

HT OVERSEAS PTE. LTD.

[Unique Entity No. 201017570W]
[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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Fiducia LLP

[Unique Entity No. T10LL0955L]
Public Accountants and
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DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 March 2016.

In the opinion of the directors,

- a) the financial statements as set out on pages 7 to 26 are drawn up so as to give a true and fair view of the financial position of the Company at 31 March 2016, and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Rajiv Verma	
Dinesh Mittal	(re-appointed on 29 October 2015)
Goh Ming Tung Dicky	(appointed on 15 May 2015)
Asha Dixit	(appointed on 29 October 2015)
Shobhana Bhartia	(appointed on 15 May 2015)
Prem Kumar	(appointed on 15 May 2015)

Arrangements to enable directors to acquire shares and/or debentures

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

Directors' interest in shares or debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act Cap. 50, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or any related corporations, except as follows:

	Holding registered in name of director or nominee	
	At 31.03.2016	At 01.04.2015
HT Overseas Pte. Ltd.		
No. of ordinary shares, fully paid		
Dinesh Mittal	0	0
Rajiv Verma	0	0
Goh Ming Tung Dicky	0	0
Asha Dixit	0	0
Shobhana Bhartia	0	0
Prem Kumar	0	0

DIRECTORS' STATEMENT (CONT'D)

	Holding registered in name of director or nominee	
	At 31.03.2016	At 01.04.2015
Immediate Holding Company Name		
- HT Digital Media Holdings Limited, India		
No. of ordinary shares, fully paid		
Dinesh Mittal	0	0
Rajiv Verma	1 ^A	1 ^A
Goh Ming Tung Dicky	0	0
Shobhana Bhartia	1 ^A	1 ^A
Prem Kumar	0	0
Ultimate Holding Company Name - HT Media Limited, India		
No. of ordinary shares, fully paid		
Dinesh Mittal	1	1
Rajiv Verma	1	1
Shobhana Bhartia	20 ^C	20 ^C
Other Related Companies		
No. of ordinary shares, fully paid		
Rajiv Verma		
Firefly e-Ventures Limited, India (Equity Share of Rs. 10 each)	1	1
HT Education Limited, India	1 ^A	1 ^A
HT Learning Centers Limited, India	1 ^B	1 ^B
Top Movies Entertainment Limited, India	1 ^A	1 ^A
HT Digital Streams Limited, India	1 ^A	0
Dinesh Mittal		
HT Digital Information Private Limited (formerly Ed World Private Limited)	1 ^A	1 ^A
Firefly e-Ventures Limited, India (Equity Share of Rs. 10 each)	1	1
Hindustan Media Ventures Limited (Equity Share of Rs. 10 each)	9,041	9,041
HT Education Limited, India	1 ^A	1 ^A
HT Learning Centers Limited, India	1 ^B	1 ^B
HT Mobile Solutions Limited, India	1 ^D	1 ^D
HT Music and Entertainment Company Limited, India	1 ^E	1 ^E
Top Movies Entertainment Limited, India	1 ^A	1 ^A
HT Digital Streams Limited, India	1 ^A	0
Shobhana Bhartia		
Firefly e-Ventures Limited, India	1	1
HT Education Limited, India	1 ^A	1 ^A
HT Learning Centers Limited, India	1 ^B	1 ^B
<p>A This share is held in the nature of beneficial interest as nominee of HT Media Limited, India (equity share of Rs. 10/- each)</p> <p>B This share is held in the nature of beneficial interest as nominee of HT Education Limited, India (equity share of Rs. 10/- each)</p> <p>C 19 shares held as nominee of Go4i.com (Mauritius) Limited</p> <p>D This share is held in the nature of beneficial interest as nominee of HT Digital Media Holdings Limited, India (equity share of Rs. 10/- each)</p> <p>E This share is held in the nature of beneficial interest as nominee of HT Media Limited, India (equity share of Rs. 1/- each)</p>		

DIRECTORS' STATEMENT (CONT'D)

Share options

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

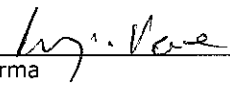
No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

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


Independent auditors

The independent auditors, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment.

On behalf of the directors,




Rajiv Verma
Director



Dinesh Mittal
Director

Singapore,


10 APR 2016

Fiducia LLP

Public Accountants and
Chartered Accountants of
Singapore

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Independent auditors' report to the members of:

HT OVERSEAS PTE. LTD.

[Unique Entity No. 201017570W]
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Report on the Financial Statements

We have audited the accompanying financial statements of **HT Overseas Pte. Ltd.** (the "Company"), set out on pages 7 to 26, which comprise the statement of financial position as at 31 March 2016, statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

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, Cap. 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.

Auditor's 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 about 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 auditors' 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 auditors consider internal control relevant to the entity's preparation of 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.

Fiducia LLP

Public Accountants and
Chartered Accountants of
Singapore

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(CONT'D)

Independent auditor's report to the members of:

HT OVERSEAS PTE. LTD.

[Unique Entity No. 201017570W]
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Opinion

In our opinion, the financial statements 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 Company as at 31 March 2016, and the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

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



Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore,

19 APR 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 S\$	2015 S\$
REVENUE	4	2,709,298	642,311
ADD: OTHER INCOME		<u>2,710</u>	<u>0</u>
		2,712,008	642,311
LESS: OPERATING EXPENSES			
Administrative	5	<u>(1,894,010)</u>	<u>(395,904)</u>
PROFIT BEFORE INCOME TAX		817,998	246,407
Income tax expense	6	<u>(2,429)</u>	<u>0</u>
NET PROFIT AFTER INCOME TAX		<u>815,569</u>	<u>246,407</u>
TOTAL COMPREHENSIVE INCOME		<u>815,569</u>	<u>246,407</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	2016 S\$	2015 S\$
ASSETS			
Current assets			
Cash and cash equivalents	7	751,548	83,821
Trade and other receivables	8	806,698	300,533
		<u>1,558,246</u>	<u>384,354</u>
Non-current assets			
Available-for-sale investment	9	107,564	0
Intangible asset	10	38,920	0
		<u>146,484</u>	<u>0</u>
Total assets		<u>1,704,730</u>	<u>384,354</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	523,697	21,319
Income tax payable	6	2,429	0
		<u>526,126</u>	<u>21,319</u>
Total liabilities		<u>526,126</u>	<u>21,319</u>
NET ASSETS		<u>1,178,604</u>	<u>363,035</u>
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	12	810,000	810,000
Retained earnings		368,604	(446,965)
TOTAL EQUITY		<u>1,178,604</u>	<u>363,035</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Share capital S\$	Retained earnings S\$	Total attributable to equity holders of the Company S\$
2016			
Balance at beginning of financial year	810,000	(446,965)	363,035
Total comprehensive income	<u>0</u>	<u>815,569</u>	<u>815,569</u>
Balance at end of financial year	<u>810,000</u>	<u>368,604</u>	<u>1,178,604</u>
	Share capital S\$	Retained earnings S\$	Total attributable to equity holders of the Company S\$
2015			
Balance at beginning of financial year	810,000	(693,372)	116,628
Total comprehensive income	<u>0</u>	<u>246,407</u>	<u>246,407</u>
Balance at end of financial year	<u>810,000</u>	<u>(446,965)</u>	<u>363,035</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	2016 S\$	2015 S\$
Cash flows from operating activities			
Profit before income tax		817,998	246,407
Changes in operating assets and liabilities			
- Trade and other receivables		(506,165)	(289,511)
- Trade and other payables		<u>502,378</u>	<u>13,017</u>
Net cash provided by / (used in) operating activities		<u>814,211</u>	<u>(30,087)</u>
Cash flows from investing activities			
Purchases of available-for-sale investment	9	(107,564)	0
Purchases of intangible asset	10	<u>(38,920)</u>	<u>0</u>
Net cash used in investing activities		<u>(146,484)</u>	<u>0</u>
Net increase / (decrease) in cash and cash equivalents		667,727	(30,087)
Cash and cash equivalents at beginning of financial year		<u>83,821</u>	<u>113,908</u>
Cash and cash equivalents at end of financial year	7	<u>751,548</u>	<u>83,821</u>
Cash and cash equivalents comprise:			
Cash in bank		221,575	83,737
Cash on hand		1	84
Cheques on hand		<u>529,972</u>	<u>0</u>
	7	<u>751,548</u>	<u>83,821</u>

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

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

1. General information

HT Overseas Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 77A Boat Quay Singapore 049865.

The principal activities of the Company are business and management consultancy services, purchasing and negotiation sale of third party advertisement, digital marketing and publishing of newspaper including printing thereof and distribution of third party newspaper.

These financial statements are presented in Singapore Dollar (S\$), which is the Company's functional currency.

2. Significant accounting policies

2.1 Basis of preparation

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

The preparation of these financial statements in conformity with FRS requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2015

On 1 April 2015, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adaptation of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years.

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

Interpretations and amendments to published standards effective in 2015 (Cont'd)

The following are the new or amended Standards and Interpretations (issued up to 11 March 2016) that are not yet applicable, but may be early adopted for the current financial year:

Descriptions	Annual periods commencing on
FRS 114 Regulatory Deferral Accounts Amendments to FRS 27: Equity Method in Separate Financial Statements Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation Amendments to FRS 16 and FRS 41: Agricultural - Bearer Plants Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Amendments to FRS 110, FRS 112 and FRS 28 : Investment Entities: applying the consolidation exception FRS 1 Amendments to FRS 1 : Disclosure Initiative	1 January 2016
Amendments to FRS 7: Disclosure Initiative Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 109 Financial Instruments FRS 115 Revenue from Contracts with Customers	1 January 2018

Management believes that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates, and discounts, where applicable. Revenue is recognised as follows:

2.2.1 Rendering of services

Revenue from services is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

2.2.2 Other income

Other income is recognised when earned.

2.3 Expense recognition

All expenses are accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2. Significant accounting policies (Cont'd)

2.4 Intangible asset

Trademarks

Trademarks acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method. The period and method of amortisation of these assets are reviewed at each statement of financial position date. The effects of any revision are recognised in profit or loss when changes arise.

Management is of the opinion that, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the trademark is expected to generate net cash inflows for the Company. Hence, trademark is regarded by Management as having an indefinite useful life.

The useful life of trademark is reviewed annually to determine whether events and circumstances continue to support an indefinite useful life assessment. If they do not, the change in the useful life assessment from indefinite to finite shall be accounted for as a change in an accounting estimate in accordance with FRS 8.

Trademark is tested for impairment annually and whenever there is indication that the trademark may be impaired. The identification of impairment requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trademark and the allowance for impairment in the financial year in which such estimate has been changed.

2.5 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the statement of comprehensive income.

An impairment loss for an asset is reversed if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of comprehensive income.

2.6 Financial assets

2.6.1 Classification

The Company classifies its financial assets as loans and receivables and available-for-sale investment. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

2. Significant accounting policies (Cont'd)

2.6 Financial assets (Cont'd)

2.6.1 Classification (Cont'd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are classified within "Trade and other receivables" and "Cash and cash equivalents" on the statement of financial position.

Available-for-sale investment

Available-for-sale investment is a non-derivative financial asset that is either designated in this category or not classified in any of the other categories as prescribed in FRS 39. It is included in non-current assets unless Management intends to dispose of the assets within 12 months after the statement of financial position date.

2.6.2 Recognition and derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.6.3 Measurement

Financial assets are initially recognised at fair value plus transaction costs. Loans and receivables are subsequently carried at amortised cost using effective interest method. Available-for-sale investment is subsequently carried at fair value.

2.6.4 Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2. Significant accounting policies (Cont'd)

2.6 Financial assets (Cont'd)

2.6.4 Impairment (Cont'd)

(ii) Available-for-sale investment

In addition to the objective evidence of impairment described in Note 2.6.4 (i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale investment is impaired.

If any evidence of impairment exists, the cumulative loss that was previously recognised in other comprehensive income is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through profit or loss.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash and cheques on hand, and deposits with financial institutions. Cash and cash equivalents are carried at cost.

2.8 Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of comprehensive income. Financial liabilities include "Trade and other payables".

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

2.9 Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.10 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.11 Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities, carried at amortised cost, are assumed to approximate their fair values due to their short-term nature.

2.12 Share capital

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

2. Significant accounting policies (Cont'd)

2.13 Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made / receipts under operating leases (net of any incentives received from the lessor) are taken to the statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense / income in the period in which termination takes place.

Rental on operating lease is charged to statement of comprehensive income. Contingent rents are recognised as an expense / income in the statement of comprehensive income in the financial year in which they are incurred.

2.14 Employee compensation

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

Employee leave entitlement

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

2.15 Currency translation

Transactions denominated in a currency other than Singapore dollar ("foreign currency") are translated into Singapore dollar using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at the closing rate at the statement of financial position date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2.16 Income taxes

Current income tax liabilities for current and prior periods are recognised at the amounts expected to be paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the statement of financial position date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2. Significant accounting policies (Cont'd)

2.16 Income taxes (Cont'd)

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the statement of financial position date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity.

The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.17 Related parties

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the Company if that person:
 - i) Has control or joint control over the Company;
 - ii) Has significant influence over the Company; or
 - iii) Is a member of the key management personnel of the Company or of a parent of the Company;
- b) An entity is related to the Company if any of the following conditions applies:
 - i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - iii) Both entities are joint ventures of the same third party;
 - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - vi) The entity is controlled or jointly controlled by a person identified in (a);
 - vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. Critical accounting estimates, assumptions and judgments

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

Critical accounting estimates and assumptions

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

Income taxes

Significant judgment is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Critical judgments in applying the entity's accounting policies

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

Estimated useful life of intangible asset

The Company reviews annually the estimated useful life of intangible asset based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate.

Allowance for impairment of receivables

The Company reviews the adequacy of allowance for impairment of receivables at each closing by reference to the ageing analysis of receivables, and evaluate the risks of collection according to the credit standing and collection history of individual customer. If there are indications that the financial position of a customer has deteriorated resulting in an adverse assessment of his risk profile, an appropriate amount of allowance will be provided.

4. Revenue

	Note	2016 S\$	2015 S\$
Advertisement		655,024	0
Consultancy	13	24,000	144,000
Distribution		272,028	211,918
Events		787,967	0
Digital services		25,000	0
Media marketing commission	13	750	0
Procurement	13	926,296	286,393
Sale of newspaper and publications		18,233	0
		<u>2,709,298</u>	<u>642,311</u>

Revenue represents fees for services rendered at invoice value.

5. Expenses by function

	Note	2016 S\$	2015 S\$
Administrative			
Auditor remuneration		6,000	3,156
Commission paid		21,816	17,060
Content charges	13	134,827	0
Distribution		95,065	2,206
Entertainment		3,700	1,498
Events		545,008	0
Foreign currency exchange loss (net)		6,189	2,489
General expenses		6,007	851
Legal and professional fees		279,795	96,749
Marketing		53,934	0
Printing and stationery		8,625	3,360
Printing		60,264	0
Purchase of computers/laptops		699	1,698
Rent	15	20,781	10,800
Staff costs			
- CPF contributions		39,138	8,410
- Directors' remuneration	13	158,927	150,657
- Salaries, wages and bonus		359,444	79,019
Telecommunication and internet		9,292	1,941
Travelling and conveyance		84,499	16,010
		<u>1,894,010</u>	<u>395,904</u>

6. Income tax

		2016 S\$	2015 S\$
<i>Income tax expense</i>			
Tax expense attributable to profit is made up of			
- Current income tax		2,429	0
		<u>2,429</u>	<u>0</u>

6. Income tax (Cont'd)

The income tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax as explained below:

	2016 S\$	2015 S\$
Profit before income tax	<u>817,998</u>	<u>246,407</u>
Tax calculated at a tax rate of 17% (FY2015: 17%)	139,060	41,889
Effects of:		
- Expenses not deductible for tax purposes	153	329
- Statutory stepped income exemption	(5,708)	0
- Tax incentive	(27,746)	0
- Unrecognised deferred tax	0	(42,218)
- Utilisation of capital allowance	(28,314)	0
- Utilisation of unrecognised deferred tax	<u>(75,016)</u>	<u>0</u>
Tax charge	<u>2,429</u>	<u>0</u>

At the reporting date, the Company has no unabsorbed tax losses (FY2015: S\$447,000). The availability of the tax losses for offset against future taxable income is subject to agreement by the Singapore Comptroller of Income Tax and the requirement under Section 37 and 23 of Singapore Income Tax Act.

Deferred tax benefits are not recognised unless there is reasonable expectation of their realisation in the foreseeable future.

	2016 S\$	2015 S\$
<i>Movement in income tax payable</i>		
Tax expense on profit for current financial year /		
End of financial year	<u>2,429</u>	<u>0</u>

7. Cash and cash equivalents

	2016 S\$	2015 S\$
Cash in bank	221,575	83,737
Cash on hand	1	84
Cheques on hand	<u>529,972</u>	<u>0</u>
	<u>751,548</u>	<u>83,821</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximated their fair values.

8. Trade and other receivables

	Note	2016 S\$	2015 S\$
Trade receivables			
- Non-related parties		224,729	0
- Related parties	13	519,761	286,393
Other receivables			
- Deposits		3,600	3,600
- Sundry receivables		33,654	0
- Prepayments		10,540	10,540
- Recoverable advances		14,414	0
		<u>806,698</u>	<u>300,533</u>

Trade receivables are interest-free and generally collected within 30 (FY2015: 30) days' term.

At the reporting date, the carrying amounts of trade and other receivables approximated their fair values.

9. Available-for-sale investment

	2016 S\$	2015 S\$
<i>Unquoted equity securities – at cost</i>		
Purchases / End of financial year	<u>107,564</u>	<u>0</u>

At the reporting date, the carrying amounts of available-for-sale investment approximated their fair values.

10. Intangible asset

	2016 S\$	2015 S\$
<u>Trademark</u>		
Cost		
Purchases / End of financial year	<u>38,920</u>	<u>0</u>

11. Trade and other payables

	Note	2016 S\$	2015 S\$
Trade payables			
- Non-related parties		214,229	0
- Related parties	13	163,703	0
<i>Other payables</i>			
Accruals		14,982	21,319
Advances received		110,162	0
GST payable		16,222	0
Withholding tax payable		4,399	0
		<u>523,697</u>	<u>21,319</u>

Trade and other payables at the reporting date are denominated in the following currencies:

	2016 S\$	2015 S\$
Australian dollar	50,991	0
Indian Rupee	170,949	0
New Zealand dollar	21,214	0
Singapore dollar	260,595	21,319
United States dollar	19,948	0
	<u>523,697</u>	<u>21,319</u>

Trade payables are interest-free and generally settled within 30 (FY2015: 30) days' term.

At the reporting date, the carrying amounts of trade and other payables approximated their fair values.

12. Share capital

	2016		2015	
	No. of shares issued and fully paid	S\$	No. of shares issued and fully paid	S\$
Beginning and end of financial year	<u>810,000</u>	<u>810,000</u>	<u>810,000</u>	<u>810,000</u>

Under the Companies (Amendment) Act 2005 that came into effect on 30 January 2006, the concept of par value and authorised share capital are abolished.

13. Related party transactions

The Company has significant related party transactions as follows, on terms agreed between the parties:

	Note	2016 S\$	2015 S\$
<u>Ultimate holding company</u>			
Revenue			
Advertisement		(503,897)	0
Consultancy	4	(24,000)	(144,000)
Events		(291,623)	0
Media marketing commission	4	(750)	0
Procurement	4	(512,350)	(251,557)
Operating expenses			
Content charges	5	134,827	0
Purchase of trademark - "MintAsia"		38,920	0
Reimbursement of expenses incurred on behalf of the Company		116,390	
<u>Companies with common shareholders</u>			
Revenue			
Procurement	4	(413,946)	(34,836)
<u>Companies with common directors</u>			
Operating expenses			
Legal and professional fees		<u>149,661</u>	<u>0</u>

Balances with the related parties as at the reporting date are as follows:

	Note	2016 S\$	2015 S\$
<u>Ultimate holding company</u>			
Trade receivables	8	499,915	251,557
Trade payables	11	(163,703)	0
<u>Company with common shareholders</u>			
Trade receivables	8	19,846	34,836
<u>Companies with common directors</u>			
Trade payables and other payables		<u>(30,013)</u>	<u>0</u>

The key management personnel compensation for the financial year follows:

	Note	2016 S\$	2015 S\$
Post-employment benefits - CPF contributions		7,927	6,525
Short-term benefits - Salaries, wages and bonus		<u>151,000</u>	<u>144,132</u>
	5	<u>158,927</u>	<u>150,657</u>

13. Related party transactions (Cont'd)

The Company's Board of Directors are considered as the key management personnel. Hence, the compensation disclosed above represents the remuneration received during the financial year.

14. Holding company

The Company's immediate holding company is HT Digital Media Holdings Limited, incorporated in India. The ultimate holding company is HT Media Limited, incorporated in India, and listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

15. Operating lease commitments

At the statement of financial position date, the Company has commitment for future minimum lease payments under non-cancellable operating lease but not recognised as liabilities as follows:

	2016 S\$	2015 S\$
Not later than one year	<u>0</u>	<u>16,200</u>
<i>Operating lease paid</i>		
Rent		
- Office premises	20,781	10,800
- Staff accommodation	<u>7,000</u>	<u>0</u>
	<u>27,781</u>	<u>10,800</u>

The above operating lease commitments are based on known rental rates as at the date of this report and do not include any revision in rates which may be determined by the lessor.

16. Financial instruments

The following table sets out the financial instruments as at the end of the financial year:

	2016 S\$	2015 S\$
Financial assets		
Cash and cash equivalents	751,548	83,821
Trade and other receivables (net of prepayments)	796,158	289,993
Available-for-sale investment	<u>107,564</u>	<u>0</u>
	<u>1,655,270</u>	<u>373,814</u>
Financial liabilities		
Trade and other payables	<u>523,697</u>	<u>21,319</u>

17. Financial risk management

The Company's activities expose it to certain financial risks. The Company does not use derivative financial instruments to minimise its financial risk exposures. As at 31 March 2016, the Company does not hold or issue derivative financial instruments for trading purposes.

17. Financial risk management (Cont'd)

The Company does not have any written risk management policies and guidelines, which set out its tolerance for risk and its general risk management philosophy. The Board of Directors closely monitors the Company's business risk exposures in connection with its financial assets and financial liabilities and adopts appropriate measures including the use of other financial instruments when considered necessary to reduce any potential financial risk exposures or losses.

Capital risk

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and to provide an adequate return to shareholder by pricing services commensurately with the level of risk.

The Company's source of capital is generated through a positive working capital and investment of shareholder. In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to the shareholder, return capital to shareholders or increase or reduce the amount due from/to the related companies.

Credit risk

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to the Company resulting in a loss to the Company.

The carrying amount of available-for-sale investment, trade and other receivables and cash and cash equivalents represents the Company's maximum exposure to credit risk in relation to financial assets.

The trade receivables relate to revenue. The Company performs on-going credit evaluation of its customers' financial conditions.

Trade receivables are unsecured and the analysis of their aging follows:

	2016 S\$	2015 S\$
Current	174,004	286,393
Past due but not impaired		
- 1 to 30 days	36,224	0
- 31 to 60 days	161,108	0
- 61 to 90 days	829	0
- more than 90 days	372,325	0
	<u>744,490</u>	<u>286,393</u>

The Board of Directors are of the opinion that the trade receivables are not impaired.

The credit risk on liquid funds is limited because the counterparties are banks with high credit rating assigned by international credit agencies.

Liquidity risk

Liquidity risk reflects the risk that the Company will have insufficient resources to meet its financial liabilities as and when they fall due.

The Company adopts prudent liquidity risk management by maintaining sufficient cash and cash equivalents deemed adequate by the Board of Directors to finance the Company's operations and mitigate the effects of fluctuations in cash flow. The Company has the continuing financial support of its shareholders to meet its working capital requirements.

17. Financial risk management (Cont'd)

The table below summarises the profile of the Company's liabilities at the statement of financial position date based on contractual undiscounted payments.

	2016 S\$	2015 S\$
<u>Payable within one year</u>		
<i>Financial assets</i>		
Cash and cash equivalents	751,548	83,821
Trade and other receivables (net of prepayments)	796,158	289,993
Available-for-sale investment	107,564	0
	<u>1,655,270</u>	<u>373,814</u>
<i>Financial liabilities</i>		
Trade and other payables	<u>523,697</u>	<u>21,319</u>
	<u>1,131,573</u>	<u>352,495</u>

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates.

Currency risk

The Company incurs foreign currency risk on transactions with parties that are denominated in currencies other than Singapore dollars. The Company presently does not have any specific policy to hedge its foreign currency exposure and has not used any financial instruments to manage its foreign currency risk. Those exposures are managed using natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

Sensitivity analysis

At 31 March 2016, a 10% strengthening of the foreign currencies against functional currency at the statement of financial position date would decrease profit by S\$26,310. This analysis assumes that all other variables, in particular the interest rate, remain constant.

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

Fair values

The carrying amounts of financial assets and liabilities recorded in the financial statements of the Company approximate their fair values.

18. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Company on **19 APR 2016**

**SUBSEQUENT PAGES COMPRISES OF THE DETAILED STATEMENT OF COMPREHENSIVE INCOME
WHICH IS PREPARED FOR MANAGEMENT PURPOSE ONLY AND
DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS**

**FOR MANAGEMENT PURPOSES ONLY
 DETAILED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

	2016 S\$	2015 S\$
REVENUE		
Advertisement	655,024	0
Consultancy	24,000	144,000
Distribution	272,028	211,918
Events	787,967	0
Digital services	25,000	0
Media marketing commission	750	0
Procurement	926,296	286,393
Sale of newspaper and publications	18,233	0
	<u>2,709,298</u>	<u>642,311</u>
ADD: OTHER INCOME	<u>2,710</u>	<u>0</u>
	<u>2,712,008</u>	<u>642,311</u>
LESS: OPERATING EXPENSES		
Administrative		
Auditor remuneration	6,000	3,156
Commission paid	21,816	17,060
Content charges	134,827	0
Distribution	95,065	2,206
Entertainment	3,700	1,498
Events	545,008	0
Foreign currency exchange loss (net)	6,189	2,489
General expenses	6,007	851
Legal and professional fees	279,795	96,749
Marketing	53,934	0
Printing and stationery	8,625	3,360
Printing	60,264	0
Purchase of computers/laptops	699	1,698
Rent	20,781	10,800
Staff costs		
- CPF contributions	39,138	8,410
- Directors' remuneration		
- CPF contributions	7,927	6,525
- Salaries, wages and bonus	151,000	144,132
- Salaries, wages and bonus	359,444	79,019
Telecommunication and internet	9,292	1,941
Travelling and conveyance	84,499	16,010
	<u>1,894,010</u>	<u>395,904</u>
PROFIT BEFORE INCOME TAX	<u>817,998</u>	<u>246,407</u>