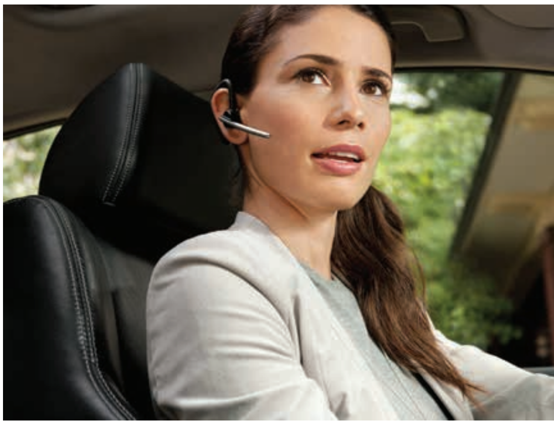
Technologia

The Frontier of Today's Technology

CELEBRATING 20 YEARS

LEVERAGING TWO DECADES OF SUCCESS IN THE NEW TECHNOLOGICAL ERA

CONTENT



Technologia

Ban Leong
Annual Report 2013

PUBLISHER
Ban Leong Technologies Limited

BOARD OF DIRECTORS
Ronald Teng Woo Boon - Managing Director
Neo Gim Kiong - Non Executive Director
Chng Hock Huat - Non Executive Director
Loh Yih - Independent Director
Tan Eng Bock - Independent Director

COMPANY SECRETARIES
Pan Mi Keay
Lee Wei Hsiung

REGISTERED OFFICE AND BUSINESS ADDRESS
150 Ubi Avenue 4, #04-01,
Singapore 408825

REGISTRAR AND SHARE TRANSFER
M & C Services Private Limited
112 Robinson Road, #05-01,
Singapore 068902

AUDITORS AND REPORTING ACCOUNTANTS
Ernst & Young LLP
One Raffles Quay, North Tower, Level 18
Singapore 048583

PARTNER-IN-CHARGE
Gajendran Vyapuri
Appointed since financial year
ended 31 March 2011

PRINCIPAL BANKERS
Australia and New Zealand
Banking Group Limited
10 Collyer Quay
#20 Ocean Financial Centre
Singapore 049315

Citibank N.A.
8 Marina View #17-01
Asia Square Tower 1
Singapore 018960

DBS Bank Limited
12 Marina Boulevard, Level 45
Marina Bay Financial Centre Tower 3
Singapore 018982

Oversea-Chinese Banking
Corporation Limited
63 Chulia Street #02-00
OCBC Centre East
Singapore 049514

United Overseas Bank Limited
80 Raffles Place #12-00
UOB Plaza
Singapore 048624

DESIGNED BY
Rockstar Atelier

Logitech | UE

CELEBRATING 20 YEARS

LISTENING INTENTLY

To the needs of our customers to continually expand on our product lines and forge new alliances to achieve bigger growth potential.

FOR MORE DETAILS

ULTIMATE EARS BOOM BLUETOOTH SPEAKER

Make music social with Ultimate Ears BOOM – the wireless speaker made to rage, riot, party and play the music you love, out load. Its 360 degrees speaker drops bold, immersive sound into any space. Its versatile, go anywhere shape is designed to be spontaneous as you. It brings the music, you bring the friends. And with a water and stain resistant acoustic skin and 15-hour rechargeable battery you're ready for whatever the night takes you. Wirelessly connect two UE BOOMs together via UE BOOM app to spread the sound and pump up the volume. UE BOOM. It's the ultimate social music player.

PICKING UP MOMENTUM

Ban Leong Technologies Limited remains poised and resilient in the face of economic obstacles with its strong fundamentals in strategic planning and the right mix of innovative capabilities, farsightedness and opportune capitalisation of new ventures. The group will consolidate its position and rise to the challenges to achieve long term growth and sustainability to improve shareholders' value and a stronger stance ahead.

A brand name in the technology products distribution industry for 20 years. From a traditional IT products distributor, Ban Leong Technologies Ltd has successfully transformed into a new generation technology-driven specialist distributor under the leadership of Managing Director Ronald Teng who spearheaded the transformation since it was incorporated in 1993.

Leveraging on the 20 years brand history, Ban Leong Technologies Ltd re-positioned and strengthened its brand as a name synonymous with innovative, fashionable and user-focused tech-savvy products through regular marketing activities.

Ban Leong Technologies Ltd has been listed on the SGX Main Board since 23 June 2005 and distributes a diverse range of multimedia and data storage products as well as IT accessories. Multimedia products primarily consist of audio and visual IT products such as large format display monitors, LCD monitors, speakers, graphic cards and earphones. Data storage products refer to those that are used in the storage of data such as Solid State Drives (SSD), HDD cases, Blu-Ray and DVD-ROMs. IT accessories include smart phone accessories, PC-related accessories such as mice, keyboards and networking products such as switches, routers and wireless cards.

Ban Leong Technologies Ltd also constantly focus on identifying innovative IT products to enhance and expand its range of products. In the years 2006 – 2007, Ban Leong Technologies Ltd gathered the brands of AVLABS and eGear under her wings and developed them as in-house brands, focusing on specific range of products.

Till date, Ban Leong Technologies Ltd already have more than 40 authorized distributorships for over 178 types of products under 50 brand names. This allows the endless bundling possibilities of different products to cater to customers' varied needs.

With an experienced management team with over 30 years of combined experience in the IT industry, Ban Leong Technologies Ltd is able to identify and establish strong relationships with vendors who have a track record of developing innovative products.

Ban Leong Technologies Ltd distribute products through three channels, namely, onliners particularly the online retailers, resellers such as retailers and chain stores and directly to corporate resellers and system integrators. To complement distribution services, Ban Leong Technologies Ltd provides after sales support services and offers out-of-box replacement warranty to customers. Ban Leong Technologies Ltd has its own service centre with in-house technicians to handle all the hardware, technical problems as well as onsite repairing for certain products. By going the extra mile to serve customers, Ban Leong Technologies Ltd has established its name as a "reliable and trustworthy" partner.

Today, Ban Leong Technologies Ltd is based in Singapore and have regional offices in Malaysia, Thailand and Australia.

MULTIMEDIA

Consisting of audio and visual IT Products such as speakers, LCD monitors, graphic cards, MP3 players and earphones.

DATA STORAGE

Products that are used in the storage of data such as solid state drive (SDD), HDD cases, Blu-Ray and DVD-roms.

IT ACCESSORIES

Consisting PC and Gaming-related, Apple-related accessories such as mice, keyboards, networking, iPhone and iPad accessories.

CORPORATE STRUCTURE

BAN LEONG TECHNOLOGIES LIMITED

- 100% Digital Hub Pte Ltd
- 100% Ban Leong Technologies Sdn Bhd
- 60% Ban Leong Chin Inter Co., Ltd
- 100% Ban Leong Technologies Australia Pty Ltd
  - 100% Audion Innovision Pty Ltd
- 100% AV Labs International Pte Ltd
- 100% BLC (China) Limited
- 50% Egear Inc Ltd

FINANCIAL HIGHLIGHTS

REVENUE
In Thousands

OPERATING PROFIT BEFORE TAXATION
In Thousands

PROFIT BEFORE TAXATION
In Thousands

EARNINGS PER SHARE
In Cents

TOTAL ASSETS
In Thousands

RESULT OF OPERATION In Thousands	**2010 / 2011**	**2011 / 2012**	**2012 / 2013**
Revenue	108,196	111,672	130,807
Operating Profit Before Taxation	2,904	4,110	3,563
Profit Before Taxation	2,904	2,513	2,392
Profit For The Year	2,353	561	1,425
Earning Per Share (Cents)	1.92	0.37	1.06
Net Assets	23,815	23,647	23,930
Total Assets	47,959	53,487	57,321

WE WILL STRIVE TO BE A SOCIALLY RESPONSIBLE COMPANY TO IMPROVE THE WELL-BEING OF OUR EMPLOYEES, BUSINESS PARTNERS, COMMUNITY AND OUR ENVIRONMENT.

RONALD TENG WOO BOON

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to announce that the Group has reported higher profits in this financial year, despite the challenging business landscape.

I am pleased with the performance of the South East Asian entities, where we have improved on our financial results and reported higher profits as compared to the previous financial year. However, our Australian and New Zealand operations continue to impact us negatively, and in the 2nd quarter of 2013, we voluntarily wind up our New Zealand operations. Ongoing restructuring efforts are still being made in Australia, with a view of better financial results from this subsidiary.

We continue to exercise our financial prudence and discipline for all our group entities, keeping a watchful eye over our operating expenses and costs management. This has positioned us well to make an investment of S$0.5million in Avantouch Systems Pte Ltd, a company that has established a channel presence in Shanghai, China.

The IT industry will be changing and evolving, with newer technologies being invented, used in the new gadgets.

Generally, there will be more users of such new gadgets, and more consumers embracing technologies as part of their day to day living. These will present more opportunities for us in our organic growth plans.

While we focus on our core business, where we have the competence in the industry, we will also consider other opportunities where we believe that there are huge growth potential. We will also explore new markets around the region for merger and acquisition opportunities.

We remain fully committed in enhancing our shareholders values and generating better returns for all our stakeholders.

Dividends

We have committed to our belief that rewarding our stakeholders is one of the guiding principles in business and for this financial year, the Board will be recommending a dividend of 1.1cents per share, an increase of 10% as compared to the previous financial year. Since our public listing, we have paid out dividends every year. From the first dividend payout in 2005, we have paid a cumulative total of 10.2cents per share. With prudent cashflow management, we intend to continue to recommend and make dividend payouts to shareholders in the coming years.

Corporate Social Responsibility

To celebrate our 20th anniversary, Ban Leong held a charity event at Kwong Wai Shiu Hospital on 18 June 2013.

We raised funds, prepared gifts, played games and performed for the elderly patients. Although it was our first charitable effort, it was fun filled. It was a great way of celebrating our anniversary and giving back to society at the time!

We will strive to be a socially responsible company to improve the well-being of our employees, business partners, community and our environment.

Appreciation

On behalf of the Board, I would like to thank all our stakeholders, the shareholders who continue to support us; our principals/ suppliers and customers whom we enjoyed the good relationships; our dedicated staff who have created a nice working environment; our bankers who we can always count on; our business associates and friends who have given their valuable advice and support.

We look forward to your continued support.

Thank you.

RONALD TENG
Chairman and Managing Director

BOARD OF DIRECTORS

RONALD TENG WOO BOON
Managing Director

Ronald Teng Woo Boon is our Managing Director and was appointed as a Director of our Company on 18 June 1993. He is the founder of our Group and plays an important role in managing the overall business operations and profitability of our Group. His responsibilities include formulating and executing our Group's business strategies and policies as well as charting the growth of our Group. He also spearheads the sales and marketing function of our Group. In 2004, he received the Rotary ASMA Top Entrepreneur Of Year 2004 award presented by the Association of Small and Medium Enterprises (Singapore). He graduated from the National University of Singapore in 1993 with a Bachelor of Science degree in Computer and Information Science.

NEO GIM KIONG
Non Executive Director

Neo Gim Kiong is our Non-Executive Non-Independent Director. He was in charge of our listing on the Mainboard of SGX in 2004 and from time to time, assists the Group in our strategic planning and business expansion plans, especially in financial related matters. Mr Neo is the founding director of Dollar Tree Inc Pte Ltd, a business advisory firm incorporated in Singapore in 2004. Prior to 2004, he was with the banking sector overseeing a portfolio of corporate clientele from 1994-2001. He joined Jackspeed Corporation Limited in 2001, and as Executive Director, spearheaded the listing of the Group in 2003 on SGX-ST Mainboard. He left Jackspeed Corporation Ltd in 2004 and rejoined and appointed as Group Chief Executive Officer in 2009, where he successfully turnaround the business operations of the Group from losses into profitability in 2011. Mr Neo is also the Board Chairman and Audit Chairman of Universal Resource and Services Limited, a SGX-ST Mainboard listed company. In addition, he is a Board member of both P.R.China Guangdong Province Overseas Exchange Association and Ningxia Autonomous Region Overseas Exchange Association. He holds a Bachelor of Science Degree in Mathematics with Honours from the National University of Singapore.

CHNG HOCK HUAT
Non Executive Director

Chng Hock Huat was appointed as Non-Executive Director on 28 July 2011 and has been in the Infocom Technology business for more than 15 years. He was the Chief Executive Officer for Opentech Pte Ltd from 1998 to 2006. After its acquisition by Keane Inc in 2006, he became the Chief Executive Officer of its Asia and Middle East operations from 2006 to 2010. He was the winner of the Association of SME Entrepreneur of the Year 2004 Award. He has recently founded Emperor Fine Art, which is the only gallery specializing in 12th to 18th century European old masters paintings in Asia. Mr Chng had served as the Vice-Chairman of Social Service and Youth Chairman for the Singapore Hokkien Huay Kuan from 2010 to 2012. He is a member of the Citizen Consultative Committee (CCC) of the Hong Kah GRC. He is also an Independent Director of Universal Resource & Services Limited which is listed on SGX-ST. He holds a Masters of Art Business (MAAB) from Sotheby's Institute of Art, London and University of Manchester, United Kingdom.

LOH YIH
Independent Director

Loh Yih is an Independent Director of our Company. He was appointed as a Director of our Company on 12 May 2005. In 2012, he was appointed as Independent Director of International Press Softcom Limited, listed in Singapore and Weichai Power Co. Ltd, listed in Hong Kong and Shenzhen. He has been the managing partner of MGF Capital Group since 19 July 2006. From January 2005 to July 2006, he was the Managing Director of Netplus Communications Pte Ltd, an internet service provider. Between 2001 and 2004, he was managing his personal private equity investment. From 1998 to 2000, he was managing an independent institutional marketing team in OSK Securities Berhad in Malaysia. Between 1995 to 1998, he headed the equities department of West Merchant Bank. Prior to that, he was a senior manager of the capital market department at Standard Chartered Merchant Bank where he managed equities trading and emerging market bonds investment. He graduated from the National University of Singapore in 1988 with a Bachelor of Accountancy (Honours). He is also a chartered financial analyst.

TAN ENG BOCK
Independent Director

Tan Eng Bock has been a member of the Board since 12 May 2005. He also serves on the board of several private companies. Since 1970, Mr Tan has been instrumental in the growth of sports in Singapore. Some of his appointments in the sporting arena include committee member of Singapore National Olympic Council, chairman of Delta Sports Complex Advisory Committee and was deputy president of the Singapore Swimming Association. He was also the chairman of River Valley Constituency Sports Club. He was a member of the Technical Water Polo Committee of the World Swimming Body FINA as well as the vice chairman of the Asian Amateur Swimming Federation. From 1956 to 1991, Mr Tan's career saw him spent close to four decades in the Singapore Police Force where he held various appointments including Commander Detachments, Director Logistics, Director of Public Affairs and Director of Criminal Investigations Department (CID). He retired from the Singapore Police Force as an Assistant Police Commissioner. For his many contributions to the nation, Mr Tan was awarded The Public Service Star (BBM) in 1986.

KEY MANAGEMENT

JENNY TEO SU CHING
Head of Operations

Jenny Teo Su Ching is Head of Operations of the Group. She has been primarily responsible for the administration, day-to-day operations of the accounts and human resource functions of our Group since 1993. Prior to that, she was a personal assistant to the managing director of Dan & Jon Interior Design Pte Ltd and an administration officer in Mode Circle Pte Ltd. She completed her LCCI Personal Secretary Course in 1989.

TAN YOU HONG
Deputy Managing Director

Tan You Hong is promoted to the Deputy Managing Director of the Group in August 2012, supervising overall operations of Singapore and Malaysia. Prior to that, he was the Sales Director of the Group. Before joining the Group, he was the country sales manager of Intranet (S) Pte Ltd where he was responsible for overseeing the company's operations. He graduated from the National University of Singapore in 1993 with a Bachelor of Science degree in Computer and Information Science.

PHILIP YEO SIONG CHAN
General Manager - Digital Hub

Philip Yeo Siong Chan is the General Manager of our subsidiary, Digital Hub. He joined our Group in 2003 to oversee the entire business operations of Digital Hub. His responsibility includes managing its local distribution sales and marketing function as well as formulating business strategies and expansion plans for the continuous growth of Digital Hub. Prior to that, he was regional sales and marketing manager of Samsung Asia Pte Ltd. He graduated with a Diploma in Sales and Marketing form the Marketing Institute of Singapore.

KHOO SOO FANG
Group Finance Controller

Khoo Soo Fang is the Finance Controller of our Group, responsible for overseeing and supervising the Finance Department as well as monitoring the performance of our subsidiaries. Prior to joining the Group in 2007, she was the Financial Controller of Jackspeed Corporation Limited, a SGX-ST listed company, from 2001 to 2006. Khoo Soo Fang obtained a Bachelor of Accountancy degree from the Nanyang Technological University and is also a member of the Institute of Certified Public Accountants of Singapore.

CELEBRATING 20 YEARS

LOOKING BEYOND

To consolidate our resources and assets with strategic prudence and smart investment moves to maximise shareholders' value in the long term.

FOR MORE DETAILS

GAMEPAD CONTROLLER FOR RAZER EDGE

The gamepad Controller for Razer Edger makes it the only tablet in the world that allows for console style gaming on the go with full PC game support, immersive vibration-feedback and direct reflective acoustics. Ergonomically designed to give gamers the ultimate comfort while gaming on the go, it features dual precision analog sticks and backlit D-Pad & action buttons for accurate headshots day or night.

PRODUCTS FEATURE

To lead, create, and shape the trend of tech-savvy products by presenting quality, innovative, user-focused products and services


EDIFIER

APPLE PRODUCTS

UP by Jawbone

UP™ is a system that takes a holistic approach to a healthy lifestyle. The wristband tracks your movement and sleep in the background. The app displays your data, lets you add things like meals and mood, and delivers insights that keep you moving forward. BAND + APP + YOU = THE UP SYSTEM

www.jawbone.com

Griffin Survivor for iPhone 5

Designed to take whatever abuse your day can dish out. Tested and proven against a battery of MIL-STD 810G testing protocols that leave the other guys in the dust. Every day, millions of people just like you trust the real-world tested, real-world proven protection that only Survivor can deliver.

www.griffintechnology.com

Logitech Ultra Thin Keyboard

How do you make the perfect iPad even more perfect? Protect it in style—with a superthin screen cover for wherever you go. Add a Bluetooth® wireless keyboard—and you're always ready to type with precision. A stylish, ultrathin aluminium screen cover that feels great and looks even better—designed to complement your iPad. The external keyboard not only frees up screen space on your iPad, it also allows you to work faster by using shortcuts for the commands you use most often, such as copy, paste, undo and many more.

www.logitech.com

IK Multimedia iLoud

For the first time, musicians can have a portable speaker that sounds like a studio monitor, and allows them to create high-quality compositions and accurate mixes on the go. With a full 40 Watts of sonic power, iLoud sounds two to three times louder than comparable-sized speakers. It provides a richer, more powerful sound for any type of music style from rock to hip-hop to electronic music.

www.ikmultimedia.com

Mobee Magic Bar MO3212

Mobee Magic Bar is the world's most eco-friendly, inductive charger for Apple's Wireless Keyboard (2AA version)and Magic Trackpad. Be good to the planet and to your wallet! Never replace batteries again with the Magic Bar for the Apple Wireless Keyboard and the Apple Magic Trackpad. Just plug the Magic Bar into a USB port on your computer and it's ready to re-charge the Wireless Keyboard or the Magic Trackpad, wirelessly!

www.mobeetechnology.com

Probox Power Bank 5200

Using only the best battery cells from Sanyo, all cells are made in Japan. It is compatible with most devices and some of them includes iPad, iPhone and Smart Phones with a USB charging function. Equipped with the short circuit protection, over-charge and over-discharge protection and the over-heat and over-current protection, the Probox Power Bank has safety assurance and protection for its products.

www.probox.com.tw

iWalk 7500

A rechargeable universal backup battery in stylish design with superior quality and stylish compact design from Korea. Compatible with many devices which makes it extremely durable and easy to use. Its unique circuit design enables users to charge and discharge at the same time, which also saves time.

www.iwalk.net

Moshi Versacover iPad Mini

Moshi's VersaCover brings complete protection and versatility to your iPad mini in a slim form factor design. Its unique origami folding cover provides for flexible viewing in both portrait and landscape modes. The soft microfiber cover shields the iPad mini display while on the go, and the polycarbonate casing protects the device's aluminum back from scratches and shocks. VersaCover's built-in magnet assembly supports iPad mini's auto-wake/sleep feature for quick access to all your apps and media. VersaCover for iPad mini is the ideal case for users looking for protection and functionality in a minimalist style design.

www.moshimonde.com

Belkin Wemo Switch + Motion Sensor

The Belkin WeMo Switch and WeMo Motion Kit gives you wireless control of your home appliances and electronics, turning devices of your choice on or off as soon as movement is detected. The sensor plugs into an outlet and detects motion up to 10 feet away. It then sends a wireless signal to the WeMo Switch to turn the connected device either on or off. Download the free WeMo app to any Apple device (iOS 5 or higher) to program a light to turn on when you walk into the house or a fan to turn off when you leave.

www.belkin.com

TYLT Energi Power Case iPhone 5

The ENERGI Power Case for the iPhone 5 is a sleek protective case with a built-in battery, which doubles your standard battery life. ENERGI is superior in design, material, quality and construction. And with slim battery technology we only add 9mm to the thickness of the iPhone, you barely know you are carrying 9 additional hours of talk time.

www.tylt.com

OZAKI iPad mini adjustable multi-angle case with stylus (Hard cover)

Design in Six Field - such as the Bible which the prayer advocates, the Sutra which the believer follows, the dictionary which linguist call it as law, the love story which novelists' most favor, the sheet music which musician sees it as live and the universe chronicle which astronomers most love to. There is nothing can be more exciting then covering you iPad mini by all kinds of wisdom.

www.ozakiverse.com

Ozaki O!care plug & play wireless smart IP camera

Find out all the things happening anywhere with O!care on iPhone, iPad & iPod touch by simple slides of your fingers. O!care is especially valuable for its great integration both in IP camera and iOS application. It is an ideal iOS App-based monitoring solution over the Intranet and/or the Internet. With free iCare App, you can activate the multi-functional O!care in a fingertip and receive instant push notification by motion detection function and its supports up to 18 countries languages.

www.ozakiverse.com

AUDIO & VIDEO

Braven BRV-1

The BRV-1 gives action sports and outdoor enthusiasts 12 hours of music they can bring into the backcountry, rock faces, skate parks, irgin powder downhills, rafting rapids, or even the beach. With its IPX5 certified water resistant, shock absorbent, ultra-lightweight and compact design, the palm-sized speaker is set to rock in any environment.

www.braven.com

Logitech UE 9000

The sound via the wired connection is bouncy, fun and energetic. The music charges along with a lot of energy, and you really feel as though a lot of air is being moved by the drivers. Switch to Bluetooth and the bass level rises. It's a less-refined sound overall – you're bound to get that with any form of consumer wireless tech – but it's still more than listenable.

www.logitech.com

Edifier M3250

The M3250 features a modern design and delivers powerful audio for PC, gaming consoles or mini home theater applications. The 36watts RMS of audio output can be tuned with bass and treble adjustment options available for personal preferences and applications. A simple remote control with volume and mute button also accompanies the M3250 with input selection controlled by the connected devices by volume control power.

www.edifier.com

AVLabs AVL345 Wireless Bluetooth Portable Speaker

Make the most of your Bluetooth devices with this AV Labs AVL345 Bluetooth Wireless Speaker. Modern unique diamond cut design, you can now listen to your movies, conversations and music in high quality sounds. Brand new Wireless AVLabs portable Bluetooth speaker is compatible with all Bluetooth enable devices.

www.banleong.com

Big Jambox by Jawbone

BIG JAMBOX turns any phone, tablet or mobile device into a portable, hi-fi sound system. Now you can play music, movies and games and fill even the largest spaces with sound. Stream all your digital media from any Bluetooth® device and control BIG JAMBOX from across the room, or use the buttons on top to pause, play and skip.

www.jawbone.com

ASUS Xonar Phoebus

Embrace exceptional sound quality for the win with 118dB SNR clarity and a headphone amplifier. Realistic surround and enhanced sound thanks to Dolby®Home Theater V4 and the GX 3.0 game audio engine; the ROG Command technology effectively reduces up to 50% of environmental noise. The control box is also within easy reach for instant volume tuning and headset connections.

www.asus.com

CORPORATE PRODUCTS

Nvidia Quadro K5000 By Leadtek

The NVIDIA Quadro K5000 GPU leverages the NVIDIA Kepler™ architecture to deliver the world's most compatible and power-efficient solution for accelerating professional applications. The Quadro K5000 for Mac gives artists and editors unprecedented power and interactivity. Innovative capabilities for increased throughput and support for up to four displays make it ideal for driving large-scale visualization solutions.

www.leadtek.com

Teradici TERA 2321 DUAL-DVI Zero Client

The PCoIP technology is designed to deliver a user's desktop from a centralized host PC or server with an immaculate, uncompromised end user experience across standard IP networks – including full quad or dual DVI monitor video, complete USB compatibility, and full-duplex high-definition audio. The new TERA2321 PCoIP zero client is a portal device based on the proprietary Teradici TERA2321 Portal processor that resides in a remote client access device.

www.teradici.com

Plantronics Voyager Legend UC

Plantronics Voyager Legend UC is the most complete solution for your mobile life offering connectivity to PC, smartphone or tablet. The headset understands how you want to talk, with industry-first Smart Sensor™ technology and advanced voice commands and alerts. A portable charging case and desktop charging stand mean it's always ready, while precision-tuned triple mics cancel noise and wind no matter where you land – it's built for how you work today and into the future.

www.plantronics.com

Samsung CLX-6260FD Printer

The Samsung CLX-6260FD is a feature packed 4 in 1 multifunction color laser printer that maximizes office printing productivity and performance. Powered with 533MHz Dual CPU, 512MB memory and Samsung proprietary ReCP (Rendering Engine for Clean Page) Technology, CLX-6260FD delivers quality printouts with crisp lines and vivid colors at blazing speed of up to 24 pages per minute (PPM). Coupled with award winning Samsung Eco Driver and one touch eco mode, office users can save up to 20% of printing cost effortlessly.

www.samsung.com

Socomec Netys RT UPS Series

Netys RT range of UPS systems offers a true on-line double conversion technology providing continous cleaned output power for Professional IT & communication appliances. With the ability to include modular battery extension (EBM),it drives to meet all backup time requirements and scalability. With the possibility of parallel configurations on some models, it serves to maximise the avaliability of critical utilies even in the event of module failure. Equipped with LED/LCD interface, this models has a compact footprint with versatile tower or rack design for installation.

www.socomec.com.sg

Samsung 55" LED UD55C Videowall Display

The Samsung UD55C utilises Backlit design for amazing clear imagery and improved colour saturation whilst saving you money on energy costs. The narrow bezel delivers a near seamless image that creates a near continuous video wall with fewer distractions for your audience.

www.samsung.com

GAMING PRODUCTS

Razer Blade R2

The all new Razer™ Blade features the latest processor and graphics for up to double the performance than the previous generation.* Powered by an all new Intel® Core™ i7 quad-core processor and NVIDIA® GeForce™ GTX series graphics powering a beautiful 17.3" LED display, the new Razer Blade screams gaming performance.

www.razerzone.com

CM Storm Quickfire TK White

The Quickfire TK White takes the QuickFire Rapid and puts it on steroid. Choose between 3 different Cherry MX switches. There's full LED backlighting with 3 modes and 5 brightness levels. NKRO over USB means every single keystroke will be registered. An embedded steel plate give you maximum stability and durability. 7 easy-access multimedia shortcut keys save time. A complete numpad lets you get work done while not gaming. The slim and lightweight size gives you plenty of room for your mouse.

www.cmstorm.com

Razer Ouroboros

Fully Customizable Ambidextrous Ergonomics: The Razer Ouroboros features customizable ambidextrous ergonomics with an adjustable arched palm rest and back, as well as two interchangeable side panels. This gaming mouse will perfectly fit any and every hand curvature and grip-style, ensuring optimum comfort and minimal fatigue during extended play for every gamer – especially you.

www.razerzone.com

AVerMedia Live Gamer Portable

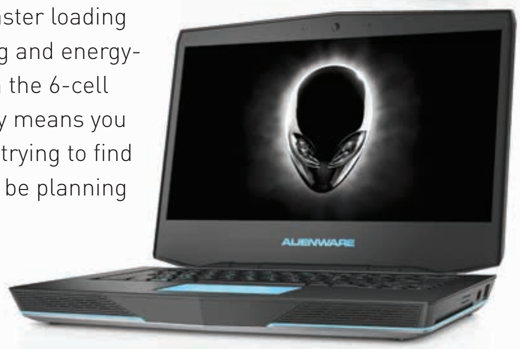
Live Gamer Portable is a USB box that captures and streams your gameplay up to 1080p. Designed specifically for game lovers, this pocket-size capture device comes with on-board H.264 hardware encoder, which guarantees lower CPU usage and smaller file size even for full HD footages, not to mention the file format is extremely easy to work with for post-editing and uploading. Live Gamer Portable supports a wide range of resolutions; it adopts HDMI and component connections for different gaming platforms. The HDMI pass-through function guarantees smooth HD gaming experience even while recording.

www.gamerzone.avermedia.com

DELL Alienware MX14

Alienware 14 is loaded with new technology for maximum performance. With the latest 4th Generation Intel Core processors. You can dive into high- performance gaming anywhere inspiration strikes with faster loading times, 8-way multitasking and energy-efficient power usage. An the 6-cell lithium ion 69WHr battery means you won't be running around trying to find an outlet when you could be planning you next move.

www.dell.com



IT PRODUCTS

ASUS Maximus V Formula

The ASUS Maximus V Formula mixes air and water cooling with superior graphics power. With a Hybrid Thermal Solution, it is the world's first hybrid air and water cooling thermal design. It is also Windows 8 ready and compatibility is assured.

www.asus.com

OCZ Vector SSD

The Vector Series delivers a new industry-leading solid state storage solution for the high-end consumer and workstation user. Rated for 100,000 random read and 95,000 random write IOPS to deliver ultimate responsiveness and a better overall computing and workstation experience than any other storage solution.

www.ocz.com

Vantec Wi-Fi Hard Drive Dock

Vantec NexStar® WiFi Hard Drive Dock is a complete and easy way to access your hard drive data over your WiFi network. Supporting both iOS and Android™ mobile platforms, simply download the application from the respective App Store or Google Play and you are ready to go. Vantec applications supports file upload and download for the easiest file sharing experience with you smart deivce. For a direct connection with your PC, the NexStar is integrated with the latest USB 3.0 technology offering maximum speeds of up to 3 Gbps.

www.vantecusa.com

Powercolor HD7870

The PCS+ HD7870 Myst. Edition clocks at 925 core speed and 6.0Gbps memory speed, by taking advantage of AMD PowerTune with boost, allowing the core frequency dynamically overclocked up to 975MHz, maximizing the platform setting to tackle all the demanding titles. Moreover, the latest graphics equipped with 92mm ultra large fan design, easily taking away the excessive heat from SSU-shape heat pipes fully covers the GPU, delivering the coolest entertainment experience.

www.powercolor.com

CoolerMaster HAF XB

The Cooler Master HAF XB takes the famous High Air Flow series to a revolutionary new form factor with extreme cooling performance. The removable horizontal mainboard tray and large mesh top and front panels with two 120mm front fans create a powerful front to back airflow. Despite its compact rugged design, there is plenty of space for even the tallest high performance tower heatsinks, thick watercooling radiators and up to 3 of the longest high end graphics cards.

www.coolermaster.com

Belkin AC1200 Dual Band Wireless AC Router + Gigabit

The Belkin AC 1200 DB Wi-Fi Dual-Band AC+ Gigabit Router offers a new level of reliability, speed and coverage for all your Wi-Fi devices. Now the whole family can watch shows and play games online with tablets, smartphones, or Smart TV – all at the same time. The Belkin AC 1200 also enhances mobile device performance, and works seamlessly with Wi-Fi 'N' and 'G' devices

www.belkin.com

MOBILITY & ACCESSORIES

Fitbit Zip Wireless Activity Tracker

The Fitbit Zip Wireless Activity Tracker is a small and discreet device that gives you a fun way to get fit. More than a pedometer, Zip tracks your steps, distance and calories burned before syncing the data to your Fitbit account. You can set goals, stay motivated and stay on the path to fitness with graphs, badges and competitions, online or using the Fitbit app for iPhone (available in the app store). You'll know when you are reaching your goals while you exercise.

www.fitbit.com

TYLT VÜ Wireless Charger

Drop your phone onto VÜ and it charges! It's that simple. Wireless charging is fast becoming the hot new feature on the newest smartphones. There are many new phones with built in Qi Charging including the LGTM Nexus 4, NokiaTM Lumia 810, 820, 822 and 920.

www.tylt.com

Plantronics Backbeat Go Wireless Earbuds

Plantronics BackBeat® GO Wireless Earbuds – incredibly small, amazingly light. No wires, no hassle, no compromise. Easily slips into your pocket, but still packs full-on stereo sound. Bluetooth technology makes it a snap to connect wirelessly. So you can listen to music, chat with friends, or watch movies on your tablet. Even play games on the go. BackBeat GO. Get Going.

www.plantronics.com

eGear Smart Ergonomic Laptop Cooling Stand with Keyboard

eGear Smart Ergonomic Laptop Cooling Stand with Keyboard features an adjustable height that enables the laptop stand for comfortable working posture on your laptop. It is equipped with three silent cooling fans that keep your laptop from overheating, a full-size and a 2-Port USB hub to connect to other devices. The keyboard is Window 2000/XP/Vista/7 compatible and is ideal for laptops 12" to 15".

www.banleong.com

Targus Pro Green Laser

Targus Laser Presentation Remote features a simplistic button layout, making it easy to give presentations. The integrated green laser pointer allows the presenter to highlight important even in bright environment. The latest RF 2.4GHz cordless technology works from up to 50ft away, providing flexibility while presenting in large conference rooms or classrooms. Both stylish and functional, the Targus P21 Pro Green Laser Presenter is easy to operate for seamless presentations at work or school.

www.targus.com

Ozaki O!coat Worldpass

Which country will you go if the world is Flat? And which country will you leave for if you don't have to worry about anything? Will it be England with elegant people? Or France named by the most romantic country, or Russia the largest country and Sweden with the happiest citizen? In fact, OZAKI knows that we all desire freedom and we would like to move forward to those countries at will, therefore, we announce O!coat Worldpass leather cases for Samsung Galaxy S4.

www.ozakiverse.com

CM STORM BY COOLER MASTER

CELEBRATING 20 YEARS

THINKING BIG

Improving on the right mix of product trends and out-of-the-box customer relationship to further drive Ban Leong Techologies core competencies.

FOR MORE DETAILS

CM STORM SCOUT 2 GHOST WHITE

CM Storm Scout 2 Ghost White comes with two white LED fans in the front. It follows a more round futuristic theme and features improved reinforced carrying handles, bolted to the core structure. The top console has been upgraded to USB 3.0 for high power charging and lightning fast file transfers, and can be hidden and protected from dusty battlefields, friendly fire and melee attacks behind a slide cover. The 1st HDD cage can now be removed, to support monster VGAs like the NVIDIA GTX 690 and AMD HD 7990, turning it into a powerful Battlestation.

BRANDS LISTING

AKAI	ALTEC LANSING	ASUS	AVerMedia
AV LABS	belkin	BRAVEN	COOLER MASTER
CM STORM BY COOLER MASTER	DELL The power to do more	DURACELL	EATON Powering Business Worldwide
EDIFIER	eGear	fitbit	Genius
GRIFFIN	Hallmark DESIGN COLLECTION	hotway	ibattz
ifrogz	IK Multimedia	iWALK	j5create
JAWBONE	LAB.C We ©reate your mobile life.	LEADTEK	LG Life's Good
LIBRATONE	Logitech	Logitech | UE	mobeе
moshi purveyor of electronics fashion	NVIDIA	OCZ Technology	OZAKI
PHILIPS	plantronics	PowerColor	PROBOX
RAZER	SAMSUNG	SCOTT	socomec Innovative Power Solutions
SONY make.believe	SOUNDFREAQ	Targus	TECH LINK
TYLT BUILT TO TYLT	VANTEC	ViewSonic	Withings

CORPORATE GOVERNANCE

FINANCIAL CONTENTS

REPORT OF CORPORATE GOVERNANCE

Ban Leong Technologies Limited (the "Company") is committed to ensuring and maintaining a high standard of corporate governance within the Group. The Company understands that good corporate governance is an integral element of a sound corporation and enables us to be more transparent and forward-looking. In addition, sound corporate governance is an effective safeguard against fraud and dubious financial engineering to protect our shareholders' interests. This also helps the Company create long-term value and returns for our shareholders.

Our Company is pleased to report on our corporate governance processes and activities that were in place since the listing of the Company on 23 June 2005 and throughout the financial years as required by the Code of Corporate Governance 2005 (the "Code").

BOARD MATTERS

Principle 1: The Board's Conduct Of Its Affairs

Besides carrying out its statutory responsibilities, the Board of Directors (the "Board") meets regularly to oversee the business affairs of the Group, approve financial objectives, formulate the Group's overall long-term strategic objectives and directions as well as the adequacy of internal controls and risk management, both directly and through Board Committees.

The Board's approval is required for matters such as corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, the release of our Group's half-year and full year's results and interested person transactions of a material nature.

The Board has also established and delegated specific authority to the Board Committees, namely Audit Committee, Nominating Committee and Remuneration Committee. These sub-committees are chaired by Independent Directors and they function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis. The effectiveness of each committee is also constantly monitored. All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group.

Principle 2: Board Composition And Balance

The Board comprises five Directors, two of whom are Independent Directors. The Directors of the Company as at the date of this report are:

Ronald Teng Woo Boon	Managing Director
Neo Gim Kiong	Non Executive Director
Chng Hock Huat	Non Executive Director
Loh Yih	Independent Director
Tan Eng Bock	Independent Director

The profiles of the Directors are set out on pages 10-11 of this Annual Report.

The Board, through its Nominating Committee ("NC"), examines the size and composition of the Board on an on-going basis in order to evaluate the Board's effectiveness in carrying out its duties.

The NC is of the view that the current board size is appropriate and effective in carrying out its duties, taking into account the nature and scope of the Group's operations. The current Board comprises persons, who as a group, provides core competence necessary to meet the Group's objectives.

The NC is satisfied that the Independent Directors have an independent element that sufficiently enables the Board to exercise its objective judgment on corporate affairs independently from the Management.

The Board meets regularly on a half-yearly basis. However, adhoc non-scheduled board meetings are convened as warranted by particular circumstances. Telephonic attendance and conference via audio communication at board meetings are permitted under the Company's Articles of Association.

REPORT OF CORPORATE GOVERNANCE

The Directors' attendance at the meetings of the Board and Board Committees during the financial year ended 31 March 2013 ("FY2012/2013") is shown below:

	Board of Directors		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of meetings		No. of meetings		No. of meetings		No. of meetings	
Name of Directors	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Ronald Teng Woo Boon	2	2	-	-	-	-	-	-
Neo Gim Kiong	2	2	-	-	1	1	1	1
Chng Hock Huat	2	2	2	2	-	-	-	-
Loh Yih	2	2	2	2	1	1	1	1
Tan Eng Bock	2	2	2	2	1	1	1	1

The Company will organise orientation programmes for new directors appointed to the Board so that they are familiarised with the Group's operations and business issues as well as the relevant regulations and governance requirements.

The Company Secretary attends all Board meetings and Board Committees' meetings. She is responsible for ensuring that procedures are followed and that the Company has complied with the requirements of the Companies Act and the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST"). The Directors also have independent access to the Company Secretary at all times.

The Management provides the Board members with regular updates to keep them abreast with the Group's business development and performance. In addition, the Board members have separate and independent access to the executive officers, thus enabling them to make enquiries or seek clarifications on the Group's affairs.

The Board (whether individually or as a group) has, in the furtherance of its duties, access to independent professional advice if necessary, at the Company's expenses.

Principle 3: Role Of Chairman And Managing Director

Mr Ronald Teng Woo Boon currently holds dual positions of the Managing Director and Chairman of the Company. His responsibilities pertaining to the workings of the Board and his executive responsibilities pertaining to the Group's business are kept distinct, thereby increasing the accountability and greater capacity of the Board for independent decision making. The Board believes that Mr Teng is the most appropriate person to undertake these positions given his vast experience, expertise and familiarity with both the organisation and the industry. Such an arrangement is believed to be in the best interests of the Group and to ensure that the decision-making process of the Company would not be unnecessarily hindered. All major decisions made by Mr Teng will be reviewed by the Board. Mr Teng communicates with the Board regularly to update the corporate issues and developments.

The Board is of the view that there is also a balance of power and authority with the various committees chaired by the Independent Directors.

Principle 4: Board Membership

The Board believes that the re-election of Directors should be an on-going process in order to ensure good corporate governance. The Company's Articles of Association requires one-third of the Directors to retire from office by rotation and be re-elected at every Annual General Meeting ("AGM"), subject to the approval of its shareholders.

REPORT OF CORPORATE GOVERNANCE

Principle 5: Board Performance

The Board's performance is linked to the overall performance of the Group. The Board would ensure compliance with the applicable laws and every members of the Board are required to act in good faith, with due diligence and care in the best interests of the Company and the shareholders.

The NC comprises the following Directors as at the date of this report are: -

Tan Eng Bock	Independent Director	-	Chairman
Loh Yih	Independent Director	-	Member
Neo Gim Kiong	Non-Executive Director	-	Member

The NC uses its best efforts to ensure that the Directors appointed to the Board possesses the relevant background, experience and knowledge and that each Independent Director brings to the Board an independent and objective perspective to enable the making of balanced and well-considered decisions.

The Board through the recommendation of the NC, go through a formal process of selection for appointment of new Directors to increase the transparency of nominating process in identifying and evaluating nominees for Directors.

The NC will review and evaluate the performance of the Board as a whole, taking into consideration of the attendance records of the respective Board and Board Committee meetings as well as the contribution of each individual director to the Board's effectiveness. In evaluating the Board's performance, the NC implements a self-assessment process that requires each Director to submit the assessment of the performance of the Board as a whole during the year under review.

This self-assessment process takes into account, inter alia, the board composition, maintenance of independence, board information, board process, board accountability, communication with top management and standard of conduct. The Board assessment exercise provided an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes allow him to discharge his duties effectively and the changes which should be made to enhance the effectiveness of the Board as a whole.

The NC took into account the results of assessment of the Board, the respective Director's actual conduct on the Board, in making the determination, and is satisfied that all the Directors have been able to and have adequately carried out their duties as Directors of the Company.

The NC also determines the independence of each Director annually taking into consideration of the Code's definition of an "Independent Director" and the guidance as to relationships the existence of which would deem a Director not to be independent.

For FY2012/2013, the NC is of the view that the Board's current size and composition is appropriate, taking into account the nature and scope of the Group's operations and the diversity of the Board members' experience and attributes; and no individual or small group of individuals dominates the Board's decision-making process.

The NC is also charged with the responsibility of nomination of Directors for re-election/re-appointment, having regard to the Director's contribution and performance (such as attendance, preparedness, participation and candour). The NC has recommended to the Board that, the following Directors of the Company who are retiring at the forthcoming AGM be re-elected as Directors in accordance with the Company's Articles of Association: -

Neo Gim Kiong	(retiring by rotation pursuant to Articles 107 and 108 of the Company's Articles of Association)
Tan Eng Bock	(retiring and will be seeking for re-appointment as Director of the Company at the forthcoming AGM in accordance with Section 153(6) of the Companies Act, Chapter 50)

Principle 6: Access To Information

All Directors have unrestricted access to the Company's senior management and Company Secretary in carrying out their duties.

Under the direction of the Managing Director, the Company Secretary ensures good information flows within the Board and its Board Committees and between Management, Non-Executive Directors and Independent Directors. The agenda for board meetings together with the relevant papers are prepared in consultation with the Managing Director and usually circulated before the holding of each Board and Board Committee meetings. This allows control over the quality, quantity and timeliness of the flow of information between Management and the Board.

REPORT OF CORPORATE GOVERNANCE

To keep pace with regulatory changes that have an important bearing and effect on the Company and Directors, the board members will be required to attend briefing sessions conducted during board meetings or at specially convened sessions conducted by professionals.

The board members may, at any time, in the furtherance of their duties, request for independent professional advice and receive training at the Company's expense.

Principle 7: Remuneration Matters

The Remuneration Committee ("RC") comprises the following Directors as at the date of this report are: -

Loh Yih	Independent Director	-	Chairman
Tan Eng Bock	Independent Director	-	Member
Neo Gim Kiong	Non-Executive Director	-	Member

Out of the three members, two of whom are Independent Directors may materially interfere with the exercise of their independent judgment. The RC is chaired by an Independent Director and has at least one member who is knowledgeable in the field of executive compensation. In addition, the RC has access to expert advice on remuneration matters and will obtain such advice, if required.

The Board has approved the terms of reference of the RC. The RC recommends to the Board for endorsement of a framework for remuneration (which covers all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options and benefits in kind). It also determines specific remuneration packages for each Executive Director and the Managing Director for endorsement by the entire Board. No director is involved in deciding his own remuneration. The review covers all aspects of remuneration including but not limited to Directors' fees, salaries, allowance, bonuses and benefits in kind. In the event that a member of the RC is related to the employee under review, he will abstain from the review.

Principle 8: Level And Mix Of Remuneration

In reviewing the remuneration packages, the RC takes into account of the current market circumstances and the need to attract and retain experienced/outstanding Directors. The RC has full authority to obtain external professional advice on matters relating to remuneration should the need arises.

The Managing Director has entered into a service agreement with the Company with a validity period of three (3) years and subject to renewal after expiry of every three (3) years. The review of the service contract of the Managing Director come under the purview of the RC to ensure fairness and reasonable terms of service is tied with his performance. The Managing Director is currently paid a fixed salary, guaranteed bonus plus an annual incentive bonus calculated based on the consolidated net profit before tax and extraordinary items.

Remuneration Policy of Executive Director and Other Key Executives

The Company advocates a performance-based remuneration system that is flexible and responsive to the market, the Company's and the individual executive's performance.

The total remuneration mix comprises three key components, that is: -

(a) annual fixed cash;
(b) annual performance incentive; and
(c) long-term incentive.

The annual fixed cash component comprises the annual fixed salary plus other fixed allowances. The annual performance incentive is tied with the performances of the Company and the individual executive. The long-term incentive is in the form of award of fully-paid shares under the Ban Leong Performance Share Plan. To remain competitive and relevant, the Company aims to benchmark its annual fixed salary at market median with variables being strictly performance driven.

Executive Directors do not receive Directors' fees. The Independent Directors and Non-Executive Directors are paid Directors' fees without receiving additional attendance fee for attending meetings. The amount of Directors' fees payable to Independent Directors and Non-Executive Directors is subject to the shareholders' approval at the forthcoming AGM of the Company.

REPORT OF CORPORATE GOVERNANCE

Principle 9: Disclosure On Remuneration

For the financial year ended 31 March 2013, the remuneration of Directors and key executives are set out as below:-

Remuneration band and Directors' Name	Salary %	Performance Bonus %	Directors' Fees %	Other Benefits %	Total %
Above S$250,000 to S$500,000					
Ronald Teng Woo Boon	69	31	-	-	100
Below S$250,000					
Neo Gim Kiong	-	-	100	-	100
Chng Hock Huat	-	-	100	-	100
Loh Yih	-	-	100	-	100
Tan Eng Bock	-	-	100	-	100
Executive Officers					
Tan You Hong	51	45	-	4	100
Philip Yeo Siong Chan	55	36	-	9	100
Jenny Teo Su Ching [1]	82	18	-	-	100
Khoo Soo Fang	76	24	-	-	100

[1] Jenny Teo Su Ching is the spouse of Managing Director, Ronald Teng Woo Boon

There were no employees of the Company or its subsidiaries who were immediate family members of a Director, the CEO or a substantial shareholder of the Company whose remuneration exceeded $150,000 during FY2012/2013.

Details of Ban Leong Performance Share Plan

The Ban Leong Performance Share Plan ("PSP") which was approved by the shareholders of the Company at the Extraordinary General Meeting of the Company held on 23 July 2009 was designed to reward persons who are in the employment of the Group and also the Non-Executive Directors (including Independent Directors) who are not employed by the Group but who nevertheless work closely with the Group and/or are in the position to contribute their experience, knowledge and expertise to the development and success of the Group ("Participants").

The PSP is designed to reward Participants by the issue and/or transfer of fully-paid shares free of consideration ("Shares"), according to the extent to which they complete certain time-based service conditions or achieve their performance targets over set performance periods.

The aggregate number of new shares over which the Awards Committee may grant awards on any date, when added to the number of new shares issued and issuable in respect of all Shares granted under the PSP and any other existing share schemes implemented or to be implemented by the Company shall not exceed 15% of the issued share capital of the Company on the day preceding that date (the "Plan Limit").

With regard to Controlling Shareholders and their Associates, the aggregate number of new Shares which may be granted to all Controlling Shareholders and their Associates will not exceed 25% of all the new Shares available under the PSP, and that the number of new Shares issued and issuable to each of the Controlling Shareholders and their Associates shall not exceed 10% of all the new Shares available under the PSP.

The PSP is to be administered by the Awards Committee which shall be the RC, whose members are given in page 10-11 of this Annual Report.

No award has been granted under the PSP since the approval was granted.

REPORT OF CORPORATE GOVERNANCE

Principle 10: Accountability

In presenting the half-year and full-year financial statements to the shareholders, the Board aims to provide shareholders with a detailed and balanced analysis and explanation of the Group's financial position and prospects.

The Management currently provides the Board with a continual flow of relevant information on a timely basis in order to assist the Board to better understand the financial status and performance of the Group and effectively discharge its duties.

Principle 11: Audit

The AC comprises the following Directors as at the date of this report are: -

Loh Yih	Independent Director	-	Chairman
Tan Eng Bock	Independent Director	-	Member
Chng Hock Huat	Non-Executive Director	-	Member

Mr Loh Yih, Mr Tan Eng Bock and Mr Chng Hock Huat, do not have any existing business or professional relationship with the Group, Directors or substantial shareholders of the Company. None of the AC members are related to other Directors or substantial shareholders of the Company.

The members of the AC bring with them invaluable managerial, accounting and financial management expertise to discharge the AC's functions.

The AC has oversight of the scope and results of the audit and its cost effectiveness as well as the independence and objectivity of the external auditors. The AC has explicit authority to investigate any matters relating to the Group's accounting, auditing, internal controls and/or financial practices brought to its attention, full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The AC had reviewed transactions falling within the scope of the terms of reference of AC in respect of the interested person transaction and the Listing Manual of the SGX-ST.

The AC had reviewed and discussed with the external auditors as well as the Management for both the half-year and annual financial statements before submission to the Board for its approval.

The external auditors have unrestricted access to the AC. The AC met with the external auditors, without the presence of the Management, and reviewed the overall scope of the external audit and the assistance given by the Management to the auditors.

The AC had reviewed and discussed with the external auditors for any suspected fraud or irregularity, 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 or financial position, and the Management's response.

In addition, the AC reviewed the independence and objectivity of the external auditors through discussions with the external auditors as well as the volume of non-audit services provided by the external auditors to the Company. It is satisfied that the nature and extent of such services performed by the external auditors will not prejudice the independence and objectivity of the external auditors.

The AC has recommended to the Board that Messrs Ernst & Young LLP be nominated for re-appointment as auditors of the Company at the forthcoming AGM of the Company. In recommending the re-appointment of Ernst & Young LLP as the auditors, the AC considered and reviewed a number of key factors, including amongst other things, adequacy of the resources and experience of supervisory and professional staff as well as the audit engagement partner to be assigned to the audit and size of the complexity of the Group and its businesses and operations.

Both AC and the Board have reviewed the appointment of different auditors for its subsidiary and/or significant associated companies and satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Company. Accordingly, the Company has complied with Rules 712, 715 and 716 of the Listing Rules of the SGX-ST.

REPORT OF CORPORATE GOVERNANCE

Whistle Blowing Policy

The AC has recommended a policy whereby staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters. It had recommended that a formal mechanism be put in place for independent investigations of such matters and for appropriate follow up actions.

The AC may undertake such further functions as may be agreed to by the AC and the Board from time to time.

Principle 12: Internal Controls

The Group's internal controls systems are designed to provide reasonable assurance to the integrity and reliability of the financial information and to safeguard and maintain the accountability of the assets of the Company. Procedures are in place to identify major business risks and evaluate potential financial effects, as well as for the authorisation of capital expenditure and investments. Budgeting systems are in place to develop annual budgets covering key aspects of the business. Actual performance is compared against budgets and revised forecasts for the year are prepared on a regular basis.

The Audit Committee has reviewed the Company's system of internal controls and is satisfied that the overall systems of controls are adequate to meet the needs of the Group in its current environment. Based on the work performed by both External Auditors and the assurance from Management and the on-going review as well as the continuing efforts at enhancing controls and processes put in place, the Board, with the concurrence of the Audit Committee, is satisfied that there are adequate internal controls in place for the Group to address financial, operational and compliance risks during the year.

Principle 13: Internal Audit

The Board acknowledges that it is important to maintain an internal audit function within the Group. The Company has internal audit staff to review its own internal control and accounting system. The internal audit findings and conclusions will be reported directly to the Management and AC. Any risk incurred by the Group in its activities will be reviewed, identified, analysed by the internal audit staff. The internal audit staff will also examine if there is any material non-compliance and internal control weakness as well as monitoring the implementation. The AC monitors the implementation of any improvements thereto.

Principle 14 & 15: Communication With Shareholders And Greater Shareholder Participation

The Company recognises that effective communication can highlight transparency and enhance accountability to the shareholders of the Company. The Company regularly conveys pertinent information, gather views or input, and address the shareholders' concerns. In this regard, the Company provides timely information to its shareholders via SGXNET announcements and news releases, and ensures that the price-sensitive information is publicly released and announced within the mandatory period.

The Company does not practise selective disclosure. All the shareholders of the Company will each receive the annual reports and/or circulars to shareholders as well as notice of general meetings (which will also be advertised in a local newspaper and made available to the public via SGXNET). The Company encourages shareholders' participation at its general meetings to voice their views and direct queries regarding the Group's operations to Directors, including the chairman of each of the Board Committees. The Company will ensure that there are separate resolutions at general meetings on each distinct issue.

The Company's Articles of Association allows a member of the Company to appoint one or two proxies to attend and vote at general meetings. The external auditors of the Company will also present at the general meetings to assist the Directors in addressing any relevant queries from the shareholders.

Dealing In Securities
(Rule 1207(19) of the Listing Manual of SGX-ST)

The Group has adopted internal codes in relation to dealings in the Company's securities pursuant to the SGX-ST's Best Practices Guide that is applicable to all its officers. All Directors and officers of the Group who have access to "price-sensitive" information are required to observe this Code. Under the code of conduct, the Directors and these officers of the Group are prohibited from dealing in the Company's securities during the period commencing on 1st April for the full year financial results, and 1st October for the half year financial result, and ending on the date of the announcement of the relevant results, or if they are in possession of unpublished material price-sensitive information of the Group. In addition, the Directors and employees are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

REPORT OF CORPORATE GOVERNANCE

The Directors are required to notify the Company of any dealings in the Company's securities (during the open window period) within two (2) business days of the transactions.

The Board is satisfied with the Group's commitment in compliance with the Code and on the adequacy of internal controls within the Group.

The Board wishes to reaffirm that the officers do not deal in the Company's securities on short-term considerations pursuant to the SGX-ST's best practices on dealings in securities.

Risk Management

The Company does not have a Risk Management Committee. However, the Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as the appropriate measures to control and mitigate these risks. The Management reviews all significant control policies and procedures and highlights all significant matters to the Directors and AC.

Interested Person Transactions

(Rule 907 of the Listing Manual of SGX-ST)

As a listed company on the SGX-ST, the Company has taken the following steps to ensure compliance with the requirements of the Chapter 9 of the Listing Manual of SGX-ST in relation to the interested person transactions, including ensuring that interested person transactions are properly reviewed, approved, and conducted on an arm's length basis.

The AC reviewed the interested persons transactions ("IPTs") reported by the Management on a half-yearly basis, The IPTs are consistently reviewed by the Management and all findings were reported during the AC meetings.

The AC ensures that the IPTs are carried out on an arm's length basis and ensures that the relevant rules under Chapter 9 of the Listing Manual of SGX-ST are complied with. When a potential conflict of interest arises, the Director concerned does not participate in discussions and refrains from exercising any influence over other members of the Board.

The Company did not enter into any IPTs which require disclosure or shareholders' approval under SGX-ST Listing Rules regulating IPTs during the financial year ended 31 March 2013.

Material Contracts

(Rule 1207(8) of the Listing Manual of SGX-ST)

Save for service agreements between the Company and Executive Director as disclosed in this report, there were no other material contracts of the Company and its subsidiaries involving the interests of the CEO or any Director or controlling shareholder, either subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

Corporate Disclosure

The Company believes that a high level of disclosure is essential to enhance the standard of corporate governance. Hence, the Company is committed to provide a high level of disclosure in all public announcements, press releases and annual reports.

DIRECTORS' REPORT

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Ban Leong Technologies Limited (the "Company") and its subsidiaries (collectively the "Group"), and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2013.

Directors

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

Ronald Teng Woo Boon	(Managing Director)
Neo Gim Kiong	(Non Executive Director)
Chng Hock Huat	(Non Executive Director)
Loh Yih	(Independent Director)
Tan Eng Bock	(Independent Director)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any 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 or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act, Cap. 50, an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
	At the beginning of financial year or date of appointment	At the end of financial year	At the beginning of financial year or date of appointment	At the end of financial year
Ban Leong Technologies Limited Ordinary shares				
Ronald Teng Woo Boon	40,366,000	40,366,000	2,678,000 [1]	2,678,000
Neo Gim Kiong	2,394,000	2,394,000	–	–
Loh Yih	500,000	500,000	–	–
Chng Hock Huat	12,508,000	12,508,000	2,008,000 [2]	2,008,000

There was no change in any of the above-mentioned interests between the end of the financial year and 21 April 2013.

[1] Relates to shares held by Ms Teo Su Ching, spouse of Mr Ronald Teng Woo Boon

[2] Relates to shares held by Ms Yu Lihong, spouse of Mr Chng Hock Huat

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures 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' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for emoluments received from the Company and related corporations in their capacities as full-time employees.

DIRECTORS' REPORT

Options

No options were issued by the Company or its subsidiaries during the financial year. As at 31 March 2013, there are no options on the unissued shares of the Company or its subsidiaries which are outstanding.

Audit Committee

The Audit Committee comprises one non-executive and two independent directors, one of whom is also the Chairman of the Committee. The members of the Audit Committee at the date of this report are as follows:

Loh Yih (Chairman)
Chng Hock Huat
Tan Eng Bock

The financial statements, accounting policies and system of internal accounting controls are the responsibility of the Board of Directors acting through the Audit Committee. The Audit Committee met during the financial year to review the scope of work of the statutory auditors, and the results arising therefrom. The consolidated financial statements of the Group were reviewed by the Audit Committee prior to their submission to the directors of the Company for adoption.

The Audit Committee met twice during the financial year. In addition, the Audit Committee has reviewed all non-audit services provided by the external auditors of the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditors. The Audit Committee has also conducted a review of interested person transactions.

Further details regarding the Audit Committee are disclosed in the Report on Corporate Governance.

Auditors

Ernst & Young LLP have expressed their willingness to accept reappointment as auditors.

On behalf of the Board of Directors:

Ronald Teng Woo Boon
Director

Neo Gim Kiong
Director

Singapore
28 June 2013

STATEMENT BY DIRECTORS

We, Ronald Teng Woo Boon and Neo Gim Kiong, being two of the directors of Ban Leong Technologies Limited, do hereby state that, in the opinion of the directors,

(i) the accompanying balance sheets, consolidated statement of comprehensive income, statements of changes in equity, and consolidated cash flow statement together with notes thereto 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 2013 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date; and

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

On behalf of the Board of Directors:

Ronald Teng Woo Boon
Director

Neo Gim Kiong
Director

Singapore
28 June 2013

INDEPENDENT AUDITORS' REPORT

For the financial year ended 31 March 2013

Report on the financial statements

We have audited the accompanying consolidated financial statements of Ban Leong Technologies Limited (the "Company") and its subsidiaries (collectively the "Group"), set out on pages 38 to 85 which comprise the balance sheets of the Group and the Company as at 31 March 2013, the statements of changes in equity of the Group and the Company, the consolidated statement of comprehensive income and cash flow statement of the Group for the 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, 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 profit and loss accounts and balance sheets 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 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 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.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity 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 state of affairs of the Group and of the Company as at 31 March 2013 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the 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 and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Certified Public Accountants
Singapore

28 June 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2013

		Group	
	Notes	2013 $	2012 $
Revenue	4	130,807,035	111,672,162
Cost of sales		(113,995,597)	(95,412,085)
Gross profit		16,811,438	16,260,077
Other operating income		232,805	213,758
Selling and distribution cost		(6,820,121)	(6,057,567)
General and administrative cost		(6,408,202)	(6,084,086)
Profit from operations	5	3,815,920	4,332,182
Financial expenses	7	(301,017)	(238,209)
Financial income	7	47,990	15,706
Operating profit before taxation		3,562,893	4,109,679
Fair value adjustment of investment in associate	12	–	(256,792)
Impairment of goodwill	16	(1,048,694)	(1,340,000)
Impairment of trademarks	16	(122,392)	–
Profit before taxation		2,391,807	2,512,887
Taxation	8	(967,087)	(1,951,514)
Profit for the financial year		1,424,720	561,373
Other comprehensive income:			
Foreign currency translation		23,856	(146,769)
Other comprehensive income for the financial year, net of tax		23,856	(146,769)
Total comprehensive income for the financial year		1,448,576	414,604
Profit attributable to:			
Owners of the Company		1,243,822	430,260
Non-controlling interests		180,898	131,113
		1,424,720	561,373
Total comprehensive income attributable to:			
Owners of the Company		1,230,498	301,832
Non-controlling interests		218,078	112,772
		1,448,576	414,604
Earnings per share attributable to owners of the Company (cents per share)	9		
- Basic		1.06	0.37
- Diluted		1.06	0.37

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

BALANCE SHEETS

As at 31 March 2013

	Notes	Group 2013 $	Group 2012 $	Company 2013 $	Company 2012 $
Non-current assets					
Property, plant and equipment	11	693,513	689,901	362,762	437,646
Investment in subsidiaries	12	–	–	4,941,921	5,490,614
Investment in unquoted equity shares	13	500,000	–	–	–
Investment in joint venture	14	–	–	–	10,235
Deferred tax assets	15	162,780	353,945	–	–
Goodwill and intangible assets	16	796,311	2,086,864	–	–
		2,152,604	3,130,710	5,304,683	5,938,495
Current assets					
Inventories	17	21,626,348	20,081,298	11,545,009	9,550,772
Prepayments		248,701	269,474	37,656	64,343
Trade receivables	18	23,453,011	18,762,591	28,552,232	24,277,532
Other receivables and deposits	19	1,335,075	2,042,620	2,495,618	3,210,033
Cash and cash equivalents	20	8,505,696	9,200,235	7,059,849	7,292,712
		55,168,831	50,356,218	49,690,364	44,395,392
Current liabilities					
Trade payables	21	15,641,398	12,641,892	14,512,534	11,164,586
Bills payable to banks (unsecured)	22	12,742,532	12,633,677	12,742,532	12,633,677
Other payables and accruals	23	3,924,617	2,967,455	2,523,472	1,874,942
Hire-purchase liabilities	24	65,431	82,522	58,682	66,914
Provision for taxation		793,928	1,109,763	600,916	803,756
		33,167,906	29,435,309	30,438,136	26,543,875
Net current assets		22,000,925	20,920,909	19,252,228	17,851,517
Non-current liabilities					
Hire-purchase liabilities	24	(211,668)	(259,184)	(200,420)	(259,184)
Deferred tax liabilities	15	(11,629)	(145,779)	(11,629)	(11,629)
Net assets		23,930,232	23,646,656	24,344,862	23,519,199
Equity attributable to owners of the Company					
Share capital	25(a)	11,173,106	11,173,106	11,173,106	11,173,106
Returned shares	25(b)	(104,822)	(104,822)	(104,822)	(104,822)
Retained earnings		12,958,985	12,880,163	13,276,578	12,450,915
Other reserve	26	65,685	65,685	–	–
Foreign currency translation reserve	26	(804,833)	(791,509)	–	–
		23,288,121	23,222,623	24,344,862	23,519,199
Non-controlling interests		642,111	424,033	–	–
Total equity		23,930,232	23,646,656	24,344,862	23,519,199

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2013

Attributable to owners of the Company

Group	Share capital $	Returned shares $	Retained earnings $	Other reserve $	Foreign currency translation reserve $	Equity attributable to owners of the Company $	Non-controlling interests $	Total equity $
Balance as at 1 April 2011	11,173,106	(104,822)	13,093,940	4,148	(663,081)	23,503,291	311,261	23,814,552
Profit for the financial year	–	–	430,260	–	–	430,260	131,113	561,373
Other comprehensive income for the financial year	–	–	–	–	(128,428)	(128,428)	(18,341)	(146,769)
Total comprehensive income for the financial year	–	–	430,260	–	(128,428)	301,832	112,772	414,604
Transfer from retained earnings to other reserve	–	–	(61,537)	61,537	–	–	–	–
Dividends (Note 27)	–	–	(582,500)	–	–	(582,500)	–	(582,500)
Balance as at 31 March 2012 and 1 April 2012	11,173,106	(104,822)	12,880,163	65,685	(791,509)	23,222,623	424,033	23,646,656
Profit for the financial year	–	–	1,243,822	–	–	1,243,822	180,898	1,424,720
Other comprehensive income for the financial year	–	–	–	–	(13,324)	(13,324)	37,180	23,856
Total comprehensive income for the financial year	–	–	1,243,822	–	(13,324)	1,230,498	218,078	1,448,576
Dividends (Note 27)	–	–	(1,165,000)	–	–	(1,165,000)	–	(1,165,000)
Balance as at 31 March 2013	11,173,106	(104,822)	12,958,985	65,685	(804,833)	23,288,121	642,111	23,930,232

Company	Share capital $	Returned shares $	Retained earnings $	Total equity $
Balance as at 1 April 2011	11,173,106	(104,822)	11,087,019	22,155,303
Profit for the financial year	–	–	1,946,396	1,946,396
Total comprehensive income for the financial year	–	–	1,946,396	1,946,396
Dividends (Note 27)	–	–	(582,500)	(582,500)
Balance as at 31 March 2012 and 1 April 2012	11,173,106	(104,822)	12,450,915	23,519,199
Profit for the financial year	–	–	1,990,663	1,990,663
Total comprehensive income for the financial year	–	–	1,990,663	1,990,663
Dividends (Note 27)	–	–	(1,165,000)	(1,165,000)
Balance as at 31 March 2013	11,173,106	(104,822)	13,276,578	24,344,862

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

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 March 2013

	Notes	Group 2013 $	Group 2012 $
Cash flows from operating activities			
Profit before taxation		2,391,807	2,512,887
Adjustment for:			
Depreciation of property, plant and equipment	5	251,684	342,447
Amortisation of intangible assets	5	120,212	97,660
Impairment of goodwill		1,048,694	1,340,000
Impairment of trademarks		122,392	–
Fair value adjustment of investment in associate		–	256,792
Gain on disposal of property, plant and equipment	5	(2,334)	(37,445)
Allowance for doubtful trade receivables	5	52,990	25,032
Trade receivables written-off	5	75,919	–
Write-back for inventory obsolescence	5	(63,606)	(179,747)
Interest expense		301,017	238,209
Interest income		(47,990)	(15,706)
Translation difference		31,176	(133,082)
Operating profit before working capital changes		4,281,961	4,447,047
(Increase)/decrease in:			
Inventories		(1,481,444)	(4,501,548)
Prepayments		20,773	39,566
Trade receivables		(4,819,329)	(1,731,706)
Other receivables and deposits		707,545	662,010
(Decrease)/increase in:			
Trade payables		2,999,506	(244,083)
Bills payable to banks (unsecured)		108,855	5,127,068
Other payables and accruals		957,162	265,151
Cash generated from operations		2,775,029	4,063,505
Interest paid		(301,017)	(238,209)
Interest received		47,990	15,706
Income tax paid		(1,225,907)	(633,294)
Net cash from operating activities		1,296,095	3,207,708
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		5,542	195,901
Purchase of unquoted equity shares	13	(500,000)	–
Purchase of property, plant and equipment and intangibles		(238,003)	(265,929)
Acquisition of subsidiary, net of cash acquired	12	–	(18,806)
Net cash used in investing activities		(732,461)	(88,834)
Cash flows from financing activities			
Repayment of hire-purchase liabilities		(84,655)	(156,848)
Dividends paid to shareholders	27	(1,165,000)	(582,500)
Net cash used in financing activities		(1,249,655)	(739,348)
Net (decrease)/increase in cash and cash equivalents		(686,021)	2,379,526
Effects of exchange rate changes on cash and cash equivalents		(8,518)	(10,024)
Cash and cash equivalents at the beginning of year		9,200,235	6,830,733
Cash and cash equivalents at the end of year	20	8,505,696	9,200,235

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

1. CORPORATE INFORMATION

Ban Leong Technologies Limited (the "Company") is a limited liability company which is domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 150 Ubi Avenue 4 #04-01, Singapore 408825.

The principal activities of the Company and its subsidiaries (the "Group") are the wholesale and distribution of computer peripherals, accessories and other multimedia products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

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

The financial statements are presented in Singapore Dollars ($ or SGD).

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 April 2013. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 Presentation of Items of Other Comprehensive Income	1 July 2012
Revised FRS 19 Employee Benefits	1 January 2013
FRS 113 Fair Value Measurement	1 January 2013
Amendments to FRS 107 Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Improvements to FRSs 2012	1 January 2013
– Amendment to FRS 1 Presentation of Financial Statements	1 January 2013
– Amendment to FRS 16 Property, Plant and Equipment	1 January 2013
– Amendment to FRS 32 Financial Instruments: Presentation	1 January 2013
Revised FRS 27 Separate Financial Statements	1 January 2014
Revised FRS 28 Investments in Associates and Joint Ventures	1 January 2014
FRS 110 Consolidated Financial Statements	1 January 2014
FRS 111 Joint Arrangements	1 January 2014
FRS 112 Disclosure of Interests in Other Entities	1 January 2014
Amendments to FRS 32 Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 110, FRS 111 and FRS 112 Amendments to the transition guidance of FRS 110 Consolidated Financial Statements, FRS 111 Joint Arrangements and FRS 112 Disclosure of Interests in Other Entities	1 January 2014
FRS 110, FRS 112 and FRS 27 Amendments to FRS 110, FRS 112 and FRS 27: Investment Entities	1 January 2014

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards issued but not yet effective (cont'd)

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2.4 Basis of consolidation

Basis of consolidation from 1 April 2010

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company, except for BLC (China) Limited and AV Labs International Pte Ltd, which have accounting year ending 31 December and 30 June respectively. The consolidated financial statements incorporate the unaudited management accounts for BLC (China) Limited and AV Labs International Pte Ltd. These subsidiaries do not contribute materially to the Group's results. A list of the Group subsidiaries is shown in Note 12. Consistent accounting policies are applied to like transactions and events in similar circumstances.

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

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

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

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Business combinations

Business combinations from 1 April 2010

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

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Basis of consolidation and business combinations (cont'd)

Business combinations from 1 April 2010 (cont'd)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not be remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

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

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

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

2.6 Foreign currency

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

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiary companies and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Foreign currency (cont'd)

(b) Group companies

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

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

The Group has elected to recycle the accumulated exchange differences in the separate component of other comprehensive income that arises from the direct method of consolidation, which is the method the Group uses to complete its consolidation.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.22. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is computed on a straight-line basis over the estimated useful life of the asset as follows:

Computers	1 - 5 years
Office equipment	5 years
Furniture & fittings	5 years
Motor vehicles	5 years
Renovation	5 years
Warehouse equipment	1 year

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the statement of comprehensive income in the year the asset is derecognised.

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further depreciation charge is made in respect of these assets.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

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

2.9 Joint venture company

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, where the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

The Group's investment in a joint venture company is accounted for using the equity method. Under the equity method, the investment in joint venture company is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint venture company and is neither amortised nor tested individually for impairment. Goodwill relating to joint venture company is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the joint venture company's identifiable asset, liabilities and contingent liabilities over the cost of the investment is included as income in the determination of the Group's share of results of the joint venture company in the period in which the investment is acquired.

The profit or loss reflects the share of the results of operations of the joint venture company. Where there has been a change recognised in other comprehensive income by the joint venture company, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the joint venture company are eliminated to the extent of the interest in the joint venture company.

The Group's share of the profit or loss of its joint venture company is shown on the face of profit or loss after tax and non-controlling interests in the subsidiaries of joint venture company.

When the Group's share of losses in a joint venture company equals or exceeds its interest in the joint venture company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture company.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its joint venture company. The Group determines at each balance sheet date whether there is any objective evidence that the investment in the joint venture company is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture company and its carrying value and recognises the amount in profit and loss.

The financial statements of the joint venture company are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of joint control over the joint venture company, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the joint venture company upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

2.10 Intangible assets

(a) Goodwill

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Intangible assets (cont'd)

(a) Goodwill (cont'd)

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Non-contractual customer relationships

Non-contractual customer relationships were acquired in business combinations and are carried at fair value at date of acquisition. The useful lives of these intangible assets are assessed to be 15 years based on average number of years the customers have been with the acquired company and are amortised on a straight-line basis.

Trademarks

Trademarks are initially recorded at cost. Subsequent to recognition, the trademarks are measured at cost less accumulated amortisation. Amortisation is computed on a straight-line basis over the estimated useful lives of the individual trademarks.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Impairment of non-financial assets

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

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

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.12 Financial assets

Initial recognition and measurement

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

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

Subsequent measurement

(a) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(b) Available-for-sale financial assets

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Financial assets (cont'd)

(b) Available-for-sale financial assets (cont'd)

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.13 Impairment of financial assets

The Group assesses at each end of the reporting period whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Impairment of financial assets (cont'd)

(a) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(b) Available-for-sale financial assets

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

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

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits which are subjected to an insignificant risk of changes in value.

2.15 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a weighted average basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

2.16 Provisions

Provisions are recognised when the Group has a present obligation, as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

Subsequent measurement

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

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

2.18 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.19 Returned shares

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as returned shares and presented as a deduction from total equity. No gain or loss is recognised in the statement of comprehensive income on the purchase, sale, issue or cancellation of returned shares.

2.20 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, and sales taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

(a) Sale of goods

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, and sales taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

(b) Interest income

Interest income is recognised using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Revenue (cont'd)

(c) Management fees

Management fees are recognised when corporate services are rendered.

(d) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

2.21 Employee benefits

(a) Defined contribution plans

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

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to balance sheet date.

2.22 Borrowing costs

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

2.23 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date, in the countries where the Group operates and generates taxable income.

Current taxes are recognised in profit or loss except that the tax relating to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

– Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Income taxes (cont'd)

(b) Deferred tax (cont'd)

- In respect of taxable temporary differences associated with investments in subsidiary companies and associated companies, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable futures.

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

(c) Sales tax

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

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

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.24 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.25 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.26 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.27 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 Group if that person:

(i) Has control or joint control over the Group;

(ii) Has significant influence over the Group; or

(iii) Is a member of the key management personnel of the Group or of a parent of the Group.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group 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 Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group;

(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)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

The management has not made any significant judgements that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date.

3.2 Key sources of estimation uncertainty

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

(i) Allowance for inventory obsolescence

Allowance for inventory obsolescence is estimated based on the best available facts and circumstances, including but not limited to the stocks' own physical conditions, their market selling prices and estimated costs to be incurred for their sales. The allowances are re-evaluated and adjusted as additional information received affects the amount estimated. The carrying amount of the Group's inventories as of 31 March 2013 was $21,626,348 (2012: $20,081,298).

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

3.2 Key sources of estimation uncertainty (cont'd)

(ii) Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Further details on the key assumptions applied in the impairment assessment of goodwill and customer relationships are given in Note 16 to the financial statements.

(iii) Impairment of loans and receivables

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at 31 March 2013 is disclosed in Note 29.

(iv) Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. The Group establishes tax provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group company's domicile.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The Group recognises liabilities for expected 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 recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's and Company's provision for taxation at the balance sheet date was $793,928 and $600,916 (2012: $1,109,763 and $803,756) respectively. The carrying amount of the Group's and Company's deferred tax assets and deferred tax liabilities at the balance sheet date was $162,780 and $Nil (2012: $353,945 and $Nil) and $11,629 (2012: $145,779 and $11,629) respectively.

4. REVENUE

Revenue represents sales of goods net of goods and services tax and less trade discounts and returns.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

5. PROFIT FROM OPERATIONS

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

	Group	
	2013 $	2012 $
Audit fees		
- auditors of the Company	116,000	102,000
- other auditors	64,053	62,588
Non-audit fees to other auditors	–	8,619
Depreciation of property, plant and equipment	251,684	342,447
Gain on disposal of property, plant and equipment	(2,334)	(37,445)
Amortisation of intangible assets	120,212	97,660
Write-back of inventory obsolescence, net	(63,606)	(179,747)
Allowance for doubtful trade receivables	52,990	25,032
Trade receivables written-off	75,919	–
Staff costs	8,442,985	7,840,096
Directors' remuneration		
- directors of the Company	332,720	359,866
- directors of subsidiaries	266,335	219,095
Directors' fees		
- directors of the Company	140,000	140,000
- directors of a subsidiary	11,534	7,857
Foreign exchange gain	(388,796)	(531,931)
Operating lease expenses	1,200,401	825,058

6. STAFF COSTS

	Group	
	2013 $	2012 $
Salaries and bonuses	6,441,267	6,052,614
Defined contribution plan expenses	773,126	706,312
Commissions	956,271	838,322
Other staff costs	272,321	242,848
	8,442,985	7,840,096

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

7. FINANCIAL (EXPENSES)/INCOME

	Group 2013 $	Group 2012 $
Interest expenses		
- bank borrowings	(290,213)	(225,769)
- hire-purchase	(10,804)	(12,440)
	(301,017)	(238,209)
Interest income		
- bank balances	7,262	4,411
- fixed deposit	40,728	11,295
	47,990	15,706

8. TAXATION

(a) Major components of taxation

The major components of taxation for the financial years ended 31 March 2013 and 2012 are:

	Note	Group 2013 $	Group 2012 $
Statement of comprehensive income:			
Current income tax:			
- current income taxation		884,568	1,082,278
- over provision in respect of previous years		(12,011)	(119,256)
		872,557	963,022
Deferred income tax (Note 15):			
- origination and reversal of temporary differences		(154,812)	(856,683)
- impairment of deferred tax asset in a subsidiary		209,176	1,460,931
- under provision in respect of previous years		2,651	370,848
		57,015	975,096
Withholding tax		37,515	13,396
Income tax recognised		967,087	1,951,514

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

8. TAXATION

(b) Relationship between taxation and accounting profit

A reconciliation between taxation and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 March 2013 and 2012 is as follows:

	Group	
	2013 $	2012 $
Accounting profit before taxation	2,391,807	2,512,887
Tax calculated at a tax rate of 17% (2012: 17%)	406,607	427,191
Adjustments:		
Non-deductible expenses	217,616	337,355
Income not subject to taxation	(23,399)	(34,777)
Deferred tax assets not recognised	797,543	–
Effect of partial tax exemption and tax relief	(89,580)	(51,850)
Effect of different tax rates in other countries	(578,250)	(441,252)
(Over)/under provision in respect of previous years	(9,360)	251,592
Impairment of deferred tax asset in a subsidiary	209,176	1,460,931
Withholding tax	37,515	13,396
Others	(781)	(11,072)
Taxation	967,087	1,951,514

The Company and its subsidiaries incorporated in Singapore are subject to income tax at the statutory tax rate of 17% for the financial year ended 31 March 2013 and 2012.

The subsidiary incorporated in Malaysia is subject to income tax at the statutory tax rate of 25% for the financial year ended 31 March 2013 and 2012.

The subsidiary incorporated in Thailand is subject to income tax at the corporate tax rate of 23% in 2013. In prior year, the corporate tax rate for the subsidiary in Thailand is 30%, under relevant Thailand laws for small-medium enterprises with assessable profit exceeding THB 3 million, and 25% for assessable profits between THB 3 million and THB 1 million, 15% on the assessable profit between THB 1 million and THB 0.15 million and 0% for assessable profit below THB 0.15 million.

Income derived by subsidiaries in Australia is taxed at a flat rate of 30% (2012: 30%).

The subsidiary incorporated in New Zealand is subject to income tax at the corporate tax rate of 28%. (2012: 28%)

The subsidiary incorporated in China is subject to income tax at the corporate tax rate of 25%.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

8. TAXATION (CONT'D)

(c) Tax charge relating to other comprehensive income

The tax charge relating to each component of other comprehensive income is as follows:

	Group		
	Before tax $	Tax (charge)/ credit $	After tax $
2013			
Foreign currency translation	23,856	–	23,856
2012			
Foreign currency translation	(146,769)	–	(146,769)

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic and diluted earnings per share amounts are calculated by dividing net profit attributable to owners of the Company of $1,243,822 (2012: $430,260) by the weighted average number of ordinary shares outstanding during the financial year of 117,181,818 (2012: 117,181,818) shares.

There are no dilutive potential shares.

10. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods and services

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place during the financial year at terms agreed between the parties:

	Group	
	2013 $	2012 $
Expenses		
Purchase from non-controlling interest of a subsidiary	2,542,783	3,526,320
Rental paid to non-controlling interest of a subsidiary	36,096	35,861
Service fee paid to a related party	–	130,573

NOTES TO THE FINANCIAL STATEMENTS

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10. RELATED PARTY TRANSACTIONS

(b) Compensation of key management personnel

	Group	
	2013 $	2012 $
Directors' fees	140,000	140,000
Salaries and bonus	1,364,089	1,218,164
Defined contribution plan expenses	89,302	65,563
Other staff costs	29,304	24,414
Total compensation paid to key management personnel	1,622,695	1,448,141
Comprise amounts paid to:		
Directors of the Company	472,720	499,866
Other key management personnel	1,149,975	948,275
	1,622,695	1,448,141

The remuneration of key management personnel are determined by the Remuneration Committee having regard to the performance of individuals and market trends.

No share options have been granted to the Company's executive and non-executive directors.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

11. PROPERTY, PLANT AND EQUIPMENT

Group	Computers $	Office equipment $	Furniture and fittings $	Motor vehicles $	Renovation $	Warehouse equipment $	Total $
Cost							
At 1 April 2011	461,983	472,223	595,299	1,045,015	558,228	20,114	3,152,862
Additions	67,189	38,340	20,791	485,339	16,765	2,765	631,189
Disposals/written-off	–	(92,480)	(232,909)	(423,749)	(231,740)	(212)	(981,090)
Translation differences	(1,432)	1,199	280	(1,974)	(665)	(110)	(2,702)
At 31 March 2012 and 1 April 2012	527,740	419,282	383,461	1,104,631	342,588	22,557	2,800,259
Additions	71,050	49,702	53,316	73,368	1,793	8,077	257,306
Disposals/written-off	(3,074)	(14,575)	(4,213)	(13,297)	–	(394)	(35,553)
Translation differences	(2,043)	1,926	214	(327)	(161)	301	(90)
At 31 March 2013	593,673	456,335	432,778	1,164,375	344,220	30,541	3,021,922
Accumulated depreciation							
At 1 April 2011	442,450	404,463	493,542	761,221	471,501	18,254	2,591,431
Depreciation charge for the financial year	38,797	29,800	51,927	168,960	50,646	2,317	342,447
Disposals/written-off	–	(81,211)	(196,675)	(347,300)	(197,313)	(135)	(822,634)
Translation differences	(1,233)	1,343	115	(711)	(324)	(76)	(886)
At 31 March 2012 and 1 April 2012	480,014	354,395	348,909	582,170	324,510	20,360	2,110,358
Depreciation charge for the financial year	47,264	25,651	18,531	150,840	4,102	5,296	251,684
Disposals/written-off	(3,036)	(14,284)	(4,139)	(10,600)	–	(286)	(32,345)
Translation differences	(2,341)	1,229	468	(1,055)	180	231	(1,288)
At 31 March 2013	521,901	366,991	363,769	721,355	328,792	25,601	2,328,409
Net carrying amount							
At 31 March 2012	47,726	64,887	34,552	522,461	18,078	2,197	689,901
At 31 March 2013	71,772	89,344	69,009	443,020	15,428	4,940	693,513

During the financial year, the Group acquired motor vehicles with an aggregate cost of $20,048 (2012: $365,260) by means of hire-purchase. The cash outflow on acquisition of property, plant and equipment amounted to $237,258.

As at 31 March 2013, the net carrying amount of motor vehicles of the Group held under hire-purchase agreements is $314,510 (2012: $378,760).

Leased assets are pledged as security for the related hire-purchase liabilities.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Computers $	Office equipment $	Furniture and fittings $	Motor vehicles $	Renovation $	Warehouse equipment $	Total $
Cost							
At 1 April 2011	266,774	273,210	281,476	509,371	269,114	12,091	1,612,036
Additions	24,071	14,857	7,137	452,991	–	784	499,840
Disposal	–	–	–	(299,698)	–	–	(299,698)
At 31 March 2012 and 1 April 2012	290,845	288,067	288,613	662,664	269,114	12,875	1,812,178
Additions	21,749	5,754	3,421	29,000	–	5,516	65,440
At 31 March 2013	312,594	293,821	292,034	691,664	269,114	18,391	1,877,618
Accumulated depreciation							
At 1 April 2011	260,257	256,622	275,724	437,809	269,114	11,582	1,511,108
Charge for the financial year	21,229	7,038	3,287	100,444	–	908	132,906
Disposal	–	–	–	(269,482)	–	–	(269,482)
At 31 March 2012 and 1 April 2012	281,486	263,660	279,011	268,771	269,114	12,490	1,374,532
Charge for the financial year	20,101	8,291	3,422	104,065	–	4,445	140,324
At 31 March 2013	301,587	271,951	282,433	372,836	269,114	16,935	1,514,856
Net carrying amount							
At 31 March 2012	9,359	24,407	9,602	393,893	–	385	437,646
At 31 March 2013	11,007	21,870	9,601	318,828	–	1,456	362,762

During the financial year, the Company acquired motor vehicles with an aggregate cost of $Nil (2012: $365,260) by means of hire-purchase. The cash outflow on acquisition of property, plant and equipment amounted to $65,440.

As at 31 March 2013, the net carrying amount of motor vehicles of the Company held under hire-purchase agreements amounted to $285,158 (2012: $376,073).

Leased assets are pledged as security for the related hire-purchase liabilities.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

12. INVESTMENT IN SUBSIDIARIES

	Company 2013 $	Company 2012 $
Unquoted equity shares, at cost	7,846,059	7,346,058
Impairment loss	(2,904,138)	(1,855,444)
	4,941,921	5,490,614
Movement in impairment:		
At 1 April	1,855,444	258,757
Charge for the financial year	1,048,694	1,596,687
At 31 March	2,904,138	1,855,444

Details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	Proportion of ownership interest 2013 %	Proportion of ownership interest 2012 %
Digital Hub Pte. Ltd. ("DHPL") [1]	Singapore	Distribution of computer peripherals and accessories	100	100
Ban Leong Technologies Sdn Bhd ("BLTM") [2]	Malaysia	Distribution of computer peripherals and accessories	100	100
Ban Leong Chin Inter Co., Ltd ("BLCI") [3]	Thailand	Distribution of computer peripherals and accessories	60	60
Ban Leong Technologies Australia Pty Ltd ("BLTA") [4]	Australia	Investment holding	100	100
Digitalblue Limited ("DBL") [5]	New Zealand	Distribution of computer peripherals and accessories	100	100
宇扬(上海)投资咨询有限公司 (BLC (China) Limited) ("BLC") [6]	China	Distribution of corporate gift cards	100	100
AV Labs International Pte Ltd ("AV Labs") [6]	Singapore	Marketing and distribution of computer and hardware	100	100
Held through a subsidiary				
Audion Innovision Pty Ltd ("Audion") [4]	Australia	Distribution of computer peripherals and accessories	100	100

1 Audited by Ernst & Young LLP, Singapore
2 Audited by Ernst & Young, Malaysia
3 Audited by Thiwan Auditing Office, Certified Accountant in Thailand
4 Audited by Metzke & Allen, Chartered Accountants in Australia
5 Audited by Hayes Knight NZ Limited, Chartered Accountants & Business Advisers in New Zealand
6 Dormant subsidiaries not required to be audited by law in country of incorporation. Unaudited management accounts are used for consolidation purposes

NOTES TO THE FINANCIAL STATEMENTS
31 March 2013

12. INVESTMENT IN SUBSIDIARIES (CONT'D)

Acquisition of subsidiary

In December 2011, the Group acquired the remaining 50% equity interest in its 50% owned associate, AV Labs International Pte Ltd ("AV Labs"), a distributor of multimedia IT products, data storage products and IT accessories. Upon the acquisition, AV Labs became a wholly-owned subsidiary of the Group. The Group acquired AV Labs in order to strengthen its position as a leading distributor of multimedia IT products and to enlarge the range of products it can offer to its customers. The fair values of the identifiable assets and liabilities of the entity as at the date of the acquisition were:

	Fair value recognised on acquisition $
Other receivables	5,999
Cash	699
	6,698
Trade payables	(2,540)
Other payables and accruals	(6,346)
	(8,886)
Total net identifiable liabilities at fair value	(2,188)
Trademarks arising from acquisition	166,898
	164,710
Effect of the acquisition of AV Labs on cash flows	
Total consideration for 50% equity interest acquired	82,355
Less: Dividend income received	(62,850)
Consideration settled in cash	19,505
Less: Cash and cash equivalents of subsidiary acquired	(699)
Net cash outflow on acquisition of subsidiary	18,806

Loss on remeasuring previously held equity interest in AV Labs to fair value at acquisition date

In the previous financial year, the Group recognised a loss of $256,792 as a result of measuring at fair value its original 50% equity interest in AV Labs held before the business combination. The loss was recorded in the Group's consolidated statement of comprehensive income for the financial year ended 31 March 2012.

13. INVESTMENT IN UNQUOTED EQUITY SHARES

	Group	
	2013 $	2012 $
Available-for-sale financial assets:		
Unquoted equity shares, at cost	500,000	–

During the year, the Group subscribed for 270,271 ordinary shares, representing approximately 2.53% equity interest, in Avantouch Systems Pte Ltd through its wholly-owned subsidiary, AV Labs International Pte Ltd.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

14. INVESTMENT IN JOINT VENTURE

	Company 2013 $	Company 2012 $
Unquoted equity shares, at cost	10,235	10,235
Impairment loss	(10,235)	–
	–	10,235

The details of the jointly-controlled entity are as follows:

Name	Country of incorporation	Principal activities	Proportion of ownership interest 2013 %	Proportion of ownership interest 2012 %
Held by the Company				
eGear Inc Ltd ("eGear Inc")	Hong Kong	Marketing and distribution of electronic accessories	50	50

The summarised financial information of the joint venture has not been presented as it is immaterial and accordingly not equity accounted for in the Group's consolidated statement of comprehensive income.

During the year, the Company recorded an impairment loss of $10,235 as eGear Inc has been dormant since the last financial year.

15. DEFERRED TAX ASSETS/(LIABILITIES)

	Group 2013 $	Group 2012 $	Company 2013 $	Company 2012 $
Deferred tax assets				
At 1 April	353,945	1,332,779	–	–
Charge for the financial year	20,312	479,542	–	–
Impairment	(209,176)	(1,460,931)	–	–
Translation differences	(2,301)	2,555	–	–
At 31 March	162,780	353,945	–	–
Breakdown of deferred tax assets:				
Deferred tax assets				
- provisions	152,061	310,973	–	–
- difference in depreciation for tax purposes	10,601	11,949	–	–
- other items	118	31,023	–	–
	162,780	353,945	–	–

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

15. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Deferred tax liabilities				
At 1 April	(145,779)	(152,051)	(11,629)	(11,629)
Charge for the financial year	134,500	6,293	–	–
Translation differences	(350)	(21)	–	–
At 31 March	(11,629)	(145,779)	(11,629)	(11,629)
Breakdown of deferred tax liabilities:				
Deferred tax liabilities				
- difference in depreciation for tax purposes	(11,629)	(15,609)	(11,629)	(11,629)
- foreign unrealised exchange	–	(134,150)	–	–
- other items	–	3,980	–	–
	(11,629)	(145,779)	(11,629)	(11,629)

During the year, the Company performed an impairment assessment and recorded an impairment charge of $209,176 (2012: $1,460,931) of previously recognised deferred tax assets arising from a subsidiary.

Unrecognised tax losses and unabsorbed capital allowances

At the balance sheet date, the Group has tax losses and capital allowance of approximately $5,086,000 and $Nil (2012: $4,038,000 and $40,000) respectively that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

16. GOODWILL AND INTANGIBLE ASSETS

	Group			
	Goodwill $	Non contractual customer relationships $	Trade marks $	Total $
Cost:				
At 1 April 2011	2,418,920	1,291,312	8,039	3,718,271
Acquisition of subsidiary (Note 12)	–	–	166,898	166,898
At 31 March 2012 and 1 April 2012	2,418,920	1,291,312	174,937	3,885,169
Additions	–	–	745	745
Balance at 31 March 2013	2,418,920	1,291,312	175,682	3,885,914
Accumulated amortisation and impairment:				
At 1 April 2011	30,226	322,827	7,592	360,645
Amortisation	–	86,087	11,573	97,660
Impairment loss	1,340,000	–	–	1,340,000
At 31 March 2012 and 1 April 2012	1,370,226	408,914	19,165	1,798,305
Amortisation	–	86,087	34,125	120,212
Impairment losses	1,048,694	–	122,392	1,171,086
At 31 March 2013	2,418,920	495,001	175,682	3,089,603
Net carrying amount:				
At 31 March 2012	1,048,694	882,398	155,772	2,086,864
At 31 March 2013	–	796,311	–	796,311

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

16. GOODWILL AND INTANGIBLE ASSETS (CONT'D)

Company	Trademark $
Cost:	
At 1 April 2011	8,039
Additions	–
At 31 March 2012 and 1 April 2012	8,039
Additions	745
At 31 March 2013	8,784
Accumulated amortisation and impairment:	
At 1 April 2011	7,592
Amortisation	447
At 31 March 2012 and 1 April 2012	8,039
Amortisation	745
At 31 March 2013	8,784
Net carrying amount:	
At 31 March 2012	–
At 31 March 2013	–

Non-contractual customer relationships

Non-contractual customer relationships were acquired in a business combination. Customer relationships relate to value of customer base with reference to recurring business dealings. As mentioned in Note 2.10(b), the useful life of customer relationship is estimated to be 15 years. The average remaining amortisation period is 9 years (2012: 10 years).

Trademarks

Trademarks were acquired in a business combination. The useful life of trademarks is estimated to be 5 years. During the year, the Group recorded an impairment loss of $122,392 to write-down the remaining value of the trademarks.

Amortisation expense

The amortisation of customer relationship and trademarks are included in the "General and Administrative Expense" in the statement of comprehensive income.

Impairment testing of goodwill

Goodwill arising from business combinations relates specifically to Audion Innovision Pty Ltd ("Audion"), which is deemed as a cash generating unit (CGU).

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

16. GOODWILL AND INTANGIBLE ASSETS (CONT'D)

The carrying amount of goodwill allocated to the CGU as at 31 March is as follow:

	2013 $	2012 $
Audion	–	1,048,694

In the financial year ended 31 March 2013, an impairment loss of $1,048,694 (2012: $1,340,000) was recognised to write-down the remaining carrying amount of goodwill attributable to Audion. The impairment loss of $1,048,694 is included in the statement of comprehensive income.

The recoverable amounts have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five year period. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flows beyond the five year period are as follow:

	2013	2012
Growth rates	8.0% - 12.0%	5.0% - 10.0%
Pre-tax discount rates	13.0%	14.0%

The calculations of value in use are most sensitive to the following assumptions:

Budgeted Gross Margin – Gross margin are based on forecasted sales and cost of sales expected to be incurred due to the change in business operations. These are increased over the budget period for anticipated efficiency improvements.

Growth rates – The forecasted rates are based on published industry research and do not exceed the long-term average growth rate for the industry.

Pre-tax discount rates – Discount rates reflect management's estimate of the risks specific to the entity. This benchmark is used by management to assess operating performance and to evaluate future investment proposals. In determining the appropriate discount rate, regard has been given to the five year forecast result of the company.

Market share assumptions – These assumptions are important because, as well as using industry data for growth rates (as noted above), management assess how the entity's position, relative to its competitors, might change over the budgeted period. Management expects the Group's share of the market to be stable over the budget period.

17. INVENTORIES

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Balance sheet:				
Finished goods	21,626,348	20,081,298	11,545,009	9,550,772
Statement of comprehensive income:				
Inventories recognised as an expense in cost of sales	111,274,444	93,051,586	98,362,335	87,637,372
Inclusive of the following charge/(credit):				
- Inventories written-down	477,851	466,748	187,545	107,020
- Reversal of write-down of inventories	(541,457)	(646,495)	(89,435)	(186,369)

The reversal of write-down of inventories was made when the related inventories were sold above their carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

18. TRADE RECEIVABLES

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Trade receivables	23,850,162	19,181,289	15,548,436	11,186,202
Due from subsidiaries	–	–	13,080,105	13,152,528
Allowance for doubtful trade receivables	(397,151)	(418,698)	(76,309)	(61,198)
	23,453,011	18,762,591	28,552,232	24,277,532

Trade receivables are non-interest bearing and on 30 to 90 days' terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Amounts due from subsidiaries are unsecured, non-interest bearing and are repayable on demand. They are to be settled in cash.

Included in trade receivables of the Group and the Company are amounts denominated in foreign currencies as follows:

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
United States dollars	1,235,148	1,807,105	11,047,364	12,745,689
Malaysian Ringgit	2,752,490	2,285,899	–	–
Thai Baht	1,447,634	1,414,207	–	–
Australian dollars	2,431,211	2,773,986	–	–
New Zealand dollars	–	76,159	–	–
	7,866,483	8,357,356	11,047,364	12,745,689

Receivables that are past due but not impaired

The Group and Company have trade receivables amounting to $15,031,881 and $8,732,382 (2012: $12,070,267 and $6,269,414) respectively that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at the balance sheet date is as follows:

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Trade receivables past due:				
Less than 30 days	9,096,057	7,996,883	5,978,686	4,955,750
30 - 60 days	4,376,878	2,839,471	1,707,335	746,443
61 - 90 days	665,917	418,337	429,281	191,529
91 - 120 days	337,401	503,021	112,441	102,699
More than 120 days	555,628	312,555	504,639	272,993
	15,031,881	12,070,267	8,732,382	6,269,414

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

18. TRADE RECEIVABLES (CONT'D)

Receivables that are impaired

The Group and Company's trade receivables that are individually impaired at the balance sheet date are as follows:

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Trade receivables – nominal amounts	397,151	418,698	76,309	61,198
Allowance for impairment	(397,151)	(418,698)	(76,309)	(61,198)
	–	–	–	–

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The movement of the allowance accounts used to record the impairment are as follows:

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Movement in allowance accounts:				
At 1 April	418,698	411,232	61,198	42,723
Charge for the financial year	52,990	25,032	53,153	18,475
Bad debts written off against allowance	(67,826)	(12,180)	(38,042)	–
Exchange differences	(6,711)	(5,386)	–	–
At 31 March	397,151	418,698	76,309	61,198

19. OTHER RECEIVABLES AND DEPOSITS

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Other receivables	1,201,249	1,813,481	901,580	1,482,406
Deposits	133,826	229,139	34,058	143,673
Due from subsidiaries	–	–	1,559,980	1,583,954
	1,335,075	2,042,620	2,495,618	3,210,033

Other receivables include advances to suppliers and recovery account from suppliers.

Amounts due from subsidiaries and associate are unsecured, non-interest bearing and are repayable on demand. They are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Fixed deposits	2,276,096	1,640,614	2,276,096	1,640,614
Cash and bank balances	6,229,600	7,559,621	4,783,753	5,652,098
	8,505,696	9,200,235	7,059,849	7,292,712

Fixed deposits are made for varying periods of between 1 week and 1 month depending on the immediate cash requirements of the Group and earn interest from 2.68% to 4.05% per annum. Cash at bank earns interest at floating rates based on daily bank deposit rates.

Included in cash and cash equivalents of the Group and the Company are amounts denominated in foreign currencies as follows:

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
United States dollars	1,241,976	1,069,326	1,212,923	1,047,536
Malaysian Ringgit	540,756	431,928	–	–
Thai Baht	210,738	384,304	–	–
Australian dollars	2,537,920	2,088,797	2,281,896	1,647,828
New Zealand dollars	6,139	42,215	–	–
	4,573,529	4,016,570	3,494,819	2,695,364

21. TRADE PAYABLES

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Third party	15,641,398	12,641,892	14,207,218	10,350,163
Due to subsidiaries	–	–	305,316	814,423
	15,641,398	12,641,892	14,512,534	11,164,586

Trade payables are non-interest bearing and have an average term of 30 to 60 days.

Amounts due to subsidiaries and associate are unsecured, non-interest bearing and are repayable on demand. These are to be settled in cash.

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21. TRADE PAYABLES (CONT'D)

Included in trade payables of the Group and the Company are amounts denominated in foreign currencies as follows:

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
United States dollars	5,603,437	5,144,046	5,052,474	5,079,709
Malaysian Ringgit	170,049	162,540	–	–
Thai Baht	166,522	1,250,679	–	–
Australian dollars	67,037	450,291	–	–
New Zealand dollars	–	17,688	–	–
	6,007,045	7,025,244	5,052,474	5,079,709

22. BILLS PAYABLE TO BANKS (UNSECURED)

Bills payable to banks have repayment terms of approximately 120 - 150 days. Bills payable to banks bear interest at effective rates at 1.68% (2012: 1.88%) per annum.

23. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Other payables	2,133,248	1,284,375	1,045,020	840,426
Accrued operating expenses	1,791,369	1,683,080	1,478,452	1,034,516
	3,924,617	2,967,455	2,523,472	1,874,942

Other payables include marketing fund contribution from suppliers and customers and freight charges.

24. HIRE-PURCHASE LIABILITIES

The Group and the Company have purchased motor vehicles under hire-purchase agreements. There are no restrictions placed upon the Group by entering into these agreements. These agreements have an average life of between 3 to 5 years (2012: 1 to 7 years) with an option to purchase at the end of the hire-purchase term. The weighted average effective interest rate implicit in the hire-purchase agreements is about 3.6% to 5.3% (2012: 3.6% to 6.7%) per annum. The outstanding amount of hire-purchase obligations is secured by way of a legal mortgage on the underlying assets under hire-purchase agreements.

NOTES TO THE FINANCIAL STATEMENTS

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24. HIRE-PURCHASE LIABILITIES (CONT'D)

The future minimum payments under hire-purchase agreements to acquire motor vehicles are as follows:

	Group		Company	
	Total minimum payments $	Present value of payments $	Total minimum payments $	Present value of payments $
2013				
Within one year	73,927	65,431	66,625	58,682
After one year but not later than five years	229,437	202,758	217,265	191,510
After five years	10,092	8,910	10,092	8,910
Total minimum hire-purchase payments	313,456	277,099	293,982	259,102
Less amounts representing finance charges	(36,357)	–	(34,880)	–
Present value of minimum hire-purchase payments	277,099	277,099	259,102	259,102
2012				
Within one year	93,032	82,522	76,975	66,914
After one year but not later than five years	243,474	214,620	243,474	214,620
After five years	50,508	44,564	50,508	44,564
Total minimum hire-purchase payments	387,014	341,706	370,957	326,098
Less amounts representing finance charges	(45,308)	–	(44,859)	–
Present value of minimum hire-purchase payments	341,706	341,706	326,098	326,098

25. SHARE CAPITAL AND RETURNED SHARES

(a) Share capital

	Group and Company			
	2013 No. of shares	2013 $	2012 No. of shares	2012 $
Issued and fully paid:				
At beginning and end of financial year	117,181,818	11,173,106	117,181,818	11,173,106

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

(b) Returned shares

	Group and Company			
	2013 No. of shares	2013 $	2012 No. of shares	2012 $
At beginning and end of financial year	681,818	104,822	681,818	104,822

Returned shares relate to 681,818 ordinary shares of the Company that was transferred from Christine Anne McGregor and Innovision Technology Australia Pty Ltd as a result of the compensation for the shortfall in guaranteed profits in prior years.

NOTES TO THE FINANCIAL STATEMENTS

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26. FOREIGN CURRENCY TRANSLATION RESERVE AND LEGAL RESERVE

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Other reserve

Other reserve represents non-distributable amounts set aside in compliance with local laws of certain overseas subsidiary companies.

27. DIVIDENDS

	Group and Company	
	2013 $	2012 $
Declared and paid during the financial year:		
Dividends on ordinary shares:		
Final one-tier tax exempt dividend - 31 March 2012: 1.0 cent (31 March 2011: 0.5 cent) per share	1,165,000	582,500
Proposed but not recognised as a liability as at 31 March		
Final one-tier tax exempt dividend - 31 March 2013: 1.1 cent (31 March 2012: 1.0 cent) per share	1,281,500	1,165,000

The directors of the Company recommend that a final one-tier tax exempt dividend of 1.1 cents per ordinary share amounting to $1,281,500 to be paid in respect of the financial year ended 31 March 2013. The proposed dividend, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company, has not been accrued as liability as at 31 March 2013.

28. OPERATING LEASE COMMITMENTS - AS LESSEE

The Group has entered into commercial leases for office and warehouse facilities as at 31 March 2013. These leases have remaining non-cancellable lease term of between 12 months to 18 months with options for renewal. There are no restrictions placed upon the Group by entering into these leases. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum lease payments payable under non-cancellable operating leases are as follows:

	Group		Company	
	2013 $	2012 $	2013 $	2012 $
Not later than one year	793,063	726,415	446,161	509,899
Later than one year but not later than five years	193,471	687,006	–	446,161
	986,534	1,413,421	446,161	956,060

NOTES TO THE FINANCIAL STATEMENTS

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29. FINANCIAL INSTRUMENTS

Group	Loans and receivables $	Available-for-sale assets $	Financial liabilities at amortised cost $	Total $
2013				
Assets				
Investment in unquoted equity shares	–	500,000	–	500,000
Trade receivables	23,453,011	–	–	23,453,011
Other receivables and deposits	1,335,075	–	–	1,335,075
Cash and cash equivalents	8,505,696	–	–	8,505,696
Total financial assets	33,293,782	500,000	–	33,793,782
Total non-financial assets				23,527,653
Total assets				57,321,435
Liabilities				
Trade payables	–	–	15,641,398	15,641,398
Bills payables to bank (unsecured)	–	–	12,742,532	12,742,532
Other payables and accruals	–	–	3,924,617	3,924,617
Hire-purchase liabilities	–	–	277,099	277,099
Total financial liabilities	–	–	32,585,646	32,585,646
Total non-financial liabilities				805,557
Total liabilities				33,391,203
2012				
Assets				
Trade receivables	18,762,591	–	–	18,762,591
Other receivables and deposits	2,042,620	–	–	2,042,620
Cash and cash equivalents	9,200,235	–	–	9,200,235
Total financial assets	30,005,446	–	–	30,005,446
Total non-financial assets				23,481,482
Total assets				53,486,928
Liabilities				
Trade payables	–	–	12,641,892	12,641,892
Bills payables to bank (unsecured)	–	–	12,633,677	12,633,677
Other payables and accruals	–	–	2,967,455	2,967,455
Hire-purchase liabilities	–	–	341,706	341,706
Total financial liabilities	–	–	28,584,730	28,584,730
Total non-financial liabilities				1,255,542
Total liabilities				29,840,272

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

29. FINANCIAL INSTRUMENTS (CONT'D)

Company	Loans and receivables $	Financial liabilities at amortised cost $	Total $
2013			
Assets			
Trade receivables	28,552,232	–	28,552,232
Other receivables and deposits	2,495,618	–	2,495,618
Cash and cash equivalents	7,059,849	–	7,059,849
Total financial assets	38,107,699	–	38,107,699
Total non-financial assets			16,887,348
Total assets			54,995,047
Liabilities			
Trade payables	–	14,512,534	14,512,534
Bills payables to bank (unsecured)	–	12,742,532	12,742,532
Other payables and accruals	–	2,523,472	2,523,472
Hire-purchase liabilities	–	259,102	259,102
Total financial liabilities	–	30,037,640	30,037,640
Total non-financial liabilities			612,545
Total liabilities			30,650,185
2012			
Assets			
Trade receivables	24,277,532	–	24,277,532
Other receivables and deposits	3,210,033	–	3,210,033
Cash and cash equivalents	7,292,712	–	7,292,712
Total financial assets	34,780,277	–	34,780,277
Total non-financial assets			15,553,610
Total assets			50,333,887
Liabilities			
Trade payables	–	11,164,586	11,164,586
Bills payables to bank (unsecured)	–	12,633,677	12,633,677
Other payables and accruals	–	1,874,942	1,874,942
Hire-purchase liabilities	–	326,098	326,098
Total financial liabilities	–	25,999,303	25,999,303
Total non-financial liabilities			815,385
Total liabilities			26,814,688

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

29. FINANCIAL INSTRUMENTS (CONT'D)

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

Trade receivables (Note 18), Other receivables and deposits (Note 19), Cash and cash equivalents (Note 20), Trade payables (Note 21), Bills payable to banks (unsecured) (Note 22), Other payables and accruals (Note 23) and Hire-purchase liabilities (Note 24).

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rates on or near the balance sheet date.

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

Investment in unquoted equity shares carried at cost

Fair value information has not been disclosed for the Group's investment in unquoted equity shares that are carried at cost because fair value cannot be measured reliably. These equity shares represent ordinary shares in a computer systems integration company that is not quoted on any market and does not have any comparable industry peer that is listed. The Group does not currently have any plans regarding the disposal of this investment.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise hire-purchase liabilities, cash and cash equivalents and bills payable. The main purpose of these financial instruments is to raise financing for the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables/payables, which arise directly from its operations.

It is, and has been throughout the financial year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, liquidity risk, and credit risk. The policies for managing each of these risks are summarised below.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their bills payable. All of the Group's and the Company's financial assets and liabilities at floating rates are contractually repriced at intervals of less than 6 months (2012: less than 6 months) from the balance sheet date.

Sensitivity analysis for interest rate risk

At the balance sheet date, if SGD interest rates had been 15 (2012: 15) basis points lower/higher with all other variables held constant, the Group's profit net of taxation would have been $26,062 (2012: $12,830) higher/lower, arising mainly as a result of lower/higher interest expense on bills payable.

(b) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily Malaysian Ringgit ("MYR"), Thai Baht ("THB"), Australian Dollar ("AUD") and New Zealand Dollar ("NZD"). The foreign currencies in which these transactions are denominated are mainly United States Dollar ("USD"). Approximately 42% (2012: 44%) of the Group's sales are denominated in foreign currencies whilst almost 51% (2012: 51%) of costs are denominated in the respective functional currencies of the Group entities. The Group's trade receivable and trade payable balances at the balance sheet date have similar exposures.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Foreign currency risk (cont'd)

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the balance sheet date, such foreign currency balances are disclosed in Note 20.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia, Thailand, New Zealand, Australia and China. The Group's net investments in foreign subsidiary companies are not hedged as currency positions in these respective currencies are considered to be long-term in nature.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the USD, AUD, NZD, MYR and THB exchange rates (against SGD), with all other variables held constant, on the Group's profit before taxation.

			2013 $	2012 $
USD	-	strengthened by 3% (2012: 3%)	(91,695)	(68,028)
	-	weakened by 3% (2012: 3%)	91,695	68,028
AUD	-	strengthened by 3% (2012: 3%)	79,686	83,156
	-	weakened by 3% (2012: 3%)	(79,686)	(83,156)
NZD	-	strengthened by 3% (2012: 3%)	184	3,021
	-	weakened by 3% (2012: 3%)	(184)	(3,021)
MYR	-	strengthened by 3% (2012: 3%)	93,803	76,659
	-	weakened by 3% (2012: 3%)	(93,803)	(76,659)
THB	-	strengthened by 3% (2012: 3%)	45,120	16,435
	-	weakened by 3% (2012: 3%)	(45,120)	(16,435)

(c) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with different banks.

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the balance sheet date based on contractual undiscounted repayments obligations.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk (cont'd)

	2013				2012			
	1 year or less $	1 to 5 years $	Over 5 years $	Total $	1 year or less $	1 to 5 years $	Over 5 years $	Total $
Group								
Financial assets								
Investment in unquoted equity shares	–	–	500,000	500,000	–	–	–	–
Trade receivables	23,453,011	–	–	23,453,011	18,762,591	–	–	18,762,591
Other receivables and deposits	1,335,075	–	–	1,335,075	2,042,620	–	–	2,042,620
Cash and cash equivalents	8,505,696	–	–	8,505,696	9,200,235	–	–	9,200,235
Total undiscounted financial assets	33,293,782	–	500,000	33,793,782	30,005,446	–	–	30,005,446
Financial liabilities								
Trade payables	15,641,398	–	–	15,641,398	12,641,892	–	–	12,641,892
Bills payable to banks (unsecured)	12,766,908	–	–	12,766,908	12,723,207	–	–	12,723,207
Other payables and accruals	3,924,617	–	–	3,924,617	2,967,455	–	–	2,967,455
Hire-purchase liabilities	73,927	229,437	10,092	313,456	93,032	243,474	50,508	387,014
Total undiscounted financial liabilities	32,406,850	229,437	10,092	32,646,379	28,425,586	243,474	50,508	28,719,568
Total net undiscounted financial assets/(liabilities)	886,932	(229,437)	489,908	1,147,403	1,579,860	(243,474)	(50,508)	1,285,878
Company								
Financial assets								
Trade receivables	28,552,232	–	–	28,552,232	24,277,532	–	–	24,277,532
Other receivables and deposits	2,495,618	–	–	2,495,618	3,210,033	–	–	3,210,033
Cash and cash equivalents	7,059,849	–	–	7,059,849	7,292,712	–	–	7,292,712
Total undiscounted financial assets	38,107,699	–	–	38,107,699	34,780,277	–	–	34,780,277
Financial liabilities								
Trade payables	14,512,534	–	–	14,512,534	11,164,586	–	–	11,164,586
Bills payable to bank (unsecured)	12,766,908	–	–	12,766,908	12,723,207	–	–	12,723,207
Other payables and accruals	2,523,472	–	–	2,523,472	1,874,942	–	–	1,874,942
Hire-purchase liabilities	66,625	217,265	10,092	293,982	76,975	243,474	50,508	370,957
Total undiscounted financial liabilities	29,869,539	217,265	10,092	30,096,896	25,839,710	243,474	50,508	26,133,692
Total net undiscounted financial assets/(liabilities)	8,238,160	(217,265)	(10,092)	8,010,803	8,940,567	(243,474)	(50,508)	8,646,585

As at 31 March 2013, the Company has $10,060,532 (2012: $13,116,323) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should an external party default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing with high credit rating parties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the balance sheet date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade at the balance sheet date is as follows:

Group	2013		2012	
	$	%	$	%
By country:				
Singapore	16,513,496	70	11,761,763	63
Australia	2,431,211	11	2,780,040	15
Malaysia	2,752,490	12	2,285,899	12
Thailand	1,447,634	6	1,446,297	8
New Zealand	–	–	76,159	0
Others	308,180	1	412,433	2
	23,453,011	100	18,762,591	100

At the balance sheet date, approximately:

- 22% (2012: 16%) of the Group's trade receivables were due from 5 major customers who are retailers and superstore operators in the multimedia and IT accessories industry located in Singapore and Australia.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with reputable financial institutions.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

31. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2013 and 2012.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group aims to keep the gearing ratio at a minimal level. The Group includes within net debt, trade and other payables and accruals, bills payable, hire-purchase liabilities, less cash and cash equivalents. Capital includes equity attributable to owners of the Company.

	Group	
	2013 $	2012 $
Trade payables	15,641,398	12,641,892
Bills payable to banks (unsecured)	12,742,532	12,633,677
Other payables and accruals	3,924,617	2,967,455
Hire-purchase liabilities (Note 24)	277,099	341,706
Less: Cash and cash equivalents (Note 20)	(8,505,696)	(9,200,235)
Net debt	24,079,950	19,384,495
Equity attributable to owners of the Company, representing total capital	23,288,121	23,222,623
Capital and net debt	47,368,071	42,607,118
Gearing ratio	51%	46%

32. CONTINGENT LIABILITIES

(a) The Company has given understanding to provide financial support to certain subsidiaries to enable them to meet their liabilities as and when they fall due.

(b) The Company has provided bankers' guarantees to its subsidiaries as securities for bank credit facilities of $205,491 (2012: $Nil) utilised by the subsidiaries as at end of the financial year.

33. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and is organised into 3 main operating segments, namely:

- Multimedia (Audio and visual JT products, such as speakers, LCD monitors, graphic cards, MP3 players and sound cards)
- Data storage (Products that are used in the storage of data such as tape storage, HDD cases, Blu-ray and DVD-Roms)
- IT accessories (PC-related accessories such as mice, keyboards and networking products such as switches, routers and wireless cards)

NOTES TO THE FINANCIAL STATEMENTS

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33. SEGMENT INFORMATION (CONT'D)

There are no sales between business segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Segment assets and liabilities, depreciation and amortisation, capital expenditure and other non-cash expenses cannot be directly attributable to individual segments and it is impractical to arbitrarily allocate them to the segments. Accordingly, it is not meaningful to disclose assets and liabilities by the operating segments.

	Multimedia		Data storage		IT accessories		Total	
	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $
Sales to external customers	66,495,230	57,541,369	4,702,906	5,488,652	59,608,899	48,642,141	130,807,035	111,672,162
Segment results	1,376,924	1,652,934	132,830	288,105	2,306,166	2,391,143	3,815,920	4,332,182
Financial expenses							(301,017)	(238,209)
Financial income							47,990	15,706
Operating profit before taxation							3,562,893	4,109,679
Fair value adjustment of investment in associate							–	(256,792)
Impairment of goodwill							(1,048,694)	(1,340,000)
Impairment of trademarks							(122,392)	–
Profit before taxation							2,391,807	2,512,887
Taxation							(967,087)	(1,951,514)
Profit after taxation							1,424,720	561,373
Other segment information								
Depreciation of property, plant and equipment							251,684	342,447
Amortisation of intangible assets							120,212	97,660
Capital expenditure							258,051	631,189
Other non-cash expenses							1,356,601	1,442,076

Capital expenditure relates to additions to property, plant and equipment and intangible assets.

Other non-cash items relate to movement in allowances for impairment in trade receivables and inventories, as well as impairment of goodwill and trademarks and fair value adjustment of investment in associate.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2013

33. SEGMENT INFORMATION (CONT'D)

Geographical segments

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenues		Non-current assets	
	2013 $	2012 $	2013 $	2012 $
Singapore	82,589,426	68,545,698	933,631	635,470
Malaysia	18,374,475	13,691,928	190,253	147,094
Thailand	11,248,579	10,158,046	112,942	127,457
Asia [1]	4,903,789	6,593,073	–	–
Australia	12,950,511	12,056,688	915,778	2,220,689
Others [2]	740,255	626,729	–	–
	130,807,035	111,672,162	2,152,604	3,130,710

[1] Asia includes the People's Republic of China, Vietnam, Taiwan, Korea, Mongolia, Pakistan, India, Bangladesh, Nepal and Asean member countries excluding Singapore, Malaysia and Thailand.

[2] Others include countries such as New Zealand, Africa, America, Saudi Arabia and United Arab Emirates.

Non-current assets information presented above consists of property, plant and equipment, goodwill and intangible assets, and deferred tax assets as presented in the consolidated balance sheet.

34. COMPARATIVE INFORMATION

The following comparative figures of the Group have been reclassified to be consistent with current year's presentation.

	2012	
	As reclassified $	As previously reported $
Statement of comprehensive income		
Group		
Revenue	111,672,162	113,671,826
Selling and distribution costs	(6,057,567)	(8,057,231)

35. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2013 were authorised for issue in accordance with a resolution of the directors on 28 June 2013.

STATISTICS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS AS AT 19 JUNE 2013

Range of Shareholdings	Number of Shareholders	Percentage	Number of Shares	Percentage
1 - 999	0	0.00	0	0.00
1,000 - 10,000	174	48.20	875,000	0.75
10,001 - 1,000,000	169	46.81	17,422,818	14.87
1,000,001 and above	18	4.99	98,884,000	84.38
Total	361	100.00	117,181,818	100.00

MAJOR SHAREHOLDERS AS AT 19 JUNE 2013

No	Name of Shareholder	Number of Shares Held	Percentage
1	Ronald Teng Woo Boon	40,366,000	34.45
2	Chng Hock Huat	12,508,000	10.67
3	Teng Kin Chong	7,939,000	6.77
4	Kim Seng Holdings Pte Ltd	4,999,000	4.27
5	Lim Siew Eng	4,126,000	3.52
6	Wong Hin Sun Eugene	4,000,000	3.41
7	OCBC Securities Private Ltd	3,491,000	2.98
8	Teng Kim Sui	2,856,000	2.44
9	Hong Leong Finance Nominees Pte Ltd	2,850,000	2.43
10	Teo Su Ching	2,678,000	2.29
11	Neo Gim Kiong	2,394,000	2.04
12	Yu Lihong	2,008,000	1.71
13	Lo Yew Seng	1,866,000	1.59
14	Yeo Siong Chan	1,809,000	1.55
15	Ang Chai Ling (Hong Cailing)	1,500,000	1.28
16	Peh Beng Yong	1,379,000	1.18
17	Merrill Lynch (Singapore) Pte Ltd	1,080,000	0.92
18	Ng Poh Kheng	1,035,000	0.88
19	Wong Kahoe	933,000	0.80
20	UOB Kay Hian Pte Ltd	681,818	0.58
		100,498,818	85.76

STATISTICS OF SHAREHOLDINGS

SUBSTANTIAL SHAREHOLDERS' INTEREST IN THE COMPANY'S SHARES

The shareholdings of the substantial shareholders as shown in the Register of Substantial Shareholders of the Company as at 19 June 2013 are as follows:-

	Direct Interest		Deemed Interest	
Name of Directors/ Substantial Shareholders	Number of Shares	Percentage	Number of Shares	Percentage
1. Ronald Teng Woo Boon [1]	40,366,000	34.45	2,678,000	2.29
2. Chng Hock Huat [2]	12,508,000	10.67	2,008,000	1.71
3. Teng Kin Chong	7,939,000	6.77	–	–

[1] Ronald Teng Woo Boon is deemed to be interested through 2,678,000 shares held by his spouse, Teo Su Ching.

[2] Chng Hock Huat is deemed to be interested through 2,008,000 shares held by his spouse, Yu Lihong.

Shareholding held in public hands

Approximately 34.81% of the shareholding of the Company is held in the hands of the public as at 19 June 2013 and Rule 723 of the SGX-ST Listing Manual is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ban Leong Technologies Limited (the "Company") will be held at 150 Ubi Avenue 4, #04-01, Singapore 408825 on Friday, 26 July 2013 at 10:00 a.m. to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2013 and the Directors' Report and the Auditors' Report thereon. **(Resolution 1)**

2. To declare a tax exempt (one-tier) final dividend of 1.1 Singapore cents per ordinary share in respect of the financial year ended 31 March 2013. **(Resolution 2)**

3. To approve the proposed Directors' fees of S$140,000 for the financial year ended 31 March 2013. (2012: S$140,000) **(Resolution 3)**

4. To re-appoint Mr Tan Eng Bock as Director of the Company, who is retiring pursuant to Section 153(6) of the Companies Act, Cap. 50, to hold such office from the date of this Annual General Meeting until the next Annual General Meeting of the Company. **(Resolution 4)**
   [See explanatory note (a)]

5. To re-elect Mr Neo Gim Kiong as Director who retiring by rotation pursuant to Articles 107 and 108 of the Company's Articles of Association. **(Resolution 5)**

6. To re-appoint Messrs Ernst & Young LLP as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions, with or without modifications:

7. **AUTHORITY TO ALLOT AND ISSUE SHARES**

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

   (a) (i) issue ordinary shares in the capital of 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) 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

   (b) issue Shares in pursuance of any Instruments made or granted by the Directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this resolution), provided that:

   (1) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 50% of the total number of issued Shares in the capital of the Company, excluding treasury shares, if any (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company ("**Shareholders**") are not given the opportunity to participate in the same on a pro-rata basis ("**non pro-rata basis**"), then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 20% of the total number of issued Shares in the capital of the Company, excluding treasury shares, if any (as calculated in accordance with paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (1) above, the total number of issued Shares, excluding treasury shares, shall be based on the total number of issued Shares of the Company, excluding treasury shares, at the time such authority was conferred, after adjusting for:

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

(b) new Shares arising from the exercising of share options or the vesting of share awards which are outstanding or subsisting at the time such authority was conferred; and

(c) any subsequent consolidation or subdivision of the Shares;

and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Articles of Association of the Company for the time being; and

(4) (unless revoked or varied by the Company in a general meeting) the authority so conferred 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 7)**
[See explanatory note (b)]

8. **RENEWAL OF SHARE BUY BACK MANDATE**

"That:

(a) for the purposes of Section 76E of the Companies Act, Chapter 50, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Ordinary Shares in the capital of the Company not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchase(s) on the SGX-ST; and/or

(ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy Back Mandate**"),

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or

(ii) the date on which the purchases or acquisitions of the Shares pursuant to the Share Buy Back Mandate are carried out to the full extent mandated.

NOTICE OF ANNUAL GENERAL MEETING

(c) in this Resolution:

"**Maximum Percentage**" means that number of issued Ordinary Shares representing 10% of the total number of the issued Ordinary Shares as at the date of the passing of this Resolution;

"**Maximum Price**", in relation to an Ordinary Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed: -

(i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and

(ii) in the case of an Off-Market Purchase, 120% of Average Closing Price (as defined hereinafter), pursuant to an equal access scheme;

"**Average Closing Price**" means the average of the closing market prices of a Share for the five consecutive Market Days on which the Shares are transacted on the SGX-ST immediately preceding the date of Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the Listing Rules for any corporate action which occurs after the relevant five Market Days;

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution." **(Resolution 8)**
[See explanatory note (c)]

9. To transact any other business which may be properly transacted at an Annual General Meeting.

NOTICE OF BOOKS CLOSURE

NOTICE IS HEREBY GIVEN that, subject to the approval of the shareholders of the Company to the proposed final dividend at the Annual General Meeting to be held on 26 July 2013, the Share Transfer Books and Register of Members of the Company will be closed on 5 August 2013 for the purpose of determining entitlements of ordinary shareholders to the tax exempt (one-tier) final dividend of 1.1 Singapore cents per ordinary share (the "Final Dividend") in respect of the financial year ended 31 March 2013.

Duly completed registrable transfers received by the Company's Share Registrar, M&C Services Private Limited of 112 Robinson Road, #05-01, Singapore 068902, up to 5.00 p.m. on 2 August 2013 will be registered before entitlements to the Final Dividends are determined.

Members whose securities accounts with The Central Depository (Pte) Limited are credited with the Company's ordinary shares as at 5.00 p.m. on 2 August 2013 will be entitled to the Final Dividend.

Payment of the Final Dividend, if approved by the members at the Annual General Meeting, will be made on 14 August 2013.

By Order of the Board

Pan Mi Keay
Company Secretary
10 July 2013
Singapore

NOTICE OF ANNUAL GENERAL MEETING

STATEMENT PURSUANT TO ARTICLE 71 OF THE COMPANY'S ARTICLE OF ASSOCIATION:-

The effects of the resolutions under the heading "Ordinary Business" and "Special Business" in this Notice of Annual General Meeting are:

(a) Mr Tan Eng Bock will remain as the Chairman of the Nominating Committee, Member of the Audit Committee and Remuneration Committee upon re-appointment as Director of the Company and will be considered independent for the purposes of Rule 704(8) of the Listing Manual.

(b) The proposed ordinary resolution 7, if passed, will empower the Directors of the Company from the date of the above meeting to issue shares in the Company up to an amount not exceeding in total 50% of the total number of issued shares in the capital of the Company with a sub-limit of 20% other than on a pro-rata basis to shareholders for the time being for such purposes as they consider would be in the interest of the Company. The authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

(c) The proposed ordinary resolution 8, if passed, will empower the Directors of the Company from the date of the above meeting until the date of the next Annual General Meeting to purchase or acquire up to 10% of the issued ordinary share capital of the Company as at the date of the passing of this Resolution. Details of the proposed Share Buy Back Mandate, including the sources of funds to be used for the purchase or acquisition, the amount of financing (if any) and the illustrative financial impact on the Company's financial position are set out in the Addendum to this Annual Report.

Notes:

(1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
(2) If a proxy is to be appointed, the form must be deposited at the registered office of the Company at 150 Ubi Avenue 4, #04-01, Singapore 408825 not less than 48 hours before the meeting.
(3) The form of proxy must be signed by the appointor or his attorney duly authorised in writing.
(4) In the case of joint shareholders, all holders must sign the form of proxy.

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PROXY FORM

Annual General Meeting

Ban Leong Technologies Limited
(Incorporated in the Republic of Singapore)
(Company Registration No.: 199303898C)

IMPORTANT

1. For investors who have used their CPF monies to buy shares in the capital of Ban Leong Technologies Limited., the Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

I/We____________________________________(name)__________________(NRIC/Passport No.)
of____(address)
being a member/ members of Ban Leong Technologies Limited (the "Company"), hereby appoint:-

Name	Address	NRIC / Passport Number	Proportion of shareholdings to be represented by proxy (%)

and/or failing him (delete as appropriate)

Name	Address	NRIC / Passport Number	Proportion of shareholdings to be represented by proxy (%)

or failing him, the Chairman of the Annual General Meeting ("AGM") of the Company as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the AGM of the Company to be held at 150 Ubi Avenue 4, #04-01, Singapore 408825 on Friday, 26 July 2013 at 10.00 a.m., and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated with an "X" in the spaces provided hereunder. If no specified directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any matter arising at the Meeting.

No.	Ordinary Resolutions	For	Against
1.	To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2013 and the Directors' Report and the Auditor's Report thereon.		
2.	To declare a tax exempt (one-tier) final dividend of 1.1 Singapore cents per ordinary share for the financial year ended 31 March 2013.		
3.	To approve the proposed Directors' fees of S$140,000 for the financial year ended 31 March 2013.		
4.	To re-appoint Mr Tan Eng Bock as Director of the Company pursuant to Section 153(6) of the Companies Act, Cap. 50.		
5.	To re-elect Mr Neo Gim Kiong as Director of the Company pursuant to Articles 107 and 108 of the Company's Articles of Association.		
6.	To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.		
7.	To authorise Directors to allot and issue shares.		
8.	To renew the Share Buy Back Mandate.		

Dated this __________ day of __________ 2013

Total Number of Shares Held in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: Please read notes overleaf

Notes:-

1. A member should insert the total number of shares held by him. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies will be deemed to relate to all the shares held by the member.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 150 Ubi Avenue 4, #04-01, Singapore 408825 not less than 48 hours before the time appointed for the Annual General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
6. Where an instrument appointing a proxy is signed on behalf of the appointor by the attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

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 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Affix
Postage
Stamp

The Company Secretary

BAN LEONG TECHNOLOGIES LIMITED
150 Ubi Avenue 4, #04-01
Singapore 408825

CELEBRATING 20 YEARS

BAN LEONG **ANNUAL REPORT** 2013

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