not enforceable in the event of bankruptcy of the counterparty. The amendment of the FRS 32 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in note 2.5, which addresses changes in accounting policies.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.1 Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method in accordance with FRS 103 Business Combination as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on proportionate amount of the net assets of the subsidiary.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(iii) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.1 Basis of consolidation (cont’d)

(iv) Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associate are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date the significant influence cease.

When the Group’s share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee’s operation or has made payments on behalf of the investee.

(iv) Joint operations

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Accounting for subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company’s statement of financial position at cost less accumulated impairment losses.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for the retranslation of available-for-sale equity instruments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss) which are recognised in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollar at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollar at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income, and are presented in the translation reserve in equity.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.2 Foreign currency (cont’d)

(iii) Net investment in foreign operation

Exchange differences arising from monetary items that in substance form part of the Company’s net investment in a foreign operation are recognised in the Company’s profit or loss. Such exchange differences are reclassified to other comprehensive income in the consolidated financial statements. When the foreign operation is disposed of, the cumulative amount in equity is transferred to profit or loss as an adjustment to the profit or loss arising on disposal.

3.3 Exploration and evaluation assets

Exploration and evaluation activity involves the search for oil and gas resources, the determination of technical feasibility and the assessment of the commercial viability of an identified resource. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in profit or loss.

Exploration and evaluation costs are capitalized in respect of each area of interest for which the rights to tenure are current and where:

(i) the exploration and evaluation costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

(ii) exploration and evaluation activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence, or otherwise, of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets comprise, among others, costs that are directly attributable to researching and analysing existing exploration data, gathering exploration data through topographical, geochemical and geophysical studies, exploratory drilling, trenching and sampling, determining and examining the volume and grade of the resource, examining and testing extraction and treatment methods, surveying transportation and infrastructure requirements, compiling pre-feasibility and feasibility studies and/or gaining access to areas of interest including occupancy and relocation compensation and other directly attributable costs of exploration and appraisal including technical and administrative costs.

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the exploration and evaluation asset relates. In all other cases, these costs are expensed as incurred.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward cost in relation to that area of interest.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.3 Exploration and evaluation assets (cont’d)

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the cost of that stage. Site restoration costs include the dismantling and removal of drilling facilities, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the concession permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis. Any changes to the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within 1 year of abandoning the concession site.

3.4 Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items [major components] of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment, and is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.4 Plant and equipment (cont’d)

(iii) Depreciation (cont’d)

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation is recognised from the date that plant and equipment are completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

- Furniture and fittings: 5 - 10 years
- Office equipment: 5 - 10 years
- Motor vehicles: 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 Intangible assets

The club membership is initially recognised at cost and is subsequently measured at cost less any impairment loss.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a “first-in, first-out” basis and includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price at which the inventories can be realised in the ordinary course of business less costs incurred in marketing and distribution. Where necessary, allowance is made for obsolete, slow-moving and defective inventories to adjust the carrying value of those inventories to the lower of cost and net realisable value.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.7 Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: loans and receivables and available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables (excluding prepayments).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, restricted cash are excluded from cash and cash equivalents.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see note 3.8) is recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Available-for-sale financial assets comprise equity securities.
3.7 Financial instruments (cont’d)

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise finance lease liabilities, bank borrowings and trade and other payables (excluding deferred income).

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(iv) Repurchase, disposal and reissues of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid which includes directly attributable costs, net of any tax effects, is recognised as a deduction of equity. Repurchased shares are classified and presented as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit is presented in non-distributable capital reserve.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.8 Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management’s judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.8 Impairment (cont’d)

(i) Non-derivative financial assets (cont’d)

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, then the impairment loss is reversed. The amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

(ii) Non-financial assets

The carrying amounts of the Group’s non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (“CGU”) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group’s corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.8 Impairment (cont’d)

(ii) Non-financial assets (cont’d)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

3.9 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Share-based payment transactions

The Group grants share awards for the shares of the Company to employees of the Group. The fair value of incentives granted is recognised as an employee expense with a corresponding increase in equity.

3.10 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
3.11 Government grants

An unconditional government grant is recognised in profit or loss as other income when the grant becomes receivable.

3.12 Revenue recognition

*Sale of goods*

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

*Rendering of services*

Revenue from rendering of services is recognised when the related services have been rendered to customers.

*Lease income*

Revenue generated from the leasing of the Group’s assets is recognised in profit or loss on a straight-line basis over the term of the lease. Lease income which has been received upfront at the start of the charter period is recognised as deferred revenue in the balance sheet. Such amount is recognised as revenue on a straight line basis over the entire leasing period of the Group’s asset.

*Dividend income*

Dividend income is recognised in profit or loss when the shareholders’ right to receive payment is established.
Notes to the 
Financial Statements 
For the financial year ended 31 March 2015

3.  SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.13 Leases

When entities within the Group are lessees of a finance lease

Leased assets in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Leased assets are depreciated over the shorter of the lease term and their estimated useful lives. Lease payments are apportioned between finance expenses and reduction of the lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

At inception, an arrangement that contains a lease is accounted for as such based on the terms and conditions even though the arrangement is not in the legal form of a lease.

When entities within the Group are lessees of an operating lease

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

When entities within the Group are lessors of an operating lease

When the Group leases out assets under operating leases, the leased assets are included in the statement of financial position according to their nature and, where applicable, are depreciated in accordance with the Group’s depreciation policies. Revenue arising from operating leases is recognised in accordance with the Group’s revenue recognition policies.

3.14 Finance income and finance costs

Finance income comprises interest income on bank deposits. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expenses on borrowings that are recognised in profit or loss.

3.15 Income tax expense

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

3.  SIGNIFICANT ACCOUNTING POLICIES (CONT’D)

3.15 Income tax expense (cont’d)

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss; and

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of the existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ operating results are reviewed regularly by the Group’s Chief Executive Officer (the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group’s Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company’s headquarters), head office expenses and tax liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment and exploration and evaluation assets.

3.18 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2014, and have not been applied in preparing these financial statements. The Group is currently assessing the impact to the financial statements and does not plan to early adopt these new standards, amendments to standards and interpretations.

4. EXPLORATION AND EVALUATION ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Additions</td>
<td>72,587,571</td>
<td>–</td>
</tr>
<tr>
<td>Translation differences on consolidation</td>
<td>4,530,057</td>
<td>–</td>
</tr>
<tr>
<td>At 31 March</td>
<td>77,117,628</td>
<td>–</td>
</tr>
</tbody>
</table>
Notes to the
Financial Statements
For the financial year ended 31 March 2015

4. EXPLORATION AND EVALUATION ASSETS (CONT’D)

Exploration and evaluation assets represent costs incurred with respect to the exploration and evaluation of hydrocarbons in Alaska. These assets are held through the Group’s investment in joint operation (note 8). No amortisation was recorded for the year as the fields are currently in exploration and development phase and production has not commenced.

5. PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Group</th>
<th>Furniture and fittings</th>
<th>Office equipment</th>
<th>Motor vehicles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2013</td>
<td>467,861</td>
<td>297,703</td>
<td>195,254</td>
<td>960,818</td>
</tr>
<tr>
<td>Additions</td>
<td>2,523</td>
<td>20,620</td>
<td>79,000</td>
<td>102,143</td>
</tr>
<tr>
<td>At 31 March 2014</td>
<td>470,384</td>
<td>318,323</td>
<td>274,254</td>
<td>1,062,961</td>
</tr>
<tr>
<td>Additions</td>
<td>534,406</td>
<td>168,515</td>
<td>94,800</td>
<td>797,721</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–</td>
<td>(70,936)</td>
<td>(70,936)</td>
</tr>
<tr>
<td>Write-offs</td>
<td>(455,152)</td>
<td>(111,016)</td>
<td>–</td>
<td>(566,168)</td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>549,638</td>
<td>375,822</td>
<td>298,118</td>
<td>1,223,578</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2013</td>
<td>413,666</td>
<td>277,774</td>
<td>114,731</td>
<td>806,171</td>
</tr>
<tr>
<td>Depreciation</td>
<td>18,135</td>
<td>9,463</td>
<td>21,926</td>
<td>49,524</td>
</tr>
<tr>
<td>At 31 March 2014</td>
<td>431,801</td>
<td>287,237</td>
<td>136,657</td>
<td>855,695</td>
</tr>
<tr>
<td>Depreciation</td>
<td>31,807</td>
<td>15,084</td>
<td>43,520</td>
<td>90,411</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–</td>
<td>(70,936)</td>
<td>(70,936)</td>
</tr>
<tr>
<td>Write-offs</td>
<td>(431,221)</td>
<td>(110,778)</td>
<td>–</td>
<td>(541,999)</td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>32,387</td>
<td>191,543</td>
<td>109,241</td>
<td>333,171</td>
</tr>
<tr>
<td>Carrying amounts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2013</td>
<td>54,195</td>
<td>19,929</td>
<td>80,523</td>
<td>154,647</td>
</tr>
<tr>
<td>At 31 March 2014</td>
<td>38,583</td>
<td>31,086</td>
<td>137,597</td>
<td>207,266</td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>517,251</td>
<td>184,279</td>
<td>188,877</td>
<td>890,407</td>
</tr>
</tbody>
</table>
Notes to the
Financial Statements
For the financial year ended 31 March 2015

5. PLANT AND EQUIPMENT (CONT'D)

<table>
<thead>
<tr>
<th>Company</th>
<th>Office equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2013 and 31 March 2014</td>
<td>–</td>
</tr>
<tr>
<td>Additions</td>
<td>1,255</td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>1,255</td>
</tr>
<tr>
<td><strong>Accumulated depreciation</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2013 and 31 March 2014</td>
<td>–</td>
</tr>
<tr>
<td>Depreciation</td>
<td>167</td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>167</td>
</tr>
<tr>
<td><strong>Carrying amounts</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2013 and 31 March 2014</td>
<td>–</td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>1,088</td>
</tr>
</tbody>
</table>

During the financial year, the Group acquired plant and equipment of $66,300 (2014: $67,000) under finance leases. As at 31 March 2015, the carrying amounts of plant and equipment under finance leases are $188,877 (2014: $137,597). These assets are pledged as securities for the related finance lease liabilities (note 18).

During the year, the Group’s depreciation of $90,411 was being charged to general and administrative expenses in the consolidated statement of profit or loss.

6. INTANGIBLE ASSET

<table>
<thead>
<tr>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Club membership, at cost</td>
<td>68,000</td>
<td>68,000</td>
</tr>
<tr>
<td>Less: impairment loss</td>
<td>(35,000)</td>
<td>(35,000)</td>
</tr>
<tr>
<td>Carrying amount</td>
<td>33,000</td>
<td>33,000</td>
</tr>
</tbody>
</table>

Club membership comprises membership for recreation club in Singapore.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

7. INVESTMENTS IN SUBSIDIARIES

Company

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted equity shares, at cost</td>
<td>$6,409,869</td>
<td>$6,409,867</td>
</tr>
<tr>
<td>Allowance for impairment losses</td>
<td>$(1,962,500)</td>
<td>$(1,962,500)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,447,369</strong></td>
<td><strong>$4,447,367</strong></td>
</tr>
</tbody>
</table>

Movements in allowance for impairment loss of investments in subsidiaries were as follows:

Company

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>At beginning of financial year</td>
<td>$1,962,500</td>
<td>$2,659,938</td>
</tr>
<tr>
<td>Write-back of allowance</td>
<td>–</td>
<td>$(697,438)</td>
</tr>
<tr>
<td>At end of financial year</td>
<td>$1,962,500</td>
<td>$1,962,500</td>
</tr>
</tbody>
</table>

In 2014, due to improvements in financial performance of a certain subsidiary, the Company reassessed the recoverable amount of the Company’s investment in the subsidiary. The recoverable value was determined based on the subsidiary’s estimated fair value, and resulted in a write-back of allowance for impairment loss amounting to $697,438, that was recognised in profit or loss of the Company. No impairment indicators were noted in 2015.

The details of the subsidiaries are as follows:

Name of subsidiary  | Principal activities  | Country of incorporation | Effective equity interest 2015 | Effective equity interest 2014 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Held by the Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JK Technology Pte Ltd</td>
<td>Supply of IT products and provision of related services</td>
<td>Singapore</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Magenta Consulting Pte. Ltd</td>
<td>Provision of management consultancy services</td>
<td>Singapore</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>JK Tech Systems (M) Sdn Bhd</td>
<td>Dormant</td>
<td>Malaysia</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>JK E&amp;P Group Pte Ltd</td>
<td>Investment holding</td>
<td>Singapore</td>
<td>100</td>
<td>–</td>
</tr>
<tr>
<td>Conquest Energy Pte Ltd</td>
<td>Investment holding</td>
<td>Singapore</td>
<td>100</td>
<td>–</td>
</tr>
</tbody>
</table>
Notes to the  
Financial Statements 
For the financial year ended 31 March 2015  

7. INVESTMENTS IN SUBSIDIARIES (CONT’D) 

<table>
<thead>
<tr>
<th>Name of subsidiary</th>
<th>Principal activities</th>
<th>Country of incorporation</th>
<th>Effective equity interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>JK North Slope Group Inc Srl</td>
<td>Investment holding</td>
<td>Romania</td>
<td>100 –</td>
</tr>
<tr>
<td>JK North Slope LLC</td>
<td>Investment holding</td>
<td>United States of America</td>
<td>100 –</td>
</tr>
<tr>
<td>Caracol Petroleum LLC</td>
<td>Oil and gas exploration through working interests (see note 8)</td>
<td>United States of America</td>
<td>100 –</td>
</tr>
</tbody>
</table>

[a] 1% held by Conquest Energy Pte Ltd  
[b] Audited by BDO LLP, Singapore  
[c] Audited by Crowe Horwath, Malaysia  
[d] Audited by KPMG LLP, Singapore  
[e] Not required to be audited in accordance with the law of the country of incorporation  

8. JOINT OPERATION  

The details of the joint operation (see note 28) are as follows:  

**Mustang Project**  

**Held by Caracol Petroleum LLC**  

Nature of relationship with the Group  Provides access to oil and gas exploration activities  
Principal place of business  Alaska, United States of America  
Ownership interest  38.2%*  
(2014: Nil)  

* During the carried period, the Group has an effective interest of 55.2% in capital expenditure. The carried period will end when a total of US$600 million has been spent on exploration and evaluation assets and the construction, operation and maintenance of the production facility owned by Mustang Operations Centre 1 LLC.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

9. INVESTMENT IN ASSOCIATE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interests in associate</td>
<td>$696,412</td>
<td>$663,692</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

The details of the associate are as follows:

---

### Pro-Datech Systems Pte. Ltd.\(^{(1)}\)

- **Nature of relationship with the Group**: Strategic partner in provision of IT services
- **Principal place of business / Country of incorporation**: Singapore
- **Ownership interests**: 25% (2014: 25%)

\(^{(1)}\) Audited by Lee & Co, Singapore

The following summarises the financial information of each of the Group’s material associate based on their respective (consolidated) financial statements prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Group’s accounting policies.

<table>
<thead>
<tr>
<th>Pro-Datech System Pte Ltd</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$17,905,769</td>
<td>$21,669,471</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>$130,880</td>
<td>$547,567</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td>$130,880</td>
<td>$547,567</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>$60,801</td>
<td>$10,790</td>
</tr>
<tr>
<td>Current assets</td>
<td>$7,377,868</td>
<td>$8,031,372</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>$(4,660,693)</td>
<td>$(5,395,066)</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>$2,777,976</td>
<td>$2,647,096</td>
</tr>
</tbody>
</table>

**Group’s interest in net assets of investee at beginning of the year**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group’s share of profit from operations</td>
<td>$32,720</td>
<td>$136,892</td>
</tr>
<tr>
<td>Carrying amount of interest in investee at end of the year</td>
<td>$696,412</td>
<td>$663,692</td>
</tr>
</tbody>
</table>

There were no contingent liabilities as at 31 March 2015 and 31 March 2014.
Notes to the Financial Statements
For the financial year ended 31 March 2015

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quoted securities, at fair value</td>
<td>$2,385,033</td>
<td>–</td>
<td>$2,385,033</td>
<td>–</td>
</tr>
<tr>
<td>Unquoted securities, at fair value</td>
<td>$8,511,831</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Unquoted securities, at cost</td>
<td>$60,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,956,864</strong></td>
<td>–</td>
<td><strong>2,385,033</strong></td>
<td>–</td>
</tr>
</tbody>
</table>

The unquoted security of $60,000 (2014: Nil) is stated at cost less impairment loss, as there is no active market for the investment and its fair value could not be reliably measured.

11. DEFERRED TAX ASSETS

<table>
<thead>
<tr>
<th></th>
<th>As at 31 March 2013</th>
<th>Recognised in profit or loss (note 26)</th>
<th>At 31 March 2014</th>
<th>Recognised in profit or loss (note 26)</th>
<th>At 31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Deferred tax assets/(liabilities)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>–</td>
<td>1,797</td>
<td>1,787</td>
<td>19,450</td>
<td>21,237</td>
</tr>
<tr>
<td>Provisions</td>
<td>–</td>
<td>22,356</td>
<td>22,356</td>
<td>(3,652)</td>
<td>18,704</td>
</tr>
<tr>
<td>Unutilised tax losses carried forward</td>
<td>200,008</td>
<td>61,847</td>
<td>261,865</td>
<td>(98,673)</td>
<td>163,192</td>
</tr>
<tr>
<td><strong>Net deferred tax assets/(liabilities)</strong></td>
<td>200,008</td>
<td>86,000</td>
<td>286,008</td>
<td>(82,875)</td>
<td>203,133</td>
</tr>
</tbody>
</table>

As at 31 March 2015, the Group has unutilised tax losses of approximately $959,957 (2014: $1,540,386) available for offset against future taxable profits subject to the agreement by the tax authorities and compliance with the relevant tax legislations of the respective countries in which the Group operates.

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. Accordingly, these deferred tax assets have been recognised in the financial statements in accordance with the accounting policy in note 3.15 to the financial statements.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

12. TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receivables</td>
<td>9,068,955</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>9,563,788</td>
<td>6,658,576</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for doubtful trade receivables</td>
<td>(149,391)</td>
<td>(44,308)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>9,414,397</td>
<td>6,614,268</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Non-trade amount due from subsidiaries</td>
<td>–</td>
<td>–</td>
<td>62,593,229</td>
<td>1,422,846</td>
</tr>
<tr>
<td>Other receivables</td>
<td>4,802,140</td>
<td>100</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Staff loan</td>
<td>7,148</td>
<td>9,253</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Deposits</td>
<td>76,955</td>
<td>133,847</td>
<td>18,000</td>
<td>23,375</td>
</tr>
<tr>
<td>Accrued revenue</td>
<td>41,600</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Prepayments</td>
<td>28,874</td>
<td>18,347</td>
<td>23,335</td>
<td>6,117</td>
</tr>
<tr>
<td></td>
<td>14,371,114</td>
<td>6,775,815</td>
<td>62,634,564</td>
<td>1,452,338</td>
</tr>
<tr>
<td>Total</td>
<td>23,440,069</td>
<td>6,775,815</td>
<td>62,634,564</td>
<td>1,452,338</td>
</tr>
</tbody>
</table>

Trade receivables are unsecured, interest-free and are generally on 30 to 60 [2014: 30 to 60] days terms.

The non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

Other receivables in the current financial year largely relate to tax credits recoverable from the State of Alaska.

Movement in allowance for doubtful trade receivables was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Group 2015</th>
<th>Group 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>At beginning of financial year</td>
<td>44,308</td>
<td>44,308</td>
</tr>
<tr>
<td>Allowance made during the year</td>
<td>105,083</td>
<td>–</td>
</tr>
<tr>
<td>At end of financial year</td>
<td>149,391</td>
<td>44,308</td>
</tr>
</tbody>
</table>

There is no allowance of doubtful debts arising from the remaining outstanding balances.
Notes to the Financial Statements  
For the financial year ended 31 March 2015

13. INVENTORIES

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Trading goods:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- at cost</td>
<td></td>
<td>5,695,812</td>
<td>3,335,467</td>
</tr>
<tr>
<td>- at net realisable value</td>
<td></td>
<td>182,452</td>
<td>127,253</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5,878,264</td>
<td>3,462,720</td>
</tr>
</tbody>
</table>

The cost of inventories recognised as expense and included in "cost of sales" line item in profit or loss amounted to $40,657,289 (2014: $27,571,705).

Inventories are stated after allowance of inventory obsolescence. Movement in the allowance of inventory obsolescence during the financial year are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>At beginning of financial year</td>
<td></td>
<td>306,574</td>
<td>289,505</td>
</tr>
<tr>
<td>Allowance made during the year</td>
<td></td>
<td>84,252</td>
<td>45,083</td>
</tr>
<tr>
<td>Utilisation of allowance</td>
<td></td>
<td>(28,015)</td>
<td>(28,014)</td>
</tr>
<tr>
<td>At end of financial year</td>
<td></td>
<td>362,811</td>
<td>306,574</td>
</tr>
</tbody>
</table>

The Group also wrote off inventories amounting to $223,211 (2014: $7,607) that have been included in "cost of sales" line item in profit or loss.

14. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td></td>
<td>7,255,821</td>
<td>1,241,382</td>
<td>5,510,293</td>
<td>143,784</td>
<td></td>
</tr>
<tr>
<td>Fixed deposits</td>
<td></td>
<td>1,216</td>
<td>1,001,216</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents as per statement of financial position</td>
<td></td>
<td>7,257,037</td>
<td>2,242,598</td>
<td>5,510,293</td>
<td>143,784</td>
<td></td>
</tr>
<tr>
<td>Less: Restricted cash</td>
<td></td>
<td>[998,340]</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents as per consolidated statement of cashflow</td>
<td></td>
<td>6,258,697</td>
<td>2,242,598</td>
<td>5,510,293</td>
<td>143,784</td>
<td></td>
</tr>
</tbody>
</table>

The fixed deposit matures in 1 (2014: 1 to 3) month from the end of the reporting period. The effective interest rate on the fixed deposit is 0.05% (2014: 0.05% to 1.28%) per annum.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

15. SHARE CAPITAL

<table>
<thead>
<tr>
<th>Group and Company</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April</td>
<td>66,373,065</td>
<td>66,373,065</td>
</tr>
<tr>
<td>Shares issued during the year</td>
<td>224,963,000</td>
<td>–</td>
</tr>
<tr>
<td>At 31 March</td>
<td>291,336,065</td>
<td>66,373,065</td>
</tr>
</tbody>
</table>

All shares rank equally with regard to the Company’s residual assets. All issued shares are fully paid with no par value.

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Issuance of ordinary shares

During the financial year, the Company issued:

- 19,963,000 shares at $0.135 per share amounting to $2,608,371, net of transaction costs of $86,634. All issued shares are fully paid.

- 13,000,000 shares at $0.135 per share amounting to $1,710,108, net of transaction costs of $44,892. These shares were issued pursuant to a subscription agreement that the Company entered into with SF Ventures Pte Ltd (“SF Ventures”). All issued shares are fully paid.

- 42,000,000 shares at $0.09 per share amounting to $3,483,106, net of transaction costs of $296,894 (of which $250,000 was paid in the form of 5,000,000 share options). These shares were issued pursuant to a subscription agreement that the Company entered into with Ezion Holdings Limited (“Ezion”). The shares were issued to Ezion, in return for 1,848,862 shares in the issued share capital of Ezion.

- 150,000,000 shares at $0.40 per share amounting to $59,381,440, net of transaction costs of $618,560. All issued shares are fully paid.

Outstanding share options

On 4 April 2014, the Company entered into option agreements with the following parties:

- SF Ventures, to issue 65,000,000 share options for the cash consideration of $1. Out of the 65,000,000 share options issued, 50,000,000 share options shall be transferred to such persons to be jointly determined by the executive directors of SF Ventures and the Company at a later date upon written notice. Each share option carries the right to subscribe for one new ordinary share in the capital of the Company at the exercise price of $0.09 per share and can be exercised over a period of 5 years from the date of issuance; and
15. SHARE CAPITAL (CONT’D)

**Outstanding share options (cont’d)**

- Ezion, to issue 260,000,000 share options for the cash consideration of $1. Each share option carries the right to subscribe for one new ordinary share in the capital of the Company at the exercise price of $0.09 per share and can be exercised over a period of 5 years from the date of issuance.

On 12 August 2014, 5,000,000 share options held by SF Ventures were transferred to two directors of the Company, based on instructions given by the Company, for their services rendered for the execution of the subscription agreement between the Company and Ezion.

As at 31 March 2015, details of the options granted on unissued ordinary shares of the Company are as follows:

<table>
<thead>
<tr>
<th>Date of grant of options</th>
<th>Exercise price per share</th>
<th>Options outstanding as at 1 April 2014 '000</th>
<th>Options issued '000</th>
<th>Options outstanding as at 31 March 2015 '000</th>
<th>Exercise period</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 May 2014</td>
<td>0.09</td>
<td>325,000</td>
<td>325,000</td>
<td>22 May 2014 to 21 May 2019</td>
<td></td>
</tr>
</tbody>
</table>

There were no share options forfeited, cancelled or exercised during the financial year.

The options granted by the Company do not entitle the holders of the share options, by virtue of such holding, to any rights to participate in any share issue in any other company.

**Capital management**

The Group and Company manage their capital to ensure that the Group and Company are able to continue as going concern and maintain an optimal capital structure so as to maximise shareholders’ value. The Group and Company are not subject to any externally imposed capital requirements for the financial years ended 31 March 2015 and 2014.

The Group and Company constantly review the capital structure to ensure that the Group and Company are able to service any debt obligations (include principal repayment and interests) based on their operating cash flows. The Group’s and Company’s overall strategy remains unchanged during the financial year.

The Group and Company monitor capital based on a gearing ratio, which is net debt divided by equity plus net debt. The Group and Company include within net debt, trade and other payables, bank borrowings and finance lease liabilities less cash and cash equivalents (less restricted cash). Equity consists of share capital plus reserves.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

15. SHARE CAPITAL (CONT’D)

Capital management (cont’d)

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>49,212,271</td>
<td>6,991,527</td>
</tr>
<tr>
<td>Bank borrowings</td>
<td>1,872,957</td>
<td>337,982</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>157,072</td>
<td>118,285</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents¹</td>
<td>[6,258,697]</td>
<td>(2,242,598)</td>
</tr>
<tr>
<td>Net debt/(asset)</td>
<td>44,983,603</td>
<td>5,205,196</td>
</tr>
<tr>
<td>Total equity</td>
<td>74,926,854</td>
<td>6,223,305</td>
</tr>
<tr>
<td>Total capital</td>
<td>119,910,457</td>
<td>11,428,501</td>
</tr>
<tr>
<td>Gearing ratio (%)</td>
<td>38%</td>
<td>46%</td>
</tr>
</tbody>
</table>

¹ Excludes restricted cash
* Not meaningful

16. RESERVES

The reserves of the Group and Company comprise the following balances:

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>(53,191)</td>
<td>(60,191)</td>
</tr>
<tr>
<td>Share option reserve</td>
<td>250,000</td>
<td>–</td>
</tr>
<tr>
<td>Foreign currency translation reserve</td>
<td>12,866</td>
<td>3,036</td>
</tr>
<tr>
<td>At 31 March</td>
<td>209,675</td>
<td>(57,155)</td>
</tr>
</tbody>
</table>

Treasury shares

In 2014, the Company acquired 447,000 of its own shares through purchases on the Singapore Exchange. The total amount paid to acquire the shares was $60,191 and was deducted from the shareholders’ equity.

In 2015, the Company reissued 20,000 shares to a director of the Company and 30,000 shares to members of the key management of the Company under an employee share award scheme (note 22).
Notes to the
Financial Statements
For the financial year ended 31 March 2015

16. RESERVES (CONT'D)

Share option reserve

The share option reserve comprises the cumulative value of services rendered for the issue of share options.

Foreign currency translation reserve

The foreign currency translation reserve comprises:

(a) foreign exchange differences arising from the translation of the financial statements of subsidiaries whose functional currencies are different from the functional currency of the Company; and

(b) the exchange differences on monetary items which form part of the Group’s net investment in foreign operations, provided certain conditions are met.

17. DIVIDENDS

<table>
<thead>
<tr>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Interim tax-exempt dividend of $Nil (2014: $0.004) per share in respect of the financial year</td>
<td>–</td>
<td>265,493</td>
</tr>
</tbody>
</table>

The Board of Directors did not recommend any final dividends to be paid in respect of both financial years.

18. FINANCE LEASE LIABILITIES

<table>
<thead>
<tr>
<th>Group</th>
<th>Principal $</th>
<th>Interest $</th>
<th>Future minimum lease payments $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within one year</td>
<td>31,973</td>
<td>8,119</td>
<td>40,092</td>
</tr>
<tr>
<td>After one year but within five years</td>
<td>110,698</td>
<td>13,261</td>
<td>123,959</td>
</tr>
<tr>
<td>More than five years</td>
<td>14,401</td>
<td>497</td>
<td>14,898</td>
</tr>
<tr>
<td>Total</td>
<td>157,072</td>
<td>21,877</td>
<td>178,949</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within one year</td>
<td>22,118</td>
<td>6,790</td>
<td>28,908</td>
</tr>
<tr>
<td>After one year but within five years</td>
<td>96,167</td>
<td>11,964</td>
<td>108,131</td>
</tr>
<tr>
<td>Total</td>
<td>118,285</td>
<td>18,754</td>
<td>137,039</td>
</tr>
</tbody>
</table>
18. **FINANCE LEASE LIABILITIES (CONT’D)**

The Group’s obligation under the finance lease is secured by the Group’s title to the leased assets, which will revert to the lessor in the event of default by the Group (note 5).

The finance lease term ranges from 5 to 7 (2014: 5) years and the effective interest rate ranges from 4.83% to 6.54% (2014: 5.96% to 6.54%) per annum.

19. **TRADE AND OTHER PAYABLES**

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Non-current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other payables</td>
<td>22,409,373</td>
<td>–</td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>25,242,386</td>
<td>6,256,677</td>
</tr>
<tr>
<td>Other payables</td>
<td>424,344</td>
<td>177,258</td>
</tr>
<tr>
<td>Deferred income</td>
<td>122,371</td>
<td>64,076</td>
</tr>
<tr>
<td>Accrued operating expenses</td>
<td>1,013,797</td>
<td>493,516</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>49,212,271</td>
<td>6,991,527</td>
</tr>
</tbody>
</table>

Trade payables are unsecured, interest-free and generally on 30 to 150 (2014: 30 to 150) days terms. $16,149,033 of the trade payables relate to the purchase of exploration and evaluation assets.

Deferred income represents the amount of billings raised in advance for uncompleted contracts.

The non-current balance largely relates to the consideration payable for investments made through the Group’s newly acquired subsidiary, Caracol Petroleum LLC (note 28).

Notes to the
Financial Statements
For the financial year ended 31 March 2015

20. PROVISION FOR RESTORATION COSTS

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>At 1 April 2014</td>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Provision capitalised in exploration and evaluation assets</td>
<td></td>
<td>303,660</td>
<td>–</td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td></td>
<td>303,660</td>
<td>–</td>
</tr>
</tbody>
</table>

21. BANK BORROWINGS

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Secured bills payable</td>
<td></td>
<td>1,872,957</td>
<td>237,982</td>
</tr>
<tr>
<td>Secured revolving loan</td>
<td></td>
<td>–</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,872,957</td>
<td>337,982</td>
</tr>
</tbody>
</table>

**Secured bills payable**

The bills payable are secured by corporate guarantees from the Company.

**Terms and debt repayment schedule**

Terms and conditions of outstanding borrowings are as follows:

<table>
<thead>
<tr>
<th>Group</th>
<th>Effective interest rate</th>
<th>Year of maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured floating rate bills payable</td>
<td>5.09</td>
<td>2015</td>
</tr>
<tr>
<td>Secured floating rate revolving loan</td>
<td>2.74</td>
<td>On demand</td>
</tr>
</tbody>
</table>

As at the end of the reporting period, the Group has banking facilities as follows:

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Banking facilities granted</td>
<td></td>
<td>4,703,342</td>
<td>4,703,342</td>
</tr>
<tr>
<td>Banking facilities utilised</td>
<td></td>
<td>1,980,686</td>
<td>374,044</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements
For the financial year ended 31 March 2015

22. SHARE BASED PAYMENTS

At 31 March 2015, the Group has the following share-based payment arrangement:

Performance Share Plan

The Performance Share Plan ("Share Plan") of the Company was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 22 July 2011. The Share Plan is administered by the Company’s Remuneration Committee. All directors and employees of the Group shall be eligible to participate in the Share Plan.

The Group will grant shares of the Company ("Awards") to eligible employees and directors ("Participants"). Awards represent the right of a Participant to receive fully paid ordinary shares of the Company ("Shares") free of charge, upon the Participant achieving prescribed performance targets. Awards may only be vested and consequently, any Shares comprised in such Awards shall only be delivered upon the Remuneration Committee’s satisfaction that the prescribed performance targets have been achieved.

On 20 March 2014, the Remuneration Committee approved the granting of Awards for 20,000 shares to a director of the Company and 30,000 shares to members of the key management of the Company. The abovementioned Awards have vested and consequently shares comprised in such Awards were released to the participants in one tranche on 23 September 2014.

23. REVENUE

<table>
<thead>
<tr>
<th></th>
<th>Group 2015</th>
<th>Group 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of goods</td>
<td>41,318,404</td>
<td>29,706,108</td>
</tr>
<tr>
<td>Rendering of services</td>
<td>4,285,582</td>
<td>3,418,940</td>
</tr>
<tr>
<td>Lease income</td>
<td>2,533,538</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>48,137,524</strong></td>
<td><strong>33,125,048</strong></td>
</tr>
</tbody>
</table>
Notes to the
Financial Statements
For the financial year ended 31 March 2015

24.  NET FINANCE COSTS

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Interest income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Fixed deposits</td>
<td></td>
<td>(13,308)</td>
<td>(11,045)</td>
</tr>
<tr>
<td>Interest expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Bank overdrafts</td>
<td></td>
<td>41</td>
<td>778</td>
</tr>
<tr>
<td>- Bills payable</td>
<td></td>
<td>36,803</td>
<td>11,029</td>
</tr>
<tr>
<td>- Finance lease</td>
<td></td>
<td>8,864</td>
<td>5,027</td>
</tr>
<tr>
<td>- Revolving loan</td>
<td></td>
<td>2,321</td>
<td>5,034</td>
</tr>
<tr>
<td>- Term loan</td>
<td></td>
<td>86,348</td>
<td>-</td>
</tr>
<tr>
<td>Term loan facility fee</td>
<td></td>
<td>257,500</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>391,877</td>
<td>21,868</td>
</tr>
<tr>
<td></td>
<td></td>
<td>378,569</td>
<td>10,823</td>
</tr>
</tbody>
</table>

25.  PROFIT BEFORE INCOME TAX

The following items have been included in arriving at profit before income tax:

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Allowance for inventory obsolescence</td>
<td>13</td>
<td>84,252</td>
</tr>
<tr>
<td>Inventories written off</td>
<td>13</td>
<td>223,211</td>
</tr>
<tr>
<td>Depreciation of plant and equipment</td>
<td>5</td>
<td>90,411</td>
</tr>
<tr>
<td>Bad debt written back</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Provision for doubtful receivables</td>
<td>12</td>
<td>105,083</td>
</tr>
<tr>
<td>Gain on disposal of plant and equipment</td>
<td>(1,000)</td>
<td>-</td>
</tr>
<tr>
<td>Write-off of plant and equipment</td>
<td>241,169</td>
<td>-</td>
</tr>
<tr>
<td>Impairment of available-for-sale financial assets</td>
<td>1,394,967</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange gain, net</td>
<td>4,737,602</td>
<td>-</td>
</tr>
<tr>
<td>Government grant</td>
<td>(277,016)</td>
<td>(83,258)</td>
</tr>
<tr>
<td>Operating lease income</td>
<td>(2,041,506)</td>
<td>-</td>
</tr>
</tbody>
</table>
Notes to the
Financial Statements
For the financial year ended 31 March 2015

25. PROFIT BEFORE INCOME TAX (CONT'D)

<table>
<thead>
<tr>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lease expenses</td>
<td>$2,327,422</td>
<td>$209,000</td>
</tr>
<tr>
<td>Audit fees:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Auditors of the Company</td>
<td>$150,000</td>
<td>$65,100</td>
</tr>
<tr>
<td>- Other auditors</td>
<td>$137,071</td>
<td>$2,544</td>
</tr>
<tr>
<td>Non-audit fees:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Auditors of the Company</td>
<td>$77,654</td>
<td>$9,000</td>
</tr>
<tr>
<td>- Other auditors</td>
<td>$11,200</td>
<td>$978</td>
</tr>
</tbody>
</table>

**Employee benefits expense:**

- Salaries, wages, bonuses and other staff benefits: $3,242,984, $2,729,274
- Contributions to defined contribution plans: $438,351, $427,039
- Directors’ remuneration: $545,635, $413,100

The employee benefits expense is recognised in the following line items in profit or loss:

<table>
<thead>
<tr>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>$1,385,249</td>
<td>$1,478,141</td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>$1,346,839</td>
<td>$1,043,507</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>$1,494,682</td>
<td>$1,047,765</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,226,770</strong></td>
<td><strong>$3,569,413</strong></td>
</tr>
</tbody>
</table>

26. INCOME TAX EXPENSE/(CREDIT)

<table>
<thead>
<tr>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Over)/Under provided in prior years</td>
<td>(56)</td>
<td>250</td>
</tr>
<tr>
<td>Deferred tax expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Origination and reversal of temporary differences [note 11]</td>
<td>$82,875</td>
<td>$(86,000)</td>
</tr>
<tr>
<td>Tax expense/(credit)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$82,819</td>
<td>$(85,750)</td>
</tr>
</tbody>
</table>
26. INCOME TAX EXPENSE/(CREDIT) (CONT’D)

<table>
<thead>
<tr>
<th>Reconciliation of effective tax rate</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before income tax</td>
<td>1,336,513</td>
<td>1,061,629</td>
</tr>
<tr>
<td>Share of results of associate, net of tax</td>
<td>(32,720)</td>
<td>(136,892)</td>
</tr>
<tr>
<td>Profit before tax excluding share of results of associate, net of tax</td>
<td>1,303,793</td>
<td>924,737</td>
</tr>
<tr>
<td>Tax calculated using Singapore tax rate of 17% (2014: 17%)</td>
<td>221,645</td>
<td>157,205</td>
</tr>
<tr>
<td>Expenses not deductible for tax purposes</td>
<td>239,056</td>
<td>31,890</td>
</tr>
<tr>
<td>Income not subject to income tax</td>
<td>(830,032)</td>
<td>(668)</td>
</tr>
<tr>
<td>Recognition of previously unrecognised deferred tax assets</td>
<td>–</td>
<td>(86,000)</td>
</tr>
<tr>
<td>Utilisation of unrecognised deferred tax assets</td>
<td>–</td>
<td>(184,310)</td>
</tr>
<tr>
<td>Unutilised tax losses not carried forward</td>
<td>449,975</td>
<td>–</td>
</tr>
<tr>
<td>Tax incentives from Enhanced Productivity and Incentive Credit Scheme</td>
<td>(3,648)</td>
<td>–</td>
</tr>
<tr>
<td>(Over)/Under provision in respect of prior year</td>
<td>(56)</td>
<td>250</td>
</tr>
<tr>
<td>Others</td>
<td>5,879</td>
<td>(4,117)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>82,819</strong></td>
<td><strong>(85,750)</strong></td>
</tr>
</tbody>
</table>

The unutilised tax losses not carried forward largely comes from the Company and cannot be carried forward or offset against future taxable income as it is an investment holding company.

27. EARNINGS PER SHARE

**Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 March 2015 was based on the profit attributable to ordinary shareholders of the Company of $1,253,694 (2014: $1,147,379) and a weighted average number of ordinary shares outstanding of 222,452,852 (2014: 66,229,886), calculated as follows:

<table>
<thead>
<tr>
<th>Group</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit attributable to ordinary shareholders</strong></td>
<td><strong>1,253,694</strong></td>
<td><strong>1,147,379</strong></td>
</tr>
</tbody>
</table>
27. EARNINGS PER SHARE (CONT'D)

Weighted average number of ordinary shares

<table>
<thead>
<tr>
<th></th>
<th>Group 2015</th>
<th>Group 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued ordinary shares at 1 April</td>
<td>65,926,065</td>
<td>66,373,065</td>
</tr>
<tr>
<td>Effect of issue of new ordinary shares</td>
<td>156,526,787</td>
<td>(143,179)</td>
</tr>
<tr>
<td>Weighted average number of ordinary shares at 31 March</td>
<td>222,452,852</td>
<td>66,229,886</td>
</tr>
</tbody>
</table>

Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 March 2015 was based on the profit attributable to ordinary shareholders of the Company of $1,253,694 (2014: $1,147,379) and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 438,509,275 (2014: 66,229,886), calculated as follows:

<table>
<thead>
<tr>
<th></th>
<th>Group 2015</th>
<th>Group 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit attributable to ordinary shareholders of the Company (diluted)</td>
<td>$1,253,694</td>
<td>$1,147,379</td>
</tr>
</tbody>
</table>

Weighted average number of ordinary shares (diluted)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average number of ordinary shares (basic)</td>
<td>222,452,852</td>
<td>66,229,886</td>
</tr>
<tr>
<td>Effect of share options in issue</td>
<td>216,056,423</td>
<td>–</td>
</tr>
<tr>
<td>Weighted average number of ordinary shares at 31 March</td>
<td>438,509,275</td>
<td>66,229,886</td>
</tr>
</tbody>
</table>

28. ACQUISITION OF SUBSIDIARY

In July 2014, the Group acquired 100% equity interest in Caracol Petroleum LLC ("Caracol") for a cash consideration of US$5,000.

Through Caracol, the Group acquired the following interests for a maximum cash consideration of US$55.2 million:
- 38.2% working interest in the Mustang Project;
- 52.5% membership interest in Mustang Road, LLC ("Mustang Road"); and
- 46.8% interest in various oil concession leases.
Notes to the Financial Statements
For the financial year ended 31 March 2015

28. ACQUISITION OF SUBSIDIARY (CONT’D)

The US$55.2 million cash consideration was payable in three tranches:
- 1st tranche: US$30.4 million paid in the current financial year;
- 2nd tranche: Deferred consideration of US$13.8 million payable after 31 March 2016; and
- 3rd tranche: Consideration of US$8.5 million contingent on certain hydrocarbon production and sale volume targets and deferred consideration of US$2.5 million payable upon the abandonment of the relevant oil wells.

The purchase consideration payable as at 31 March 2015 of US$16.3 million (equivalent to S$22.4 million) was determined by management based on the status and circumstances of the Mustang Project.

The Mustang Project has been accounted as a joint operation (note 8). Mustang Road has been accounted as an available-for-sale financial asset (note 10) as at 31 March 2015.

The acquisition has enabled the Group to diversify into oil and gas development activities.

29. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant related party transactions at terms and rates agreed between the Group and its related parties during the financial year:

<table>
<thead>
<tr>
<th></th>
<th>Group 2015</th>
<th>Group 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental expenses paid to a related party</td>
<td>165,600</td>
<td>120,400</td>
</tr>
</tbody>
</table>

A director of the Company has given an undertaking to provide financial support to the Company so as to provide an additional buffer against unforeseen factors that may adversely affect the future financial performance of the Group. Pursuant to the undertaking, the Director undertook to provide or procure financial support where necessary to the Company for the next three years from date of admission to Catalist on 14 November 2011, up to total amount of $5,000,000. The undertaking expired in the current financial year.
Notes to the
Financial Statements
For the financial year ended 31 March 2015

29.  SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT’D)

Compensation of key management personnel

The remuneration of a director of the Company and other members of the key management personnel during the financial year were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term benefits</td>
<td>$974,228</td>
<td>$720,150</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>$48,606</td>
<td>$53,740</td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>$180,839</td>
<td>$75,000</td>
</tr>
<tr>
<td>Share-based payment</td>
<td>$–</td>
<td>$7,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,203,673</td>
<td>$855,890</td>
</tr>
</tbody>
</table>

30.  COMMITMENTS

Capital commitments

As at the end of the financial year, the Group have the following capital commitments which are not provided for in the financial statements:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Approved by Directors and contracted for</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>$63,113</td>
<td>$50,203</td>
</tr>
<tr>
<td><strong>Approved by Directors and not contracted for</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of exploration and evaluation assets</td>
<td>$10,038,836</td>
<td>$–</td>
</tr>
</tbody>
</table>
Notes to the
Financial Statements
For the financial year ended 31 March 2015

30. COMMITMENTS (CONT'D)

Operating lease commitments

Group as lessee

As at the end of the financial year, commitments in respect of non-cancellable operating leases in respect of office premises and hardware IT equipment are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 1 year</td>
<td>4,852,980</td>
<td>536,546</td>
</tr>
<tr>
<td>After 1 year but within 5 years</td>
<td>7,028,512</td>
<td>849,511</td>
</tr>
<tr>
<td></td>
<td>11,881,492</td>
<td>1,386,057</td>
</tr>
</tbody>
</table>

The above operating lease commitments are based on existing rental rates as at the end of the reporting period. These operating leases have remaining lease terms between 1 to 3 (2014: 1 to 3) years from the financial year end and rentals are fixed for an average of 1 to 3 (2014: 1 to 3) years with no provisions for contingent rent or upward revision of rent based on market price indices.

Group as lessor

As at the end of the financial year, future minimum rentals receivables for hardware IT equipment under non-cancellable operating leases at the end of the reporting period are as follow:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 1 year</td>
<td>4,772,787</td>
<td>331,510</td>
</tr>
<tr>
<td>After 1 year but within 5 years</td>
<td>6,738,980</td>
<td>663,020</td>
</tr>
<tr>
<td></td>
<td>11,511,767</td>
<td>994,530</td>
</tr>
</tbody>
</table>

Operating lease income commitments represents rental receivable from customer on the lease of IT equipment. The lease terms are negotiated on fixed terms till the expiry of the lease. These operating leases have remaining lease terms between 1 to 3 (2014: 1 to 3) years from the financial year end and rentals are fixed for an average of 1 to 3 (2014: 1 to 3) years with no provisions for contingent rent or upward revision of rent based on market price indices.
31. FINANCIAL RISK MANAGEMENT

Overview

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group’s risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities.

The Audit Committee oversees how management monitors compliance with the Group’s risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group’s principal financial instruments comprise cash and cash equivalents and bank borrowings. The main purpose of these financial instruments is to finance the Group’s operations. The other financial instruments such as trade and other payables are directly from its operations.

Credit risk

The Group’s maximum exposure to credit risk are carrying amounts of trade and other receivables and cash and cash equivalents.

The Group has a credit policy in place which establishes credit limits for customers and monitors their balances on an ongoing basis. Therefore, the Group does not expect to incur material credit losses. Cash and cash equivalents are placed with regulated financial institutions. Hence, minimal credit risk exists with respect to these assets.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.
Credit risk (cont’d)

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables (excluding prepayments)</td>
<td>23,411,195</td>
<td>6,757,468</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7,257,037</td>
<td>2,242,598</td>
</tr>
<tr>
<td>Loans and receivables</td>
<td>30,668,232</td>
<td>9,000,066</td>
</tr>
<tr>
<td>Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables (excluding prepayments)</td>
<td>62,611,229</td>
<td>1,446,221</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5,510,293</td>
<td>143,784</td>
</tr>
<tr>
<td>Loans and receivables</td>
<td>68,121,522</td>
<td>1,590,005</td>
</tr>
</tbody>
</table>

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. No allowance for collective impairment was made based on past experience.

The ageing of trade and other receivables (excluding prepayments) at the reporting date was:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gross $</td>
<td>Impairment losses $</td>
</tr>
<tr>
<td>Not past due or less than 30 days overdue</td>
<td>20,959,451</td>
<td>–</td>
</tr>
<tr>
<td>Past due 31-60 days</td>
<td>806,685</td>
<td>–</td>
</tr>
<tr>
<td>Past due 61 – 90 days</td>
<td>657,951</td>
<td>–</td>
</tr>
<tr>
<td>Past due more than 90 days</td>
<td>1,136,499</td>
<td>(149,391)</td>
</tr>
<tr>
<td></td>
<td>23,560,586</td>
<td>(149,391)</td>
</tr>
</tbody>
</table>

|                        | 2014          | Impairment losses $ |
|                        | Gross $       | –             |
| Not past due or less than 30 days overdue | 62,611,229    | –             |
| Past due 31-60 days    | 5,510,293     | –             |
| Past due 61 – 90 days  | 409,218       | –             |
| Past due more than 90 days | 361,204    | (44,308)    |
|                        | 6,801,776     | (44,308)    |

The impaired trade receivables amounting to $149,391 (2014: $44,308) arose mainly due to long overdue amounts owing by the customers.
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Financial Statements
For the financial year ended 31 March 2015

31. FINANCIAL RISK MANAGEMENT (CONT’D)

The allowance account in respect of trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

The Group’s top one (2014: one) most significant customer account for 24% (2014: 16%) of net trade receivables as at 31 March 2015.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents 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 for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

<table>
<thead>
<tr>
<th>Cashflows</th>
<th>Carrying amount</th>
<th>Contractual cash flows</th>
<th>Within 1 year</th>
<th>Within 1 to 5 years</th>
<th>More than 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-derivative financial liabilities</td>
<td>157,072</td>
<td>[178,949]</td>
<td>(40,092)</td>
<td>(123,959)</td>
<td>(14,898)</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>1,872,957</td>
<td>(1,889,684)</td>
<td>(1,889,684)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bank borrowings</td>
<td>49,089,900</td>
<td>(49,089,900)</td>
<td>(26,680,527)</td>
<td>(22,409,373)</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other payables¹</td>
<td>51,119,929</td>
<td>(51,158,533)</td>
<td>(28,610,303)</td>
<td>(22,533,332)</td>
<td>(14,898)</td>
</tr>
</tbody>
</table>

| 2014 | Non-derivative financial liabilities | 118,285 | [137,039] | (28,908) | (108,131) | - |
| Bank borrowings | 337,982 | (354,045) | (354,045) | - | - |
| Trade and other payables¹ | 6,927,451 | [6,927,451] | (6,927,451) | - | - |
| Company | Non-derivative financial liabilities | 771,821 | [771,821] | (771,821) | - | - |

| 2014 | Non-derivative financial liabilities | 425,049 | [425,049] | (425,049) | - | - |
| Trade and other payables¹ | - | - | - | - | - |

¹ Excludes deferred income
31. FINANCIAL RISK MANAGEMENT (CONT’D)

Liquidity risk (cont’d)

The Group and Company actively manage their operating cash flows so as to finance the operations. As part of their overall prudent liquidity management, the Group and the Company minimise liquidity risk by ensuring the availability of funding through an adequate amount of committed credit facilities from financial institutions and maintain sufficient levels of cash to meet their working capital requirement.

The Group’s operations are financed mainly through equity and bank borrowings. Adequate lines of credits are maintained to ensure the necessary liquidity is available when required (note 21) so that the Group and Company will be able to pay its debts as and when they fall due.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Interest rate risk

The Group’s exposure to changes in interest rate relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The Group’s results are affected by changes in interest rates due to the impact of such changes on interest expenses from bank borrowings which are at floating interest rates. It is the Group’s policy to obtain quotes from banks to ensure that the most favourable rates are made available to the Group.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate risks for financial liabilities at the end of the reporting period. A change of 100 basis point (“bp”) in interest rate at the reporting date would (decrease)/increase profit by the pre-tax amounts shown below. This analysis assumes that all other variables, in particular, foreign currency rates, remain constant.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100bp</td>
<td>100bp</td>
</tr>
<tr>
<td></td>
<td>increase</td>
<td>decrease</td>
</tr>
<tr>
<td>Bank borrowings</td>
<td>(18,730)</td>
<td>18,730</td>
</tr>
</tbody>
</table>
Notes to the
Financial Statements
For the financial year ended 31 March 2015

31. FINANCIAL RISK MANAGEMENT (CONT’D)

Foreign currency risks

Foreign currency risks arise from transactions denominated in currency other than the functional currency of the entities within the Group. The currency that gives rise to this risk is primarily United States dollar. The Company does not have exposure to foreign currency risk as the Company does not transact in foreign currencies.

The Group monitors its foreign currency exchange risk closely and maintains funds in various currencies to minimise currency exposure due to timing differences between sales and purchases. Currency transaction risk arises when commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

It is not the Group’s policy to take speculative positions in foreign currencies.

The currency that gives rise to this risk is primarily United States dollar. The Group’s net exposure to foreign currency is as follows:

<table>
<thead>
<tr>
<th></th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Group</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>13,876,163</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>1,125,241</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(39,433,040)</td>
</tr>
<tr>
<td>Net exposure</td>
<td>(24,431,636)</td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>25,205</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>212,758</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(111,549)</td>
</tr>
<tr>
<td>Net exposure</td>
<td>126,414</td>
</tr>
<tr>
<td>Company</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>61,668,516</td>
</tr>
</tbody>
</table>

The Company was not exposed to foreign currency risks as all of its transactions and balances were denominated in Singapore dollar as at 31 March 2014.
31. FINANCIAL RISK MANAGEMENT (CONT’D)

Foreign currency risks (cont’d)

Sensitivity analysis

A 10% strengthening of Singapore dollar against the following currencies at the reporting date would increase/ (decrease) profit by the pre-tax amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit or loss</td>
<td>Profit or loss</td>
</tr>
<tr>
<td>Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>2,443,164</td>
<td>(12,641)</td>
</tr>
<tr>
<td>Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>(6,166,852)</td>
<td>–</td>
</tr>
</tbody>
</table>

A 10% weakening of the Singapore dollar against the above currency would have had an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

Fair values versus carrying amounts

The carrying amounts of the Group and the Company’s financial instruments, except those discussed below are not materially different from their fair values as at 31 March 2015 and 2014 due to their short-term nature and where the effect of discounting is immaterial.
## Financial Instruments by Category

<table>
<thead>
<tr>
<th>Note</th>
<th>Available-for-sale</th>
<th>Loans and receivables</th>
<th>Other financial liabilities</th>
<th>Total carrying amount</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale investments&lt;sup&gt;1&lt;/sup&gt;</td>
<td>10</td>
<td>10,896,864</td>
<td>–</td>
<td>–</td>
<td>10,896,864</td>
</tr>
<tr>
<td>Trade and other receivables&lt;sup&gt;2&lt;/sup&gt;</td>
<td>12</td>
<td>–</td>
<td>23,411,195</td>
<td>–</td>
<td>23,411,195</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>14</td>
<td>–</td>
<td>7,257,037</td>
<td>–</td>
<td>7,257,037</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,896,864</strong></td>
<td><strong>30,668,232</strong></td>
<td><strong>–</strong></td>
<td><strong>41,565,096</strong></td>
<td><strong>41,565,096</strong></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>18</td>
<td>–</td>
<td>–</td>
<td>(157,072)</td>
<td>(157,072)</td>
</tr>
<tr>
<td>Bank borrowings</td>
<td>21</td>
<td>–</td>
<td>–</td>
<td>(1,872,957)</td>
<td>(1,872,957)</td>
</tr>
<tr>
<td>Trade and other payables&lt;sup&gt;3&lt;/sup&gt;</td>
<td>19</td>
<td>–</td>
<td>–</td>
<td>(49,089,900)</td>
<td>(49,089,900)</td>
</tr>
<tr>
<td><strong>2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables&lt;sup&gt;2&lt;/sup&gt;</td>
<td>12</td>
<td>–</td>
<td>6,757,468</td>
<td>–</td>
<td>6,757,468</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>14</td>
<td>–</td>
<td>2,242,598</td>
<td>–</td>
<td>2,242,598</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>–</strong></td>
<td><strong>–</strong></td>
<td><strong>9,000,066</strong></td>
<td><strong>9,000,066</strong></td>
<td><strong>9,000,066</strong></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>18</td>
<td>–</td>
<td>–</td>
<td>(118,285)</td>
<td>(118,285)</td>
</tr>
<tr>
<td>Bank borrowings</td>
<td>21</td>
<td>–</td>
<td>–</td>
<td>(337,982)</td>
<td>(337,982)</td>
</tr>
<tr>
<td>Trade and other payables&lt;sup&gt;3&lt;/sup&gt;</td>
<td>19</td>
<td>–</td>
<td>–</td>
<td>(6,927,451)</td>
<td>(6,927,451)</td>
</tr>
<tr>
<td><strong>Company</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale investments</td>
<td>10</td>
<td>2,385,033</td>
<td>–</td>
<td>–</td>
<td>2,385,033</td>
</tr>
<tr>
<td>Trade and other receivables&lt;sup&gt;2&lt;/sup&gt;</td>
<td>12</td>
<td>–</td>
<td>62,611,229</td>
<td>–</td>
<td>62,611,229</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>14</td>
<td>–</td>
<td>5,510,293</td>
<td>–</td>
<td>5,510,293</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,385,033</strong></td>
<td><strong>68,121,522</strong></td>
<td><strong>–</strong></td>
<td><strong>70,506,555</strong></td>
<td><strong>70,506,555</strong></td>
</tr>
</tbody>
</table>

1. Excludes unquoted securities carried at cost
2. Excludes prepayments
3. Excludes deferred income
31. FINANCIAL RISK MANAGEMENT (CONT’D)

Financial instruments by category (cont’d)

<table>
<thead>
<tr>
<th>Note</th>
<th>Available -for-sale</th>
<th>Loans and receivables</th>
<th>Other financial liabilities</th>
<th>Total carrying amount</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td>Trade and other payables</td>
<td>19</td>
<td>$771,821</td>
<td>$771,821</td>
<td>$771,821</td>
</tr>
</tbody>
</table>

2014 Assets

<table>
<thead>
<tr>
<th>Note</th>
<th>Available -for-sale</th>
<th>Loans and receivables</th>
<th>Other financial liabilities</th>
<th>Total carrying amount</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td>Trade and other payables</td>
<td>19</td>
<td>$425,049</td>
<td>$425,049</td>
<td>$425,049</td>
</tr>
</tbody>
</table>

Excludes prepayments

Fair value hierarchy

The table below analyses fair value measurements for financial assets and financial liabilities, by the levels in the fair value hierarchy based on the inputs to valuation techniques. The different levels have been defined as follows:

- **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- **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).
- **Level 3**: Unobservable inputs for the asset or liability.

Financial assets carried at fair value

<table>
<thead>
<tr>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,385,033</td>
<td>$8,511,831</td>
<td>$10,896,864</td>
<td></td>
</tr>
</tbody>
</table>

There was no available-for-sale financial asset in 2014.

The above excludes the financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.
31. FINANCIAL RISK MANAGEMENT (CONT’D)

Valuation techniques and significant unobservable inputs

Financial instruments measured at fair value

The fair value of available-for-sale financial asset which is not traded in active markets is determined using net assets value, which is largely made up of property, plant and equipment and financial liability. The Group believes that the net assets value is reflective of the principal activity of the issuing entity, which was incorporated solely for the purpose of developing and owning the property, plant and equipment with specific financing provided. No future cash flows are expected as the rights to use the property, plant and equipment and related costs have been given to the Joint Operation of the Group.

Level 3 fair values

<table>
<thead>
<tr>
<th></th>
<th>Group and Company $</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 2014</td>
<td>–</td>
</tr>
<tr>
<td>Purchases</td>
<td>8,028,406</td>
</tr>
<tr>
<td>Total gains and losses</td>
<td></td>
</tr>
<tr>
<td>for the year</td>
<td></td>
</tr>
<tr>
<td>included in other</td>
<td></td>
</tr>
<tr>
<td>comprehensive income:</td>
<td></td>
</tr>
<tr>
<td>- Foreign currency</td>
<td>483,425</td>
</tr>
<tr>
<td>translation differences</td>
<td></td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>8,511,831</td>
</tr>
</tbody>
</table>

32. OPERATING SEGMENT

The Group has three reportable segments, as described below, which are the Group’s strategic business units. These strategic business units offer different services and are managed separately. The Group’s Chief Executive Officer (the chief operating decision maker) reviews internal management reports of each business unit at least quarterly. The following describes the operations of each of the Group’s reportable segments:

- Supply and delivery: Supplies broad range of Information Technology (‘IT’) products which are sourced from authorised distributors of the different IT vendors, comprising computer hardware and software products including computer peripherals and supply and delivery;

- Systems integration and services: Provides IT solutions to small and medium enterprises which have gradually recognised the importance of using IT systems to improve their business productivity; and

- Exploration and production [newly acquired in the current financial year]: Engages in the exploration and development of oil and gas assets.
Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Performance is evaluated based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s Chief Executive Officer, as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm’s length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets, liabilities and expenses.

<table>
<thead>
<tr>
<th></th>
<th>Supply and delivery</th>
<th>Systems integration and services</th>
<th>Exploration and production</th>
<th>Unallocated</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External revenue</td>
<td>41,318,404</td>
<td>6,819,120</td>
<td>–</td>
<td>–</td>
<td>48,137,524</td>
</tr>
<tr>
<td>Reportable segment gross profit</td>
<td>661,116</td>
<td>3,354,749</td>
<td>–</td>
<td>–</td>
<td>4,015,865</td>
</tr>
<tr>
<td>Other income</td>
<td>187,693</td>
<td>30,977</td>
<td>2,046,376</td>
<td>4,835,312</td>
<td>7,100,358</td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>[1,344,131]</td>
<td>(221,833)</td>
<td>–</td>
<td>–</td>
<td>(1,565,964)</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>[1,304,598]</td>
<td>[215,309]</td>
<td>[691,919]</td>
<td>[2,394,200]</td>
<td>[4,606,026]</td>
</tr>
<tr>
<td>Other expenses</td>
<td>[110,083]</td>
<td>[18,168]</td>
<td>[1,738,653]</td>
<td>[1,394,967]</td>
<td>[3,261,871]</td>
</tr>
<tr>
<td>Finance income</td>
<td>11,423</td>
<td>1,885</td>
<td>–</td>
<td>–</td>
<td>13,308</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(41,225)</td>
<td>(6,804)</td>
<td>–</td>
<td>(343,848)</td>
<td>(391,877)</td>
</tr>
<tr>
<td>Share of results of associate</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>32,720</td>
<td>32,720</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1,336,513</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(82,819)</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1,253,694</td>
</tr>
<tr>
<td>Reportable total segment assets</td>
<td>14,858,799</td>
<td>2,452,271</td>
<td>100,527,584</td>
<td>8,634,160</td>
<td>126,472,814</td>
</tr>
<tr>
<td>Reportable total segment liabilities</td>
<td>9,916,443</td>
<td>1,636,594</td>
<td>39,221,102</td>
<td>771,821</td>
<td>51,545,960</td>
</tr>
</tbody>
</table>

Capital expenditure:-
- Plant and equipment: 683,638 112,828 – 1,255 797,721
- Exploration and evaluation assets: – – 77,117,628 – 77,117,628
- Total capital expenditure: 683,638 112,828 77,117,628 1,255 77,915,349

Other material non-cash items:-
- Depreciation: 77,660 12,784 – 167 90,411
- Inventories written off: 191,591 31,620 – – 223,211
- Provision for doubtful debt: 90,197 14,886 – – 105,083
Notes to the
Financial Statements
For the financial year ended 31 March 2015

32. OPERATING SEGMENT (CONT’D)

<table>
<thead>
<tr>
<th></th>
<th>Supply and delivery</th>
<th>Systems integration and services</th>
<th>Exploration and production</th>
<th>Unallocated</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External revenue</td>
<td>29,706,108</td>
<td>3,418,940</td>
<td>2,156,772</td>
<td>95,320</td>
<td>33,125,048</td>
</tr>
<tr>
<td>Reportable segment gross profit</td>
<td>2,156,772</td>
<td>1,918,430</td>
<td></td>
<td></td>
<td>4,075,202</td>
</tr>
<tr>
<td>Other income</td>
<td>85,482</td>
<td>9,838</td>
<td>4,075,202</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>(1,104,801)</td>
<td>(127,154)</td>
<td></td>
<td></td>
<td>(1,231,955)</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>(1,787,265)</td>
<td>(205,700)</td>
<td></td>
<td></td>
<td>(1,992,965)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(9,006)</td>
<td>(1,036)</td>
<td></td>
<td></td>
<td>(10,042)</td>
</tr>
<tr>
<td>Finance income</td>
<td>9,905</td>
<td>1,140</td>
<td></td>
<td></td>
<td>11,045</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(19,611)</td>
<td>(2,257)</td>
<td></td>
<td></td>
<td>(21,868)</td>
</tr>
<tr>
<td>Share of results of associate</td>
<td>–</td>
<td>–</td>
<td>136,892</td>
<td></td>
<td>136,892</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>–</td>
<td>–</td>
<td>1,061,629</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax credit</td>
<td>–</td>
<td>–</td>
<td>85,750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td>–</td>
<td>–</td>
<td>1,147,379</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reportable total segment assets</td>
<td>11,664,872</td>
<td>1,342,535</td>
<td>663,692</td>
<td></td>
<td>13,671,099</td>
</tr>
<tr>
<td>Reportable total segment liabilities</td>
<td>6,679,084</td>
<td>768,710</td>
<td></td>
<td></td>
<td>7,447,794</td>
</tr>
<tr>
<td>Capital expenditure:-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>91,601</td>
<td>10,542</td>
<td></td>
<td></td>
<td>102,143</td>
</tr>
<tr>
<td>Other material non-cash items:-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>44,412</td>
<td>5,112</td>
<td></td>
<td></td>
<td>49,524</td>
</tr>
<tr>
<td>Inventory written off</td>
<td>6,821</td>
<td>785</td>
<td></td>
<td></td>
<td>7,607</td>
</tr>
</tbody>
</table>
## Geographical segments

The businesses of the Group are operated in two principal geographical areas, namely Singapore and the United States of America ("USA"). In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the customers. Segment assets are based on the geographical location where the assets are recognised.

<table>
<thead>
<tr>
<th></th>
<th>Singapore</th>
<th>USA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Revenue</td>
<td>48,137,524</td>
<td>33,125,048</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>48,137,524</td>
<td>33,125,048</td>
<td></td>
</tr>
<tr>
<td>Non-current assets (^{1})</td>
<td>1,619,819</td>
<td>903,958</td>
<td>77,117,628</td>
</tr>
<tr>
<td></td>
<td>78,737,447</td>
<td>903,958</td>
<td></td>
</tr>
</tbody>
</table>

\(^{1}\) Non-current assets presented consist of plant and equipment, investment in associate, intangible assets and exploration, evaluation and development assets

### Major customer

During the financial year ended 31 March 2015, the Group had one (2014: one) customer in the supply and delivery and systems integration and services segments that individually contributed 10% or more of the Group’s total revenue. In FY2015, revenue from the customer amounted to $13,312,000 (2014: $3,616,000).
Statistics of Shareholdings
As at 15 June 2015

GENERAL INFORMATION ON SHARE CAPITAL

<table>
<thead>
<tr>
<th>Issued and paid-up capital</th>
<th>S$77,904,320.42</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total no. of issued shares (including treasury shares)</td>
<td>291,336,065</td>
</tr>
<tr>
<td>Total no. of issued shares (excluding treasury shares)</td>
<td>290,939,065</td>
</tr>
<tr>
<td>Number of treasury shares</td>
<td>397,000 (0.14%)</td>
</tr>
<tr>
<td>Class of shares</td>
<td>Ordinary share</td>
</tr>
<tr>
<td>Voting rights (excluding treasury shares)</td>
<td>One vote per share</td>
</tr>
</tbody>
</table>

DISTRIBUTION OF SHAREHOLDINGS

<table>
<thead>
<tr>
<th>Range of Shareholdings</th>
<th>No. of Shareholders</th>
<th>%</th>
<th>No. of Shares</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 99</td>
<td>47</td>
<td>8.89</td>
<td>2,958</td>
<td>0.00</td>
</tr>
<tr>
<td>100 - 1,000</td>
<td>120</td>
<td>22.68</td>
<td>62,763</td>
<td>0.02</td>
</tr>
<tr>
<td>1,001 - 10,000</td>
<td>167</td>
<td>31.57</td>
<td>673,693</td>
<td>0.23</td>
</tr>
<tr>
<td>10,001 - 1,000,000</td>
<td>158</td>
<td>29.87</td>
<td>22,079,749</td>
<td>7.59</td>
</tr>
<tr>
<td>1,000,001 and above</td>
<td>37</td>
<td>6.99</td>
<td>268,119,902</td>
<td>92.16</td>
</tr>
<tr>
<td></td>
<td>529</td>
<td>100.00</td>
<td>290,939,065</td>
<td>100.00</td>
</tr>
</tbody>
</table>
Statistics of Shareholdings
As at 15 June 2015

TOP 20 SHAREHOLDERS

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Shareholders</th>
<th>No. of Shares</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ang Yew Jin Eugene</td>
<td>53,617,539</td>
<td>18.43</td>
</tr>
<tr>
<td>2</td>
<td>Ezion Holdings Limited</td>
<td>42,000,000</td>
<td>14.44</td>
</tr>
<tr>
<td>3</td>
<td>Maybank Kim Eng Securities Pte Ltd</td>
<td>39,893,000</td>
<td>13.71</td>
</tr>
<tr>
<td>4</td>
<td>SF Ventures Pte Ltd</td>
<td>13,000,000</td>
<td>4.47</td>
</tr>
<tr>
<td>5</td>
<td>Patrick Tan Choon Hock</td>
<td>12,000,000</td>
<td>4.12</td>
</tr>
<tr>
<td>6</td>
<td>DBS Nominees Pte Ltd</td>
<td>11,322,079</td>
<td>3.89</td>
</tr>
<tr>
<td>7</td>
<td>Bank of Singapore Nominees Pte Ltd</td>
<td>7,530,000</td>
<td>2.59</td>
</tr>
<tr>
<td>8</td>
<td>Thomas Tan Soon Seng (Thomas Chen Shuncheng)</td>
<td>7,500,000</td>
<td>2.58</td>
</tr>
<tr>
<td>9</td>
<td>CIMB Securities (Singapore) Pte Ltd</td>
<td>6,100,077</td>
<td>2.10</td>
</tr>
<tr>
<td>10</td>
<td>OCBC Securities Private Ltd</td>
<td>5,946,400</td>
<td>2.04</td>
</tr>
<tr>
<td>11</td>
<td>RHB Securities Singapore Pte Ltd</td>
<td>5,650,000</td>
<td>1.94</td>
</tr>
<tr>
<td>12</td>
<td>Raffles Nominees Pte Ltd</td>
<td>4,870,900</td>
<td>1.67</td>
</tr>
<tr>
<td>13</td>
<td>Ang Ai Nynet</td>
<td>4,500,000</td>
<td>1.55</td>
</tr>
<tr>
<td>14</td>
<td>Tan Kim Seng</td>
<td>4,500,000</td>
<td>1.55</td>
</tr>
<tr>
<td>15</td>
<td>Phillip Securities Pte Ltd</td>
<td>4,188,200</td>
<td>1.44</td>
</tr>
<tr>
<td>16</td>
<td>Ng Chwee Cheng</td>
<td>3,750,000</td>
<td>1.29</td>
</tr>
<tr>
<td>17</td>
<td>He Yue Ying @ Chandrawaty Nugroho</td>
<td>2,763,700</td>
<td>0.95</td>
</tr>
<tr>
<td>18</td>
<td>Tan Wah Sing</td>
<td>2,598,800</td>
<td>0.89</td>
</tr>
<tr>
<td>19</td>
<td>Ngo Wee Bin</td>
<td>2,500,000</td>
<td>0.86</td>
</tr>
<tr>
<td>20</td>
<td>Yeo Khee Seng Benny</td>
<td>2,500,000</td>
<td>0.86</td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>236,730,695</td>
<td>81.37</td>
</tr>
</tbody>
</table>

SUBSTANTIAL SHAREHOLDERS

As per Register of Substantial Shareholders:

<table>
<thead>
<tr>
<th>Direct Interest</th>
<th>%</th>
<th>Deemed Interest</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ang Yew Jin Eugene</td>
<td>53,617,539</td>
<td>18.43</td>
<td>-</td>
</tr>
<tr>
<td>Ezion Holdings Limited</td>
<td>42,000,000</td>
<td>14.44</td>
<td>-</td>
</tr>
</tbody>
</table>

PERCENTAGE OF SHAREHOLDING HELD IN PUBLIC’S HANDS

Based on information made available to the Company as at 15 June 2015, approximately 67.12% of the Company’s shares were held in the hands of the public. Accordingly, Rule 723 of the Catalist Rules has been complied with.
Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Alpha Energy Holdings Limited (formerly known as JK Tech Holdings Limited) (the “Company”) will be held at Spoon & Mashie Room, The Singapore Island Country Club, 240 Sime Road, Singapore 288303 on Monday, 27 July 2015 at 10.00 a.m. (“AGM”) for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Report and the audited financial statements of the Company for the year ended 31 March 2015 together with the Auditors’ Report thereon. [Resolution 1]

2. To re-elect the following Directors of the Company retiring pursuant to Article 104 of the Articles of Association of the Company:
   - Mr Lim Yeok Hua (See Explanatory Note (i)) [Resolution 2]
   - Mr Yong Boon Chuan Leslie (See Explanatory Note (ii)) [Resolution 3]

3. To approve the payment of Directors’ fees of S$177,000 for the financial year ended 31 March 2015 (2014: S$75,000) [Resolution 4]

4. To re-appoint Messrs KPMG LLP as the Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. [Resolution 5]

5. To transact any other ordinary business which may properly be transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. Authority to allot and issue shares in the capital of the Company

   That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (“Companies Act”) and Rule 806 of the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”) (“Catalist Rules”), authority be and hereby given to the Directors of the Company (“Directors”) to:-

   (a) (i) allot and issue shares in the Company (“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, including but not limited to the creation and issue of [as well as adjustments to] options, 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 Directors may in their absolute discretion deem fit; and
Notice of Annual General Meeting

(b) [notwithstanding the authority conferred by this Resolution may have ceased to be in force] issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (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 existing shareholders of the Company shall not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) [subject to such 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 total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Ordinary Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules 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; and

(4) unless revoked or varied by the Company in a general meeting, such authority 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 of the Company is required by law to be held, whichever is earlier.

[Resolution 6]

[See Explanatory Note (iii)]

7. Authority to allot and issue shares under the Performance Share Plan of the Company (“Performance Share Plan”)

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to:

(a) offer and grant awards (“Awards”) in accordance with the provisions of the Performance Share Plan; and

(b) allot and issue from time to time such number of ordinary shares in the capital of the Company (the “Award Shares”) as may be required to be allotted and issued pursuant to the vesting of the Awards under the Performance Share Plan,
provided always that the aggregate number of Award Shares to be allotted and issued pursuant to the Performance Share Plan, when added to the number of new ordinary shares issued and issuable in respect of all Awards granted thereunder, and all ordinary shares issued and issuable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force shall not exceed fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares) of the Company on the day preceding the relevant date of Award.

[Resolution 7]

(See Explanatory Note (iv))

By Order of the Board

Lim Ka Bee
Company Secretary
Singapore, 10 July 2015

Explanatory Notes:

(i) Mr Lim Yeok Hua will, upon re-election as a Director, remain as the Chairman of the Audit Committee, member of the Nominating and Remuneration Committees. The Board considers Mr Lim to be independent pursuant to Rule 704(7) of the Catalist Rules. The detailed information of Mr Lim can be found under the section entitled ‘Board of Directors’ in page 16 of the Annual Report.

(ii) Mr Yong Boon Chuan Leslie will, upon re-election as a Director, remain as a member of the Audit and Remuneration Committees. The Board considers Mr Yong to be non-independent pursuant to Rule 704(7) of the Catalist Rules. The detailed information of Mr Yong can be found under the section entitled ‘Board of Directors’ in page 17 of the Annual Report.

(iii) The Ordinary Resolution (6) in item (6) above, if passed, will empower the Directors from the date of this AGM until the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares), of which up to fifty per cent. (50%) may be issued other than on a pro-rata basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
Notice of Annual General Meeting

(iv) The Ordinary Resolution (7) in item (7) above, if passed, will empower the Directors to grant Awards under the Performance Share Plan and to allot and issue Award Shares pursuant to the vesting of Awards under the Performance Share Plan and such other share incentive schemes or share plans adopted by the Company for the time being in force, provided that the aggregate number of ordinary shares to be issued shall not exceed fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares) of the Company on the day preceding the relevant date of Award.

Notes:

1. A member entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

2. The instrument appointing a proxy must be deposited at the registered office of the Company at 61 Kaki Bukit Avenue 1, #02-13, Shun Li Industrial Park, Singapore 417943 not less than forty-eight (48) hours before the time appointed for holding the AGM.

Personal data privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.
PROXY FORM

I/We, ___________________________ of ___________________________

being a member/members of Alpha Energy Holdings Limited (formerly known as JK Tech Holdings Limited)

(the “Company”), hereby appoint:

<table>
<thead>
<tr>
<th>Name</th>
<th>NRIC/Passport No.</th>
<th>Proportion of Shareholdings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No. of shares</td>
</tr>
<tr>
<td>Address</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Address |                        |                  | and/or [delete as appropriate]

or failing the person, or either or both of the persons, referred to above, the Chairman of the annual general meeting

(“AGM”) of the Company as my/our proxy/proxies to vote for me/us on my/our behalf at the AGM to be held at Spoon &

Mashie Room, The Singapore Island Country Club, 240 Sime Road, Singapore 288303 on Monday, 27 July 2015 at 10.00 a.m.

and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the

AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the

AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

All resolutions put to the vote of the AGM shall be decided by way of poll.

<table>
<thead>
<tr>
<th>No.</th>
<th>Resolutions relating to:</th>
<th>No. of Votes For*</th>
<th>No. of Votes Against*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Directors’ Report and audited financial statements for the year ended 31 March 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Re-election of Mr Lim Yeok Hua as a Director</td>
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<tr>
<td>3</td>
<td>Re-election of Mr Yong Boon Chuan Leslie as a Director</td>
<td></td>
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<tr>
<td>4</td>
<td>Approval of payment of Directors’ fees amounting to S$177,000 for the financial year ended 31 March 2015</td>
<td></td>
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<tr>
<td>5</td>
<td>Re-appointment of Messrs KPMG LLP as Auditor</td>
<td></td>
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<tr>
<td>6</td>
<td>Authority to allot and issue new shares in the capital of the Company</td>
<td></td>
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<tr>
<td>7</td>
<td>Authority to allot and issue shares under the Performance Share Plan</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* If you wish to exercise all your votes “For” or “Against”, please tick [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ________________ day of __________ 2015

Total number of shares held in:

[a] CDP Register

[b] Register of Members

Signature of Shareholder(s)

or, Common Seal of Corporate Shareholder

*Delete where inapplicable
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, Chapter 50 of Singapore), 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 shares registered in your name in 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 the AGM is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.

5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 61 Kaki Bukit Avenue 1, #02-13, Shun Li Industrial Park, Singapore 417943 not less than forty-eight (48) hours before the time appointed for the AGM.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of 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 seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

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 AGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

PERSONAL DATA PRIVACY:
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 10 July 2015.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or 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 shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
Alpha Energy Holdings Limited
(formerly known as JK Tech Holdings Limited)
Annual Report 2015

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