HCS LTD.
(Incorporated in Singapore)
(Unique Entity Number: 201622314N)

AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

D.ARUMUGAM & CO.
Public Accountants and
Chartered Accountants of Singapore
190 Middle Road
#10-03 Fortune Centre
Singapore 188979
HCS LTD.
(Incorporated in Singapore)
(Unique Entity Number: 201622314N)

DIRECTORS
DAVID ANDREW EMMETT
KAN MUNG LOONG RICHARD
RIKKE JARVARD NETTER
HASLINA BINTE ABU BAKAR

(Appointed on 06 February 2018)
(Appointed on 08 February 2017)
(Resigned on 06 February 2018)
(Resigned on 03 October 2017)

SECRETARY
LIM SOH SEA

REGISTERED OFFICE
30 CECIL STREET, #19-08
PRUDENTIAL TOWER
SINGAPORE 049712

AUDITOR
D.ARUMUGAM & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS OF SINGAPORE

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HCS LTD.
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INTRODUCTION

STEERING GROUP ON NO-DEFORESTATION AND THE HIGH CARBON STOCK APPROACH

BACKGROUND:

Increasingly, companies are adopting policies to eliminate deforestation from the production of their raw materials. Several tools that define what areas can be converted to plantations or industrial agriculture have been developed, including GHG emissions assessments, and High Conservation Values (HCV). While these tools are valuable, they were not designed to fully address deforestation. Therefore, there is a need to accommodate an additional approach that provides clearer guidance on what is a viable area of natural forest, how it can best be protected, and on how to implement a ‘no-deforestation’ policy commitment while simultaneously respecting human rights and ensuring the Free, Prior, and Informed Consent (FPIC) of Indigenous peoples and local communities.

Golden Agri-Resources (GAR) in collaboration with Greenpeace and TFT developed a methodology in 2011-2012 to implement GAR’s Forest Conservation Policy that included no-deforestation, calling it a High Carbon Stock (HCS) Approach. The HCS Approach combines carbon storage, biodiversity conservation and respect for local community rights and livelihoods. Asia Pulp & Paper (APP) also adopted the HCS Approach across their supply chain under their Forest Conservation Policy in 2013, as did GVL as the first in Africa, and Wilmar followed later in the year. Subsequently many other companies have adopted or referenced the HCS Approach.

DEFINITION:

The High Carbon Stock (HCS) Approach:

- Uses a combination of remote sensing analysis and field plots to identify areas that have vegetation classes with the structure, composition and density to maintain and restore themselves as natural forest ecosystems, as well as functioning as natural carbon stores and maintaining high levels of biodiversity.
- Applies FPIC procedures and conservation planning tools to the identified HCS forest areas and combines with HCV, peatland and riparian areas to micro-delineate areas for conservation, restoration, community land, and/or areas potentially available for plantation development.

STEERING GROUP:

The HCS Approach is now being more broadly applied by the palm oil sector, as well as by some key players in the pulp and paper and rubber sectors. With many corporate commitments to no-deforestation and the HCSA, it is essential that the Approach has a strong scientific basis and is practical for both plantation companies and smallholders if it is to have broad acceptance by key players across a range of commodities, as well as civil society and governments.

To achieve all the above, key stakeholders involved have established an HCS Approach Steering Group that provides oversight and governance of the HCS Approach to ensure its scientifically-grounded development and application in the field. The HCS Approach was standardised by the HCSA Steering Group in the HCSA Toolkit (April 2015). It is being periodically revised, refined, and extended as a result of broad implementation, further trials, and research.

To incorporate the views and interests of broader users and interested parties, the Steering Group solicits participation and input from a ‘Consultative Forum’ which includes non-steering group members such as the RSPO, FSC, HCVRN, financial institutions, other pulp and paper and palm oil plantation companies, other commodity companies, national and local government bodies, as well as other organisations and sectors making commitments to halt deforestation or expecting to in the near future, CGF members and the TFA, and international and national REDD initiatives.

The HCS Approach is intended to incorporate and respect the rights and aspirations of communities in or proximate to high carbon landscapes and to maintain and/or improve their livelihoods. It is acknowledged that governments play a critical role in national development and land use planning, and their support and participation will ultimately be needed and should be actively solicited for the conservation of HCS forest areas and the achievement of deforestation-free commodities.
HCS LTD.
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PURPOSE:
To ensure there is a practical, transparent, robust, and scientifically-credible approach that is widely accepted to implement commitments to halt deforestation in the tropics while ensuring the rights, livelihoods and aspirations of local peoples are respected.

OBJECTIVE:
Provide overall governance of the current HCS Approach and oversee the further development of a methodology designed to achieve no-deforestation including refining its definition, its objectives and its relationship to other approaches to halting deforestation.

GOVERNANCE AND ORGANISATION OF THE HCS APPROACH STEERING GROUP

Overview of Organisation – HCS Approach Steering Group

Membership of the Steering Group
Organisations eligible to join the Steering Group:

- NGOs supporting and promoting the HCS Approach with growers and relevant stakeholders.
- Smallholder/farmer support organisations whose members are implementing the HCSA.
- Plantation companies implementing the HCS Approach in their operations or supply chains.
- Commodity users implementing the HCS Approach for commodities at risk of driving deforestation in their supply chains (maximum of 5 members).
- Technical support organisations with expertise in HCS Approach implementation.

Further sectors may be invited to join the Steering Group in the future.
HCS LTD.
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Criteria for Membership

To be eligible to join the Steering Group, organisations must meet the following requirements:

- demonstrate a commitment to constructively work towards achieving no-deforestation and to actively support the HCS Approach.
- Until the HCSA methodology allows it, members do not link in any way the HCS Approach with project-level carbon trading, including in assessments, reports and communications. This does not include government mandated carbon related submissions and registrations.

Additionally, commodity or plantation companies must meet the following requirements:

- publicly state commitment to halt deforestation and to implement the HCS Approach across operations and supply chains as well as in operations of investments, regardless of shareholding
  - and
  - make public, maps of operations, including plantations, forest cover, HCS forest protected and HCV areas, mills, refineries and factories, including through submitting these as shapefiles to the HCSA SG and to the WRI database. Best available maps of peatland will be submitted. These maps are for reference use only.
- declare a moratorium on clearance of potential High Carbon Stock areas until HCS Approach can be fully implemented.

The members of the Steering Group as at 31 December 2017 are as follows:

(A) Plantation Companies
  - Asia Pulp & Paper
  - Asian Agri
  - Golden Agri-Resources
  - Golden Veroleum Liberia
  - IOI Group
  - Musim Mas
  - New Britain Palm Oil Limited
  - Wilmar International

(B) Commodity Companies
  - BASF
  - Proctor & Gamble
  - Unilever

(C) Non-Governmental Organisations
  - Conservation International
  - Forest Peoples Programme
  - Greenpeace International
  - Mighty Earth
  - National Wildlife Federation
  - Rainforest Action Network
  - World Wildlife Fund

(D) Technical Support Organisations
  - Daemeter Consulting
  - Eco Nusantara
  - Forest Carbon
  - Greenbury & Associates
  - Proforest Ltd
  - Rainforest Alliance
  - The Forest Trust
The Executive Committee

The Executive Committee is made up of representatives from the Steering Group and comprises up to:

- Four plantation company representatives, reflecting the key commodities and geographical regions of plantation company HCSA Steering Group members
- Four NGOs, covering environmental and social focus areas
- Two smallholder/farmer groups or their support organisations
- One commodity user company
- One technical support organisation

The different sectors of the Steering Group will elect their representative(s) to the Executive Committee through either consensus (strongly preferred) or majority vote. Executive Committee members are obliged to represent their sector and, as needed, consult with other Steering Group members. Organisations are eligible for election to the Executive Committee after having been a member of the Steering Group for one year.

The Executive Committee makes decision by consensus, and is mandated to make decisions on all matters pertaining to the Steering Group, with the exception of changes to the HCS Approach methodology. Such changes must be presented to and approved by the full Steering Group, who will strive to approve such changes by consensus. Where the Steering Group is not able to reach consensus, the Executive Committee may make final decisions.

The Executive Committee elects two Co-chairs, one of whom must belong to the NGO category, and one of whom must be a plantation company or smallholder grower representative member. The Co-Chairs are mandated to speak on behalf of the Steering Group and are charged with developing meeting agendas and overseeing the Secretariat function. The Executive Committee, at its discretion, may appoint advisors or officers to the Executive Committee or sub-committees thereof.

Science Advisory Committee

A Science Advisory Committee ensures that the HCS Approach methodology is scientifically robust, firmly grounded in the latest scientific literature, and that the underlying scientific assumptions are subject to the standard peer-reviewed process. A detailed Terms of Reference has been approved by the Executive Committee, with the main scope of work defined as:

- Periodical review of the scientific basis of the methodology, including identifying any gaps
- Advice on particular aspects of the methodology that are under further development or refinement, including application in landscapes with high forest cover
- Refinement of the methodology based on the latest peer-reviewed literature
- Interaction with the working groups on methodology issues including field trials.
- Development of a process for updating the methodology as needed to reflect changes in advancements in scientific understanding

Expert and technical working groups

Working groups and taskforces are established to lead on specific work-streams. These groups are responsible for working on defined topics in accordance with specific Terms of References approved by the Executive Committee.
HCS LTD.
(Incorporated in Singapore)

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Secretariat

A secretariat function is established to support the work of the Steering Group and the Executive Committee.

The Secretariat reports to the Executive Committee and is responsible for:

- Financial matters, including preparing draft budgets, keeping financial ledgers, invoicing member contributions and reimbursing approved expenses and costs.
- Meeting administration and minutes
- Management of the consultative forum
- Support the Co-Chairs in drafting meeting agendas
- Development of public reporting on the work undertaken by the Steering Group
- Responding to queries from members and external stakeholders

Funding

An annual budget will be determined by the Executive Committee. Secretariat and working groups are funded through annual contributions from members.

The Executive Committee will seek funding from independent parties that support the vision of achieving no-deforestation. Due diligence will be performed to identify any potential conflicts of interests with potential funders.

Legal form

The HCS Approach Steering Group is organised as a company limited by guarantee, registered in Singapore under the name HCS Ltd. Two members are appointed and two Directors will be appointed from the Executive Committee, one each from the NGOs and private sector constituency. One person or organisation can fill both a Director and a member seat. At least one Director must be ordinarily resident in Singapore.
HCS LTD.
(Incorporated in Singapore)
(Unique Entity Number: 201622314N)

DIRECTORS’ STATEMENT
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

The directors present their statement to the members together with the audited financial statements of HCS LTD. (the “Company”) for the financial year ended 31ST DECEMBER 2017.

In the opinion of the directors,

(a) The financial statements of the Company are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st December 2017 and of the financial performance, changes in funds and cash flows of the Company for the financial year covered by the financial statements; and

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

Directors

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

DAVID ANDREW EMMETT
KAN MUNG LOONG RICHARD

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 was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other Matters

As the Company is a company limited by guarantee, matters relating to interest in share, debentures or share options are not applicable

Auditor

M/s D.ARUMUGAM & CO., Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to re-accept appointment as auditor.

On behalf of the directors,

DAVID ANDREW EMMETT
Director

KAN MUNG LOONG RICHARD
Director

10 MAY 2018
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF HCS LTD.
(Incorporated in Singapore)

(Unique Entity Number: 201622314N)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HCS LTD. (the Company), which comprise the statement of financial position as at 31 December 2017, and the statement of financial activities, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 December 2017 and of the financial performance, changes in funds and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the Introduction & Directors’ Statement (set out on pages 1 to 6).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF HCS LTD.
(Incorporated in Singapore)

(Unique Entity Number: 201622314N)

Responsibilities of Management and Directors 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 Act and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors’ responsibilities include overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF HCS LTD.
(Incorporated in Singapore)

(Unique Entity Number: 201622314N)

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

D.ARUMUGAM & CO.
Public Accountants and Chartered Accountants,
Singapore

Date: 10 MAY 2018
HCS LTD,
(Incorporated in Singapore)
(Unique Entity Number: 201622314N)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017 USD</th>
<th>31-12-2016 USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>4</td>
<td>487,879</td>
</tr>
<tr>
<td><strong>Less: Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance costs</td>
<td>5</td>
<td>(8,392)</td>
</tr>
<tr>
<td>Sub-Contract charges</td>
<td></td>
<td>(384,085)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>6</td>
<td>(59,481)</td>
</tr>
<tr>
<td><strong>Surplus before tax</strong></td>
<td></td>
<td>35,921</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>7</td>
<td>(49)</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td></td>
<td>35,872</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements

10
## HCS LTD.
*(Incorporated in Singapore)*
*(Unique Entity Number: 201622314N)*

### STATEMENT OF FINANCIAL POSITION
**AS AT 31ST DECEMBER 2017**

<table>
<thead>
<tr>
<th>Current assets</th>
<th>2017 USD</th>
<th>2016 USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>-</td>
<td>66,166</td>
</tr>
<tr>
<td>Other receivables</td>
<td>1,471</td>
<td>1,471</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>120,465</td>
<td>150,151</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>121,936</td>
<td>217,788</td>
</tr>
</tbody>
</table>

### FUNDS AND LIABILITIES

<table>
<thead>
<tr>
<th>Funds</th>
<th>2017 USD</th>
<th>2016 USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>General funds</td>
<td>108,213</td>
<td>72,341</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current liabilities</th>
<th>2017 USD</th>
<th>2016 USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>7,175</td>
<td>114,014</td>
</tr>
<tr>
<td>Other payables and accruals</td>
<td>6,499</td>
<td>31,433</td>
</tr>
<tr>
<td>Income tax payable</td>
<td>49</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Funds and Liabilities</strong></td>
<td>13,723</td>
<td>145,447</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements
### HCS LTD.
(Incorporated in Singapore)
(Unique Entity Number: 201622314N)

**STATEMENT OF CHANGES IN FUNDS**
**FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017**

<table>
<thead>
<tr>
<th>Description</th>
<th>General Funds USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>As Incorporation</td>
<td></td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>72,341</td>
</tr>
<tr>
<td>As at 31st December 2016</td>
<td>72,341</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>35,872</td>
</tr>
<tr>
<td>As at 31st December 2017</td>
<td>108,213</td>
</tr>
</tbody>
</table>

*The accompanying notes form an integral part of these financial statements*
HCS LTD.
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

<table>
<thead>
<tr>
<th>Description</th>
<th>2017 USD</th>
<th>2016 USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus before tax</td>
<td>35,921</td>
<td>72,341</td>
</tr>
<tr>
<td>Changes in working capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease/ (increase) in trade receivables</td>
<td>66,166</td>
<td>(66,166)</td>
</tr>
<tr>
<td>Increase in other receivables</td>
<td>-</td>
<td>(1,471)</td>
</tr>
<tr>
<td>(Decrease) / increase in trade payables</td>
<td>106,839</td>
<td>114,014</td>
</tr>
<tr>
<td>(Decrease) / increase in other payables and accruals</td>
<td>24,934</td>
<td>31,433</td>
</tr>
<tr>
<td>Cash (used in) / generated from operations</td>
<td>(65,607)</td>
<td>77,810</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Net cash (used in) / generated from operating activities</td>
<td>(29,686)</td>
<td>150,151</td>
</tr>
<tr>
<td>Net (decrease) / increase in cash and cash equivalents</td>
<td>(29,686)</td>
<td>150,151</td>
</tr>
<tr>
<td>Cash and cash equivalents at start of the year</td>
<td>150,151</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at end of the year</td>
<td>120,465</td>
<td>150,151</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these financial statements.
HCS LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

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

1. General

HCS LTD. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 30 CECIL STREET, #19-08, PRUDENTIAL TOWER, SINGAPORE 049712.

The principle activities of the company are those of an organization for protection of the environment and animals. There have been no significant changes in the nature of business activities during the financial year.

The financial statements of the Company for the financial year ended 31 December 2017 were authorized for issue by the Board of Directors on the date of the Directors' Statement.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars ($), which is the Company's functional currency. All financial information presented in United States Dollars has been rounded to the nearest whole number, unless otherwise indicated.

2.2 Adoption of new and revised standards

The Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial period beginning on or after 1 January 2017. The adoption of these standards did not have any material effect on the financial statements.

A number of new standards, amendments to standards and interpretations are issued but not yet effective for annual periods beginning 1 January 2017, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

The directors expect that the adoption of the standards will have no material impact on the financial statements in the period of initial application.
2. Summary of significant accounting policies (Continued)

2.3 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency 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 reporting 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 measured.

Exchange differences arising on the settlement of monetary items or on translating monetary item at the reporting period are recognised in the statement of financial activities.

2.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company 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 of disposal 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 or group of 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.

Impairment losses are recognised in the statement of financial activities, except for assets that were 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.

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 statement of financial activities unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.
2. Summary of significant accounting policies (Continued)

2.5 Financial Instruments

a) Financial assets

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company 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 the statement of financial activities, directly attributable transaction costs.

Subsequent measurement

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 the statement of financial activities when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise trade receivables, other receivables and cash and cash equivalents.

Cash and cash equivalent comprise cash at bank.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in the statement of financial activities.
2. Summary of significant accounting policies (Continued)

2.5 Financial instruments (Continued)

b) Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through the statement of financial activities, directly attributable transaction costs.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value the statement of financial activities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade payables, other payables and accruals.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, 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 de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of financial activities.
HCS LTD.
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NOTES TO THE FINANCIAL STATEMENTS
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2. Summary of significant accounting policies (Continued)

2.6 Impairment of financial assets

The Company assesses at each reporting date 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 Company first assesses 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 Company 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 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 financial asset’s original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the statement of financial activities.

When the asset becomes uncollectible, the carrying amount of impaired financial assets 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 amount of the financial asset.

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

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

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and is subject to an insignificant risk of changes in value.
2. Summary of significant accounting policies (Continued)

2.8 Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period 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.

2.9 Related party transactions

A related party is a person or entity that is related to the entity which is preparing its financial statements.

A person or a close member of that person’s family is related to the company if they satisfy any of the following conditions:

i) The person has control or joint control over the company.
ii) The person has significant influence over the company.
iii) The person is a member of the key management personnel of the company or of a parent of the company.

An entity is related to the company if it satisfies any of the following conditions:

i) The entity and the company are members of the same group.
ii) The entity is an associate or joint venture of the company of vice versa.
iii) The entity and the company are joint ventures of the same third party.
iv) The entity or the company is a joint venture of a third party while the other is an associate of the third party.
v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company.
vi) The entity is controlled or jointly controlled by a person identified as a related party.
2. Summary of significant accounting policies (Continued)

2.10 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 taxes or duty.

Revenue represents net invoiced value.

2.11 Taxes

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in the statement of financial activities except to the extent that the tax relates to items recognised outside the statement of financial activities, 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.

3. Significant accounting judgments and estimates

3.1 Judgements made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

3. Significant accounting judgments and estimates (Continued)

3.2 Key sources of estimation uncertainty (Continued)

a) Provision for income taxes

The Company recognises liabilities of expected tax issues based on their best estimates of the likely taxes 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 positions in the period in which such determination is made. The carrying amount of the Company’s income tax payable as at 31 DECEMBER 2017 was $Nil.

4. Revenue

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Membership fee</td>
<td>275,000</td>
<td>228,750</td>
</tr>
<tr>
<td>Service income</td>
<td>212,879</td>
<td>35,586</td>
</tr>
<tr>
<td></td>
<td>487,879</td>
<td>264,336</td>
</tr>
</tbody>
</table>

5. Finance costs

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Bank charges</td>
<td>8,392</td>
<td>1,481</td>
</tr>
</tbody>
</table>

6. Other operating expenses

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Accounting fees</td>
<td>2,335</td>
<td>814</td>
</tr>
<tr>
<td>Advertising</td>
<td>4,000</td>
<td>-</td>
</tr>
<tr>
<td>Audit fees</td>
<td>4,655</td>
<td>4,069</td>
</tr>
<tr>
<td>Corporate tax fee</td>
<td>721</td>
<td>-</td>
</tr>
<tr>
<td>Entertainment</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Loss on exchange difference</td>
<td>1,732</td>
<td>136</td>
</tr>
<tr>
<td>Marketing &amp; Promotion</td>
<td>-</td>
<td>534</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>445</td>
<td>426</td>
</tr>
<tr>
<td>Printing and stationeries</td>
<td>1,539</td>
<td>937</td>
</tr>
<tr>
<td>Professional fee</td>
<td>2,381</td>
<td>6,493</td>
</tr>
<tr>
<td>Secretarial fee</td>
<td>238</td>
<td>629</td>
</tr>
<tr>
<td>Software expenses</td>
<td>295</td>
<td>-</td>
</tr>
<tr>
<td>Telecommunication</td>
<td>1,339</td>
<td>-</td>
</tr>
<tr>
<td>Training expenses</td>
<td>9,699</td>
<td>-</td>
</tr>
<tr>
<td>Transport</td>
<td>679</td>
<td>-</td>
</tr>
<tr>
<td>Travelling &amp; Accomodation</td>
<td>25,479</td>
<td>10,981</td>
</tr>
<tr>
<td>Webhosting &amp; Maintenance</td>
<td>1,062</td>
<td>95</td>
</tr>
<tr>
<td>Withholding tax</td>
<td>2,875</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>59,481</td>
<td>25,114</td>
</tr>
</tbody>
</table>
HCS LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

7. Taxation

Income tax expense

Reconciliation between tax expense and the product of accounting surplus multiplied by the applicable corporate tax rate for the financial year ended 31st December 2017 was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus before tax</td>
<td>35,921</td>
<td>72,341</td>
</tr>
<tr>
<td>Income tax using the statutory tax rate of 17%</td>
<td>6,107</td>
<td>12,298</td>
</tr>
<tr>
<td>Tax effects of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax exemptions</td>
<td>(6,107)</td>
<td>(12,298)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Income tax payable

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the beginning of the financial year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Underprovision for prior year tax</td>
<td>49</td>
<td>-</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>At the end of the financial year</td>
<td>49</td>
<td>-</td>
</tr>
</tbody>
</table>
HCS LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

8. Other receivables

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Deposits</td>
<td>1,471</td>
<td>1,471</td>
</tr>
</tbody>
</table>

9. Cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>120,465</td>
<td>150,151</td>
</tr>
</tbody>
</table>

Amount denominated in foreign currency

Singapore Dollars (SGD)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24,588</td>
<td>1,735</td>
</tr>
</tbody>
</table>

10. Trade payables

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>7,175</td>
<td>114,014</td>
</tr>
</tbody>
</table>

11. Other payables and accruals

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advance from Customers</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td>Accounting fee</td>
<td>1,721</td>
<td>2,071</td>
</tr>
<tr>
<td>Audit fee</td>
<td>4,778</td>
<td>4,185</td>
</tr>
<tr>
<td>Professional fee</td>
<td>-</td>
<td>177</td>
</tr>
<tr>
<td>Total</td>
<td>6,499</td>
<td>31,433</td>
</tr>
</tbody>
</table>
12. Financial risk management

The Company has no written risk management policy. The board of directors adopts policies that seek to mitigate the risk when they arise.

a) Interest rate risk

At the reporting date, the Company’s exposure to market risk for changes in interest rate is minimal, if any. The Company had not undertaken any activity leading to increased exposure to risk of such nature.

The Company does not account for any fixed rate financial assets at fair values through the statement of financial activities due to the short period to maturity. Therefore, a change in interest rates at the reporting date would not affect the statement of comprehensive income.

b) Currency risk

Currency risk arises from a change in foreign currency exchange rate, which is expected to have adverse effect on the Company in the current reporting period and in future years.

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>2017 MYR</th>
<th>2017 SGD</th>
<th>2016 MYR</th>
<th>2016 SGD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,471</td>
</tr>
<tr>
<td>Other receivables</td>
<td>-</td>
<td>1,471</td>
<td>-</td>
<td>1,471</td>
</tr>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>-</td>
<td>24,588</td>
<td>-</td>
<td>1,735</td>
</tr>
<tr>
<td></td>
<td></td>
<td>26,059</td>
<td></td>
<td>3,206</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>7,175</td>
<td>-</td>
<td>69,344</td>
<td>-</td>
</tr>
<tr>
<td>Other payables and accruals</td>
<td>-</td>
<td>6,499</td>
<td>-</td>
<td>6,433</td>
</tr>
<tr>
<td></td>
<td>7,175</td>
<td>6,499</td>
<td>69,344</td>
<td>6,433</td>
</tr>
</tbody>
</table>

| Currency Exposure      | (7,175)  | 19,560   | (69,344) | (3,227)  |
HCS LTD.
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NOTES TO THE FINANCIAL STATEMENTS
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12. Financial risk management (Continued)

b) Currency risk (Continued)

If the MVR and SGD change against USD by 3% (2016: 3%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial assets/liabilities position will be as follows

<table>
<thead>
<tr>
<th></th>
<th>2017 Increase/ Decrease Surplus after Tax USD</th>
<th>2016 Increase/ Decrease Surplus after Tax USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>MYR against USD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- strengthened</td>
<td>215</td>
<td>2,080</td>
</tr>
<tr>
<td>- Weakened</td>
<td>(215)</td>
<td>(2,080)</td>
</tr>
<tr>
<td>SGD against USD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- strengthened</td>
<td>(587)</td>
<td>97</td>
</tr>
<tr>
<td>- Weakened</td>
<td>587</td>
<td>(97)</td>
</tr>
</tbody>
</table>

c) Market price risk

Market risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market process whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The company does not hold any quoted or marketable financial instrument, hence, is not exposed to any movement in market prices.

d) Credit risk

Credit risk is the risk of financial loss that may arise on outstanding financial instruments should the counter party default on its obligations. The Company manages such risks by dealing with credit-worthy counterparties to mitigate any significant concentration of credit risk. Credit policy includes assessment and evaluation of existing and new customers’ credit reliability and monitoring of receivable collections.

The maximum exposure to credit risk in the event that the counterparties fail to perform the obligations as at the end of the financial year, in relation to each class of financial assets is the carrying amount of these assets in the statement of financial position.

The Company places its cash with reputable banks which are regulated.

The credit risk is as follows:

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high-credit ratings assigned by international credit-rating agencies.

(ii) Financial assets that are past due but not impaired

There are no financial assets that are past due.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

12. Financial risk management (Continued)

   e) Liquidity risk

   Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. The company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company’s operations and to mitigate the effects of fluctuations in cash flows.

   Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial asset and liabilities at the reporting date based on contractual undiscounted repayment obligations:

<table>
<thead>
<tr>
<th></th>
<th>Carrying amount</th>
<th>Contractual cash flows</th>
<th>One year or less</th>
<th>Two to five years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receivables</td>
<td>1,471 USD</td>
<td>1,471 USD</td>
<td>1,471 USD</td>
<td>- USD</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>120,465 USD</td>
<td>120,465 USD</td>
<td>120,465 USD</td>
<td>- USD</td>
</tr>
<tr>
<td>Total undiscounted financial assets</td>
<td>121,936 USD</td>
<td>121,936 USD</td>
<td>121,936 USD</td>
<td>- USD</td>
</tr>
</tbody>
</table>

| **Financial liabilities** |                |                        |                  |                   |
| Other payables        | 7,175 USD      | 7,175 USD              | 7,175 USD        | - USD             |
| Amount due to related party | 6,499 USD | 6,499 USD              | 6,499 USD        | - USD             |
| Total undiscounted financial liabilities | 13,674 USD | 13,674 USD            | 13,674 USD       | - USD             |
| Total net discounted financial assets | 108,262 USD | 108,262 USD          | 108,262 USD      | - USD             |

<table>
<thead>
<tr>
<th></th>
<th>Carrying amount</th>
<th>Contractual cash flows</th>
<th>One year or less</th>
<th>Two to five years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>66,166 USD</td>
<td>66,166 USD</td>
<td>66,166 USD</td>
<td>- USD</td>
</tr>
<tr>
<td>Other receivables</td>
<td>1,471 USD</td>
<td>1,471 USD</td>
<td>1,471 USD</td>
<td>- USD</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>150,151 USD</td>
<td>150,151 USD</td>
<td>150,151 USD</td>
<td>- USD</td>
</tr>
<tr>
<td>Total undiscounted financial assets</td>
<td>217,788 USD</td>
<td>217,788 USD</td>
<td>217,788 USD</td>
<td>- USD</td>
</tr>
</tbody>
</table>

| **Financial liabilities** |                |                        |                  |                   |
| Trade payables        | 114,014 USD    | 114,014 USD            | 114,014 USD      | - USD             |
| Other payables and accruals | 31,433 USD | 31,433 USD              | 31,433 USD       | - USD             |
| Total undiscounted financial liabilities | 145,447 USD | 145,447 USD            | 145,447 USD      | - USD             |
| Total net discounted financial assets | 72,341 USD | 72,341 USD          | 72,341 USD       | - USD             |
HCS LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2017

13. Fair Values

The carrying amount of cash and cash equivalents, trade and other current debtors, creditors approximate their respective fair values due to the relative short term maturity of these financial instruments.

14. Management of reserves

The company regards its accumulated general fund as its reserves.

The Company’s reserve policy required it to maintain sufficient reserve to ensure long-term financial sustainability and continuity for the purpose of operating effective programs.

15. Events occurring after the financial year end

There have been no events subsequent to the year end, which requires adjustment of or disclosure in the financial statements or notes thereto.