

**All Asia Asset Capital Limited****(“All Asia Asset Capital”, “AAA” or the “Company”)****Results for the year ended 31 December 2015**

All Asia Asset Capital (AIM: AAA), an investment company focused on investing in the growing markets of the Asia Pacific region, today announces its results for the year ended 31 December 2015.

**Highlights:**

- During the year ended 31 December 2015, the Company maintained its two investments which are minority stakes in Andaman Power and Utility Company Limited (“APU”), a company based in Thailand and Myanmar which operates in the development of utility plants and the provision of electricity, and Myanmar Allure Group Co., Ltd. (“MAG”), which owns and operates the Allure Resort, a combined hotel, resort and gaming facilities located in Tachileik province, Myanmar, in the vicinity of the Thailand-Myanmar Mae Sai border.
- In March 2015 the Company announced that Mr. Akekachat Leelapanyalert had resigned as a director of the Company to pursue his other business interests.
- In April 2015 the Company announced the appointment of Mr. Wai Tak Jonathan Chu as an executive director of the Company to strengthen its board composition.
- In April 2015 and May 2015, the Company completed two successful subscriptions to raise approximately £490,000 in cash by issuing a total of 2,965,000 new ordinary shares in the Company at a price of 16.5 pence per share, for working capital and to provide the Company with additional funds to make further investments, in accordance with the Company’s investing policy.
- In July 2015 the Company announced that Dr. Sri Hartati Kurniawan had resigned as a director and chief executive of the Company to pursue her other interests. The Company is currently seeking a successor of the CEO role.

Robert Berkeley, Chairman of AAA said: “During the year in review, the Company remained committed to its two investments in Andaman Power and Utility Company Limited which operates in the development of utility plants and the provision of electricity in Myanmar, and Myanmar Allure Group Co., Ltd., which owns and operates the Allure Resort, a combined hotel, resort and gaming facilities located in Myanmar. We are also delighted that the Company successfully raised additional funds from its shareholders who showed their support for the Company. The Company strives to continue to seek other investment opportunities in the region in order to deliver and enhance value for its shareholders.”

For further information:

**All Asia Asset Capital Limited**

Robert Berkeley, Executive Chairman and Finance Director

Wai Tak Jonathan Chu, Executive Director

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**About AAA**

AAA is an investment company that has been established as a platform for investors looking to access growing markets in the Asia-Pacific region. The Company invests in a portfolio of companies with at least a majority of operations (or early-stage companies that intend to have at least a majority of their operations) in the Asia-Pacific region in industries with high growth potential including, but not limited to: agriculture, forestry and plantations, mining, natural resources, property, and/or technology. AAA is publicly quoted and its shares are traded on the AIM Market, which is operated by the London Stock Exchange.

**CHAIRMAN'S STATEMENT**

I am pleased to present the results of All Asia Asset Capital Limited (the "Company") together with its subsidiaries (the "Group") for the year ending 31 December 2015.

**Business Review**

During the year ended 31 December 2015 the Company continued its focus on Myanmar. The Company maintained its minority investment of 7 per cent. interest in APU and 7 per cent. interest in MAG.

In June 2015, United Power of Asia Public Company Limited (previously known as Cyberplanet Interactive Public Company Limited), a holding company investing in power, real estate and software development business and listed on the Stock Exchange of Thailand acquired 93 per cent. of APU. The Company still maintains its 7 per cent stake in APU. The transaction has increased transparency and visibility of APU, which is now a part of a public listed company. APU has completed the development of the first 20 Megawatt gas-fired power plant in Kanbawk region, Dawei Special Economic Zone, Myanmar, and the plant has commenced its operations in June 2015. APU is moving forward to further developments of 200 Megawatt plants in the region and is currently seeking financing for the project development. The Company is actively seeking for opportunities to realise its investment in APU. At this stage no discussions on a possible realisation of the APU investment are at an advanced stage.

During the year MAG continued operating the Allure Resort, a combined hotel, resort and gaming facilities located in Tachileik province, Myanmar, in the vicinity of the Thailand-Myanmar Mae Sai border. The resort is situated in an 11-acre plot and is easily accessible from Chiang Rai, Thailand and located within 5 minutes walk from the border. MAG intends to expand its business including the development of a new building and partnerships with other gaming operators in order to fulfill increasing demand in this sector.

### **Financial Results**

During the year ended 31 December 2015 the Company incurred a net loss of £0.30 million (year ended 31 December 2014: net loss of £0.51 million) mainly attributable to administrative expenses of the Group.

The majority of the assets of the Group consists of its two investments in APU and MAG. AAA's investments in APU and MAG were valued by an independent third party valuer at fair values of £3.93 million and £1.57 million respectively as at 31 December 2015. As at 31 December 2015 the net assets of the Group were £5.68 million (31 December 2014: net assets of £5.34 million) and the Group had cash and cash equivalents of £0.19 million (31 December 2014: cash and cash equivalents of £0.45 million).

On 30 April 2015, the Company announced that it has raised £330,000 in cash through a subscription with two existing shareholders of the Company, in which the Company has issued 2,000,000 new ordinary shares in the Company of no par value each at a price of 16.5 pence per share. On 20 May 2015, the Company announced that it has raised £159,225 in cash through a subscription with an existing shareholder of the Company, in which the Company has issued 965,000 new ordinary shares in the Company of no par value each at a price of 16.5 pence per share. The Company intended to use the net proceeds of the subscriptions for working capital and to provide the Company with additional funds to make further investments, in accordance with the Company's investing policy. No new investments have been made by the Company since the subscriptions were completed.

### **Board Changes**

The Company announced on 26 March 2015 that Mr. Akekachat Leelapanyalert had resigned from the Board in order to pursue other business interests. We wish him well in his future endeavours.

In April 2015, the Board welcomed Mr. Wai Tak Jonathan Chu as an executive director of the Company. Jonathan has over twenty years of experience in property investment and asset management, investor relations and corporate finance. Most recently he has worked as an Investor Relations Manager at Zhengye International Holdings Co. Ltd and as an Investor Relations Manager at Modern (HR) Limited both companies listed on the main board of the Hong Kong Stock Exchange, in which he was responsible for their investor relations programs and sourcing of institutional investors.

In July 2015 the Company announced that following the conclusion of its 2015 Annual General Meeting, Dr. Sri Hartati Kurniawan had stepped down as an executive director and chief executive officer of the Company. We extended our gratitude to Dr. Kurniawan for her diligence, commitment and contribution to the development of the Company during her tenure of office and we wish her the best for her future endeavours. The Company has initiated the search for a successor and I believe that it is very important that we identify the right candidate with the skills and experience that match the strategic direction of the

business, who is able to take the Company to the next level.

### **Economic Outlook**

Myanmar was hit by flooding and landslides in 2015 thus affecting its economic growth. However despite natural disasters, it still record an impressive growth rate of 7.2% during the year (Source: Asia Development Bank Outlook 2016). It is expected that the region will experience a higher growth rate of 8.4% in 2016, according to the Asian Development Bank, marked as the highest growth in the Southeast Asia region.

The hospitality industry in Myanmar has also experienced significant growth over the past years with the number of foreign visitors increasing to 4.7 million in 2015, up from just 800,000 in 2011 (Source: The Irrawaddy Report, May 2016). The Myanmar National Tourism Master Plan envisages the number of foreign visitors to increase to 7.5 million by 2020, supported by the Country's US\$500 million funding in this industry on training tourism workers, developing destinations and improving connectivity.

In the power sector, currently Myanmar has one of the lowest electrification rates in Asia with the Myanmar government estimating that the national electrification ratio is 32 per cent. and in rural areas only a fraction of the population has access to electricity. The World Bank estimates electrifying the entire country will require \$444 million annually over 15 years, thus creating significant opportunities for industry players in this sector. The Board of AAA hopes that the Company's investment in APU will play a key part in that.

### **Appreciation**

I would like to thank all the hard work of my fellow Board members and staff, our advisers and of course our shareholders for their continuing support for AAA. I sincerely hope that the Company will continue to enjoy such support towards the development of the Group in the years to come

**Robert Anthony Rowland Berkeley**

Chairman

London, 8 June 2016

## **DIRECTORS' REPORT**

The directors of the Company (the "Directors") present their report and the audited financial statements for the year ended 31 December 2015.

### **Principal activity and investing policy**

All Asia Asset Capital Limited ("AAA" or "Company") is an investment company incorporated in the British Virgin Islands on 14 September 2012. The Company has been established as a platform for investors

looking to access growing markets in the Asia Pacific region. Its main country of operation is in Hong Kong.

The investment objective of the Company is to invest in a portfolio of companies with at least the majority of their operations (or early stage companies that intend to have at least the majority of their operations) in the Asia Pacific region with an expected initial focus on: Malaysia, Thailand, Indonesia and Myanmar. The Directors intend to invest in companies that operate (or early stage companies that intend to operate) in industries with high growth potential including, but not limited to: agriculture, forestry and plantations, mining, natural resources, property and/or technology.

## **Review of business**

As at 31 December 2015, the Company held a portfolio of two investments.

### **Andaman Power and Utility Company Limited**

All Asia Asset Capital Limited currently holds 7 per cent. stake in Andaman Power and Utility Company Limited (“APU”), a company based in Thailand and Myanmar, which operates in the development of utility plants and the provision of electricity.

APU plans to develop a power plant deploying Combined Cycle Gas Turbine (CCGT) technology to generate up to 500MW of electricity. Under the terms of the MOU, the Myanmar government has agreed to facilitate the project development including commissioning a feasibility study, the provision of gas supply, arrangements for land acquisition, preferential treatment on duties and taxation, purchasing the electricity generated by the utility plant developed by APU and supplying it to the regional and national grid upon completion of the project.

### **Myanmar Allure Group Company Limited**

All Asia Asset Capital currently holds 7 per cent. stake in Myanmar Allure Group Co., Ltd. (“MAG”). MAG is a privately held company based in Thailand and Myanmar, which operates in the hospitality and entertainment business.

MAG owns and operates the Allure Resort, a combined hotel, resort and gaming facilities located in Tachileik province, Myanmar, in the vicinity of the Thailand-Myanmar Mae Sai border. The resort is situated in an 11-acre plot and is easily accessible from Chiang Rai, Thailand and located within 5 minutes walk from the border. It offers a variety of entertainment including gaming, shopping and cultural sightseeing. MAG intends to expand its business including the development of a new building and partnerships with other gaming operators in order to fulfill increasing demand in this sector.

## **Capital Resources and Financing Structure**

During the year ended 31 December 2015 the Company continued utilising proceeds raised pursuant to the Company’s flotation on AIM which became effective on 2 May 2013. In addition, in April 2015, the Company raised £330,000 in cash through a subscription with two existing shareholders of the Company,

in which the Company has issued 2,000,000 new ordinary shares in the Company of no par value each at a price of 16.5 pence per share. In May 2015, the Company raised £159,225 in cash through a subscription with an existing shareholder of the Company, in which the Company has issued 965,000 new ordinary shares in the Company of no par value each at a price of 16.5 pence per share. During the year the proceeds from the capital raisings were utilised for the Company's operational expenses.

### International Financial Reporting Standards

The consolidated financial statements for the year ended 31 December 2015 together with comparative figures from the year ended 31 December 2014 have been prepared by using International Financial Reporting Standards (IFRSs).

### Results and dividends

The reported loss for the year was £0.3 million mainly attributable to administrative expenses. Further details are set out in the consolidated statement of profit or loss. No dividend has been paid or proposed for the period.

### Directors and their interests

The following Directors who served during the year ended 31 December 2015, together with their beneficial interests in the ordinary share capital of the Company at the date of admission of the Company to trading on AIM of London Stock Exchange are as follows:

Directors	Position	Shares held at 2 May 2013	Shares held at 31 December 2015	% at 31 December 2015
Dr. Sri Hartati Kurniawan <sup>(1)</sup>	Chief Executive Officer Executive Chairman and	29,829,150	29,829,150	14.02%
Robert Anthony Rowland Berkeley	Finance Director	14,914,575	14,914,575	7.01%
Akekachat Leelapanyalert <sup>(2)</sup>	Executive Director	-	-	-
Wai Tak Jonathan Chu <sup>(3)</sup>	Executive Director	-	-	-
(Dominic) Seah Boon Chin	Independent Non- Executive Director	-	-	-

Notes:

(1) Appointed on 14 September 2012 and resigned on 20 July 2015

(2) Appointed on 1 August 2014 and resigned on 25 March 2015

(3) Appointed on 2 April 2015

### Substantial interests

As at 31 December 2015, save for the Directors listed above, the Directors were aware of the following registered holdings amounting to 3% or more of the ordinary share capital of the Company.

**Shareholders**

**Number of shares**

**Percentage**

W B Nominees Limited	37,371,384	17.56%
Bank of New York (Nominees) Limited	22,881,001	10.75%
Robert John Sali	16,666,667	7.83%
Blake Gordon Olafson	15,000,000	7.05%
Oxbow Enterprise Limited	14,914,575	7.01%
Chakris Kajkumjohndej	11,000,000	5.17%
Vidacos Nominees Limited	7,904,859	3.71%
Chiefland Trading Limited	7,333,334	3.45%

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

The Directors are responsible for the preparation of consolidated financial statements for each financial year. The consolidated financial statements must give a true and fair view of the state of affairs of the Company and its subsidiaries (the "Group"), and the Group's profit and loss for that period.

When preparing consolidated financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently
- Make judgments and estimates that are reasonable
- State whether they adhered to applicable accounting standards subject to any material departures disclosed and explained in the consolidated financial statements
- Prepare the consolidated financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business

The Directors must keep proper accounting records, which disclose, with reasonable accuracy at any time, the financial position of the Group and the Company. The Directors must ensure that the consolidated financial statements comply with applicable laws and follow International Financial Reporting Standards. The Directors must also safeguard the assets of the Group and the Company, and take reasonable steps to prevent and detect fraud or other irregularities.

### **Website publication**

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with AIM Rules. The maintenance and integrity of information presented in the Company's website is the responsibility of the Directors, therefore the Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### **Auditors**

Elite Partners CPA Limited was appointed auditors at the conclusion of the Company's annual general meeting held on 20 July 2015. A resolution to re-appoint Elite Partners CPA Limited as the Company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on behalf of the Board.

Robert Anthony Rowland Berkeley

Chairman

London, 8 June 2016



## **CORPORATE GOVERNANCE STATEMENT**

### **Board of Directors**

During the year ended 31 December 2015, the following persons served as directors of the Company:

Executive Directors:

Robert Anthony Rowland Berkeley

Dr. Sri Hartati Kurniawan (resigned on 20 July 2015)

Akekachat Leelapanyalert (resigned on 25 March 2015)

Wai Tak Jonathan Chu (appointed on 2 April 2015)

Independent Non-Executive Director:

(Dominic) Seah Boon Chin

The Directors are not related to each other.

### **Responsibilities of the Board**

The Directors are responsible for the overall management and control of the Company as well as identifying investment opportunities, managing the investment/acquisition process and monitoring the investee companies' operating performance. The Directors will review the operations of the Company at regular board meetings and it is currently intended that the Board will meet at least four times a year and at other times as and when required.

The Directors recognise the importance of sound corporate governance commensurate with the size of the Company and the interests of Shareholders and intend that, following Admission, the Company will comply with the main provisions of the Corporate Governance Guidelines for Smaller Quoted Companies published by the Quoted Companies Alliance to the extent that they believe it is appropriate in light of the size, stage of development and resources of the Company.

### **Board Committee**

As there is currently only one independent non-executive director of the Company, being Dominic Seah Boon Chin, the Board has not established remuneration, nomination and audit committees. Until the appointment of a further independent non-executive director, Dominic Seah Boon Chin will be responsible for the Company's remuneration policy and the Board as a whole will monitor the performance of the Board and plans for succession and the functions usually carried out by a nominations committee. Until an audit committee is appointed, the Board as a whole will be responsible for reviewing and monitoring internal financial control systems and risk management systems on which the Company is reliant, considering annual and interim accounts and audit reports, considering the appointment and remuneration of the Company's auditor and monitoring and reviewing annually their independence, objectivity, effectiveness and qualifications

## **INVESTING POLICY**

(Adopted at the Annual General Meeting of the Company on 10 December 2013)

The Company intends to invest in companies with at least the majority of their operations (or early stage companies that intend to have at least the majority of their operations) in the Asia Pacific region. The Company intends to invest in a portfolio of companies with an initial focus on companies that operate (or early stage companies that intend to operate) in industries with likely high growth potential including, but not limited to: agriculture, forestry and plantation, mining, natural resources, property and/or technology.

The Directors intend to source and identify potential investments in line with the Investing Policy through their own research and network of contacts and possibly strategic partnerships with other companies or persons who can assist the Company in sourcing and identifying potential investments. Investments are expected to be mainly in the form of equity although investments may be by way of debt, convertible securities or investments in specific projects. In the case of equity investments, the Directors intend typically to take minority positions (with suitable minority protection rights), primarily in unquoted companies. Investments will therefore typically be of a passive nature. However, whilst the Directors intend that typical investments will constitute minority positions in investee companies, should the Company make majority investments, the Company may seek participation in the management or board of directors of such an entity with a view to seeking to improve the performance and growth of the business.

There is no limit on the size of an investment in a project. The Directors expect that each investment will typically yield a targeted internal rate of return of at least 20 to 30 per cent. per annum. It is likely that a substantial portion of the Company's financial resources will be invested in a small number of companies, however the Company has not excluded the possibility of making just one investment. Depending on the size of investments, they may be deemed to be reverse takeovers for the purposes of the AIM Rules, which would require Shareholder approval and re-admission of the Company, as enlarged by the acquisition, to trading on AIM.

In addition to paying the costs of the Company's ongoing expenses, the Company's cash resources will primarily be used to identify, evaluate and select suitable investment opportunities and to make investments, either in part or in full, as applicable. The Directors consider that as investments are made, or promising new investment opportunities arise, further funding of the Company will be required and they anticipate further equity fundraisings by the Company. Subject to prevailing authorities to issue new Ordinary Shares or, if required, with Shareholder approval, new Ordinary Shares may be used as consideration, in whole or in part, for investments. The Company will not be subject to any borrowing or leverage limits. In order to mitigate investment risk, the Directors intend to carry out a thorough due diligence process in evaluating each potential investment including: site visits, analysis of financial, legal and operational aspects of each investment opportunity, meetings with management, risk analysis, review of corporate governance and anti-corruption procedures and the seeking of third party expert opinions and valuation reports where the Directors see fit.

The Directors will apply investment criteria including: the potential for capital growth and/or the potential for profit generation with a view to receiving dividend income over time, high attractiveness to potential buyers of the company in question in order to facilitate exits and a strong and experienced management team.

Given the time frame to fully maximise the value of an investment, the Board expects that investments will be held for the medium to long term, although short-term disposals of assets cannot be ruled out in exceptional or opportunistic circumstances. The Directors intend to re-invest the proceeds of disposals in accordance with the Company's Investing Policy unless, at the relevant time, the Directors believe that there are no suitable investment opportunities in which case the Directors will consider returning the proceeds to Shareholders in a tax efficient manner.

Cash held by the Company pending investment, reinvestment or distribution will be managed by the Company and placed in bank deposits or in capital guaranteed schemes offered by major global financial institutions, in order to protect the capital value of the Company's cash assets. The Company may, where appropriate, also enter into agreements or contracts in order to hedge against interest rate or currency risks. Investments are expected to be held by the Company or a subsidiary to be incorporated for the purpose of holding an investment.

Any material change to the Company's Investing Policy will only be made following the approval by ordinary resolution of Shareholders in general meeting. In addition, if the Company has not substantially implemented its Investing Policy within 18 months of Admission, the Company will seek the approval of Shareholders at its next annual general meeting for its Investing Policy and on annual bases thereafter until such time that its Investing Policy has been substantially implemented. If it appears unlikely that the Company's Investing Policy can be implemented at any time, the Directors will consider returning remaining funds to Shareholders.

The Directors will review the Investing Policy on an annual basis and will implement any non-material changes or variations as they consider fit. Details of any such non-material changes or variations will be announced as appropriate. Any material change or variation of the Investing Policy will be subject to the prior approval of Shareholders

## **BOARD OF DIRECTORS**

### **Robert Berkeley (Executive Chairman and Finance Director)**

Robert qualified as a chartered accountant with Arthur Andersen and Co in 1990 and has had a successful career in senior management within the retail, construction, headhunting and financial services sectors. In 1999, he was appointed to Harvey Nash Plc's European Management Board, significantly developing the business across Europe, as well as placing senior executives within major international organisations. Since 2009, Robert has successfully established Vantage FX UK Trading Limited, an FCA regulated online forex broker based in London, a significant player in the FX market across Europe with strong growth year on year. Robert is currently the Managing Director of GO Markets UK Trading Limited (formally known as Vantage FX). Robert's position as Executive Chairman and Finance Director is on a part time basis.

### **Wai Tak Jonathan Chu (Executive Director)**

Jonathan has over twenty years of experience in property investment and asset management, investor relations and corporate finance mostly in Hong Kong. He was a Senior Property Manager at Hon Kwok Land Investments Co. Ltd., a property developer company listed on the main board of the Hong Kong Stock Exchange, from September 1988 to April 2004. He was a consultant with Ketchum Newscan Public Relations Limited in Hong Kong from December 2009 to February 2011. He was an Investor Relations Manager at Zhengye International Holdings Co. Ltd. from June 2012 to October 2013 and an Investor Relations Manager at Modern (HR) Limited from August 2011 to April 2012, both companies listed on the main board of the Hong Kong Stock Exchange. Jonathan received his BA (Hons) in Economics and Social Studies from the University of Manchester and a Master of Science in Financial Engineering from the City University of Hong Kong.

### **Dominic Seah Boon Chin (Independent Non-Executive Director)**

Dominic began his career in 1995 as a senior officer at Chung Khiaw Bank (Malaysia) Bhd. (now known as United Overseas Bank (Malaysia) Berhad). From 1997 to January 2007, he worked in several established financial institutions in Malaysia and Singapore, including CIMB Investment Bank Berhad, Affin Investment Bank Berhad and Public Investment Bank Berhad, mainly focused in corporate finance. Subsequently he joined MobilityOne Limited (which is quoted on AIM) as its corporate finance director and has been a non-executive director there since November 2011. He is currently the head of corporate finance at TA Securities Holdings Berhad, a stockbroking firm in Malaysia. He obtained his Bachelor of Commerce (Honours) degree with distinction from McMaster University, Canada.

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ALL ASIA ASSET CAPITAL LIMITED**

*(Incorporated in the British Virgin Islands with limited liability)*

We have audited the consolidated financial statements of All Asia Asset Capital Limited (the "Company") and its subsidiary (collectively referred to as the "Group") set out on page 19 to 58, which comprise the consolidated statement financial position as at 31 December 2015, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of change in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Directors' responsibility for the financial statements**

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by International Accounting Standards Board, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit, and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for contents of this report. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF ALL ASIA ASSET CAPITAL LIMITED**

*(Incorporated in British Virgin Islands with limited liability)*

**Opinion**

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

**Elite Partners CPA Limited**

*Certified Public Accountants*

Hong Kong, 8 June 2016

Yip Kai Yin

Practising Certificate Number: P05131

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	<u>2015</u> <b>GBP</b>	<u>2014</u> GBP
Other income	5	<b>6,101</b>	<b>6</b>
Administrative expenses		<u><b>(307,247)</b></u>	<u>(505,648)</u>
Loss before tax	6	<b>(301,146)</b>	(505,642)
Income tax	8	<u>-</u>	<u>-</u>
Loss for the year		<u><b>(301,146)</b></u>	<u>(505,642)</u>
Attributable to:			
Owners of the Company		<u><b>(301,146)</b></u>	<u>(505,642)</u>
Loss per ordinary share			
Basic loss per ordinary share	9(a)	<u>(0.14 pence)</u>	<u>(0.24 pence)</u>
Diluted loss per ordinary share	9(b)	<u>(0.14 pence)</u>	<u>(0.24 pence)</u>
Dividend	10	<u>-</u>	<u>-</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015**

	<u>2015</u> GBP	<u>2014</u> GBP
Loss for the year	(301,146)	(505,642)
Other comprehensive income:		
<i>Items that may reclassified subsequently to profit or loss:</i>		
Fair value gain/ (loss) on financial assets available for sales	33,104	(307,868)
Exchange difference on translating financial statements of foreign subsidiaries	<u>255,870</u>	<u>397,366</u>
Other comprehensive income, net of tax	<u>288,974</u>	<u>89,498</u>
Total comprehensive expenses for the year	<u>(12,172)</u>	<u>(416,144)</u>
Total comprehensive expenses attributable to owners of the Company	<u>(12,172)</u>	<u>(416,144)</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015**

	Notes	<u>As at</u> <u>31 Dec 2015</u> GBP	<u>As at</u> <u>31 Dec 2014</u> GBP
<b>ASSETS</b>			
<i>Non-current assets</i>			
Property, plant and equipment	11	12,919	14,802
Available-for-sale financial assets	13	<u>5,490,437</u>	<u>5,200,876</u>
		<u>5,503,356</u>	<u>5,215,678</u>
<i>Current assets</i>			
Prepayment and deposit		4,830	15,548
Cash and bank balances	14	<u>186,783</u>	<u>452,395</u>
Total current assets		<u>191,613</u>	<u>467,943</u>
<b>Total assets</b>		<u>5,694,969</u>	<u>5,683,621</u>
<b>CAPITAL AND RESERVES</b>			
Share capital	15	6,284,194	5,794,969
Reserves	17	<u>(605,475)</u>	<u>(457,377)</u>
<b>Total equity</b>		<u>5,678,719</u>	<u>5,337,592</u>



**LIABILITIES***Current liabilities*

Other payables and accruals	18	<u>16,250</u>	<u>346,029</u>
<b>Total equity and liabilities</b>		<u><b>5,694,969</b></u>	<u>5,683,621</u>
<b>Net current assets</b>		<u><b>175,363</b></u>	<u>121,914</u>
<b>Total assets less current liabilities</b>		<u><b>5,678,719</b></u>	<u>5,337,592</u>
<b>Net assets</b>		<u><b>5,678,719</b></u>	<u>5,337,592</u>

Approved by the board of directors on 8 June 2016

\_\_\_\_\_  
Wai Tak Jonathan Chu  
Director

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Robert Anthony Rowland Berkeley  
Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Fair Share capital	Share Value reserve	option reserve	Exchange reserve	Accumul- ated loss	Total
	GBP	GBP	GBP	GBP	GBP	GBP
At 1 January 2014	3,429,969	455,543	200,057	(52,132)	(624,695)	3,408,742
Loss for the year	-	-	-	-	(505,642)	(505,642)
Other comprehensive income:						
Loss on fair value change on available- for sale financial assets	-	(307,868)	-	-	-	(307,868)
Exchange difference on translating of financial statement of overseas subsidiaries	-	-	-	397,366	-	397,366
Total comprehensive income for the year	-	(307,868)	-	397,366	(505,642)	(416,144)
Issuance of consideration shares	2,365,000	-	-	-	-	2,365,000
Lapse of share options	-	-	(20,006)	-	-	(20,006)
As at 31 Dec 2014 and 1 Jan 2015	5,794,969	147,675	180,051	345,234	(1,130,337)	5,337,592
Loss for the year	-	-	-	-	(301,146)	(301,146)
Other comprehensive income:						
Loss on fair value change on available- for-sale financial	-	33,104	-	-	-	33,104

assets						
Exchange difference on translating of financial statement of overseas subsidiaries	-	-	-	<b>255,870</b>	-	<b>255,870</b>
Total comprehensive income for the year	-	33,104	-	255,870	(301,146)	(12,172)
Issuance of shares	489,225	-	-	-	-	489,225
Lapse of share option	-	-	(135,926)	-	-	(135,926)
<b>As at 31 December 2015</b>	<b>6,284,194</b>	<b>180,779</b>	<b>44,125</b>	<b>601,104</b>	<b>(1,431,483)</b>	<b>5,678,719</b>

## **CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015**

	<u>2015</u>	<u>2014</u>
	<b>GBP</b>	<b>GBP</b>
<b>Operating activities</b>		
Loss before taxation	<b>(301,146)</b>	(505,642)
Adjustments for:		
Bank interest income	<b>(6)</b>	(6)
Depreciation of property, plant and equipment	<b>2,786</b>	2,123
(Reversal of) share-based payment	<b>(135,926)</b>	(20,006)
Operating loss before working capital changes	<b>(434,292)</b>	(523,531)
Decrease/ (Increase) in deposits and prepayments	<b>10,722</b>	(5)
(Decrease)/ Increase in accrual and other payable	<b>(329,822)</b>	300,123
Cash used in operations activities	<b>(753,392)</b>	(223,413)
Interest received	<b>6</b>	6
Net cash used in operating activities	<b>(753,386)</b>	(223,407)
<b>Cash flows from investing activities</b>		
<b>Investing activities</b>		
Purchase of property, plant and equipment	<b>(810)</b>	(13,995)
Investment in available for sales financial assets	<b>-</b>	(324,775)
Net cash used in investing activities	<b>(810)</b>	(338,770)
<b>Financing activities</b>		
Issuance of share capital	<b>489,225</b>	-
Net cash generated from financing activities	<b>489,225</b>	-
<b>Net decrease in cash and cash equivalents</b>	<b>(264,971)</b>	(562,177)
Effect of foreign exchange rate changes, net	<b>(641)</b>	4,971

Cash and cash equivalents at the beginning of the year	<u>452,395</u>	<u>1,009,601</u>
<b>Cash and cash equivalents at the ended of the year</b>	<b><u>186,783</u></b>	<b><u>452,395</u></b>
<b>Analysis of balances of cash and cash equivalents</b>		
Cash and bank balances	<u>186,783</u>	<u>452,395</u>

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

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### **1. GENERAL INFORMATION**

The Company was incorporated in British Virgin Islands on 14 September 2012 with limited liability and had obtained the admission by the London Stock Exchange to be traded in AIM market on 2 May 2013. The registered office of the Company is located at Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands and the operating office is located at Unit 2302, 23/F., New World Tower 1, 18 Queen's Road Central, Central, Hong Kong.

The principal activity of the Company is to invest in growing markets of Asia Pacific.

The consolidated financial statements are presented in Great British Pounds ("GBP"), which is the same as the functional currency of the Company, and all value is round to the nearest GBP. It is prepared on historical cost basis except for available-for-sale financial assets and the share-based payment that are stated at fair value.

### **2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")**

#### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") which included International Accounting Standards ("IASs") issued by the International Accounting Standards Board ("IASB") which comprised standards, amendments and interpretations approved by the IASB and International Financial Reporting Interpretations Committee ("IFRIC"), together with applicable British Virgin Islands law.

The IASB has issued certain amendments and interpretations which are or have become effective. It has also issued certain new and revised IFRSs which are first effective or available for early adoption for the current accounting period of the Company. The following paragraph provides information on initial application of these developments to the extent that they are relevant to the Company for the current and prior accounting periods reflected in these financial statements.

#### (b) New and revised IFRSs effective in the current year

The Group has applied the following new and revised IFRSs issued by the IASB for the first time in the current year:

Amendments to IAS 19	Defined benefit plans: Employee contributions
Amendments to IFRSs	Annual improvements to IFRSs 2010–2012 cycle
Amendments to IFRSs	Annual improvements to IFRSs 2011–2013 cycle

The application of these new and revised standards and interpretations in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

(c) New and revised IFRSs issued but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial instruments <sup>1</sup>
IFRS 14	Regulatory deferral accounts <sup>2</sup>
IFRS 15	Revenue from contracts with customers <sup>1</sup>
IFRS 16	Lease <sup>3</sup>
Amendments to IFRS 11	Accounting for acquisitions of interests in joint operations <sup>4</sup>
Amendments to IAS 1	Disclosure initiative <sup>1</sup>
Amendments to IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortisation <sup>4</sup>
Amendments to IAS 16 and IAS 41	Agriculture: Bearer plants <sup>4</sup>
Amendments to IAS 27	Equity method in separate financial statement <sup>4</sup>
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture <sup>5</sup>
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment entities: Applying the consolidation exception <sup>1</sup>
Amendments to IAS 7	Disclosure Initiative <sup>6</sup>
Amendments to IFRSs	Annual improvements to IFRSs 2012–2014 cycle <sup>4</sup>
Amendments to IAS 12	Recognition on deferred tax assets for unrealised losses <sup>6</sup>

Notes:

- 1 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
- 2 Effective for first annual IFRS financial statements beginning on or after 1 January 2016.
- 3 Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.
- 4 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.
- 5 Effective for annual periods beginning on or after a date to be determined.
- 6 Effective for annual periods beginning on or after 1 January 2017.

The directors of the Company anticipate that, except as described below, the application of the above new and revised IFRSs will have no material impact on the results and the financial position of the Group.

IFRS 9 (2014) Financial Instruments

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for de-recognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets; and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9 (2014) are described as follows:

- All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely

payments of principle and interest on the principle outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principle amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to changes in the financial liability's credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Group undertakes a detailed review.

#### IFRS 16 Leases

IFRS 16 issued in 2016 introduces new principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 will supersede the current lease recognition guidance including IAS 17 Lease and the related Interpretations when it becomes effective.

As for lessees, all leases result in a company (the lessee) obtaining the right to use an asset at the start of the lease and, if lease payments are made over time, also obtaining financing. Accordingly, IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Applying that model, a lessee is required to recognise:

- assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and
- depreciation of lease assets separately from interest on lease liabilities in the income

statement.

As for lessors, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

Overall, the most significant effect of the new requirements will be an increase in recognised lease assets and financial liabilities.

The directors of the Company anticipate that the implementation of IFRS 16 in the future will affect the classification and measurement in lessee accounting. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared on a going concern basis. The preparation of these financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the directors of the Company to exercise judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these financial statements are disclosed in Note 4.

#### **(a) Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the members of the Group.

All intra-group transactions, balance, income and expenses are eliminated in full on consolidation.

The Group does not have any non-controlling interest during the year.

#### **(b) Segment reporting**

For the purpose of IFRS 8 "Operating Segments" the Company currently has one segment being "Investment sector". No further operating segment financial information is therefore disclosed.

**(c) Property, plant and equipment**

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

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

Furniture and fixture	20%
Office equipment	30%

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**(d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities on the consolidated statement of financial position.

**(e) Financial instruments**

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

*Financial assets*

Financial assets are classified into the following specified categories: financial assets at "fair value through profit or loss" (FVTPL), "held-to-maturity" investments, "available-for-sale" (AFS) financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount of initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designed as at FVTPL.

#### *Financial assets at FVTPL*

Financial assets are classified as at FVTPL when the financial assets are either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "revenue" line item in the consolidated income statement.

#### *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group has the intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment (see the accounting policy in respect of impairment losses on financial assets below).

#### *Available-for-sale financial assets ("AFS financial assets")*

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

AFS financial assets are measured at fair value at the end of the each reporting period. Changes in fair value are recognised in other comprehensive income and accumulated under the heading of available-for-sale investments revaluation reserve. Where the financial asset is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the available-for-sale investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

AFS equity investments that do not have a quoted market price in an active market and whose



fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of the reporting period (see the accounting policy in respect of impairment loss on financial assets below).

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including deposits and other receivables, cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

#### *Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its costs is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as deposits and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is 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.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, 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 through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of available-for-sale investments revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

#### *Financial liabilities and equity instruments*

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### *Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL on initial recognition.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the “other gain and losses” line item in the consolidated income statement.

#### *Other financial liabilities*

Other financial liabilities (including other payables and others) are subsequently measured at amortised cost using the effective interest method.

#### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

#### *De-recognition*

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On de-recognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **(e) Current assets and current liabilities**

Current assets are expected to be realised within twelve months of the date of the reporting period or in the normal course of the Group's operating cycle. Current liabilities are expected to be settled within twelve months of the date of the reporting period or in the normal course of the Group's operating cycle.

**(g) Foreign currency translation**

*(i) Functional and presentation currency*

Items included in the financial statements of each of the group entities are measured using the currency in accordance to the location where shares of the Company are traded (the functional currency). These consolidated financial statements are presented in Great British Pound ("GBP"), which is the Company's functional and the Group's presentation currency.

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the end of the year. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

**(h) Revenue recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, the Group did not generate any gain or loss on disposal of available-for-sale financial assets the reporting period whereas interest income is recognised on a time-proportion basis using the effective interest method.

**(i) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle that obligation, and reliable estimate can be made of the amount of the obligation. Provisions are measured at the Group's best estimate of the expenditure required to settle the present obligation at the end of the reporting period, and are discounted to present value where the effect of the time value of money is material.

**(j) Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental payable under operating leases are recognised as an expenses on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**(k) Share-based payment transactions**

The fair value of services received determined by reference to the fair value of share warrants and options granted under the share warrants and share award scheme of the Company on the grant date is expensed on the year of grant.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss such that cumulative expenses reflects the revised estimate, with a corresponding adjustment to equity. At the time when the share options

are exercised, forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised will continue to be held in equity.

**(l) Retirement benefit cost**

Payments to retirement benefits plans and government-managed retirement benefits schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

**(m) Taxation**

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of income and retained earnings because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases using in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. However, the measurement of deferred tax liabilities associated with an investment property measured at fair value does not exceed the amount of tax that would be payable on its sale to an unrelated market participant at fair value at the reporting date. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

**(n) Impairment of assets**

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment assets are grouped at the lower levels for which there are separately identifiable cash flow (cash-generating units).

**(o) Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

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 control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

#### **(p) Related parties**

For the purpose of these financial statements, related party includes a person and entity as defined below:

- (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 the Group's parent.
  
- (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) either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of a third entity.
  - (iv) either 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 reporting entity is itself such a plan, the sponsoring employers are also related to the plan.
  - (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 member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) Close members of the family of a person are those family members who may be expected to influence or be influenced management personnel of the entity (or of a parent of the entity).

## **4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

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

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

### **(a) Valuation of financial instruments**

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Notes 13 provide information the estimation of the fair value of financial instruments.

The directors of the Company believe that the chosen valuation techniques used are appropriate in determining the fair value of financial instruments.

**(b) Useful lives of property, plant and equipment**

The Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also perform annual reviews on whether the assumptions made on useful lives continue to be valid.

**(c) Impairment of assets**

The Group tests annually whether the asset has suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

**5. OTHER INCOME**

Other income represents the bank interest income and foreign exchange gain incurred during the year, as presented below:

	<u>2015</u>	<u>2014</u>
	GBP	GBP
Bank interest income	6	6
Foreign exchange gain	4,541	-
Sundry income	1,554	-
	<u>6,101</u>	<u>6</u>

**6. LOSS BEFORE TAX**

Loss before tax arrived at after charging/ (crediting):

	<u>2015</u>	<u>2014</u>
	GBP	GBP
Auditors' remuneration	17,249	16,052
Depreciation of property, plant and equipment	2,786	2,123
Foreign exchange loss	5,947	5,276
Operating lease payment in respect of office premises	34,129	67,979
Staff costs (including directors' remuneration)		
- Fees	22,500	22,500
- Salaries and other benefits	140,411	228,721
- Retirement scheme contribution	2,981	4,081
- Reversal of share-based payment	(135,926)	(20,006)
Total staff costs	<u>29,966</u>	<u>235,296</u>

## 7. DIRECTORS' REMUNERATION

During the year, no emoluments were paid by the Group to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office.

For the year ended 31 December 2015:

	<u>Fees</u> GBP	<u>Salaries and other benefits</u> GBP	<u>Share- based payment</u> GBP	<u>Retirement scheme contribution</u> GBP	<u>Total</u> GBP
<b>Executive directors</b>					
Dr. Sri Hartati Kurniawan <sup>(i)</sup>	-	74,536	(120,031)	886	(44,609)
Mr. Robert Anthony Rowland Berkeley	-	12,000	(15,895)	-	(3,895)
Mr. Wai Tak Jonathan Chu <sup>(ii)</sup>	-	7,088	-	454	7,542
Mr. Akekachat Leelapanyalert <sup>(iii)</sup>	-	3,000	-	-	3,000
	<u>-</u>	<u>96,624</u>	<u>(135,926)</u>	<u>1,340</u>	<u>(37,962)</u>
<b>Independent non-executive director</b>					
Mr. Seah Boon Chin	<u>22,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,500</u>
	<u>22,500</u>	<u>96,624</u>	<u>(135,926)</u>	<u>1,340</u>	<u>(15,462)</u>

For the year ended 31 December 2014:

	<u>Fees</u> GBP	<u>Salaries and other benefits</u> GBP	<u>Share- based payment</u> GBP	<u>Retirement scheme contribution</u> GBP	<u>Total</u> GBP
<b>Executive directors</b>					
Dr. Sri Hartati Kurniawan	-	92,504	-	2,622	95,126
Mr. Robert Anthony Rowland Berkeley	-	60,000	-	-	60,000
Mr. Yuhi Horiguchi <sup>(iv)</sup>	-	25,000	(20,006)	-	4,994
Mr. Akeachat Leelapanyalert	-	7,500	-	-	7,500
	<u>-</u>	<u>185,004</u>	<u>(20,006)</u>	<u>2,622</u>	<u>167,620</u>
<b>Independent non-executive director</b>					



Mr. Seah Boon Chin	<u>22,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,500</u>
	<u>22,500</u>	<u>185,004</u>	<u>(20,006)</u>	<u>2,622</u>	<u>190,120</u>

Notes:

- (i) Dr. Sri Hartati Kurniawan resigned on 20 July 2015.
- (ii) Mr. Wai Tak Jonathan Chu was appointed on 2 April 2015.
- (iii) Mr. Akekachat Leelapanyalert was appointed on 1 August 2014 and resigned on 25 March 2015.
- (iv) Mr. Yuhi Horiguchi resigned on 16 June 2014.

## 8. INCOME TAX

	<u>2015</u>	<u>2014</u>
	GBP	GBP
Current income tax	<u>-</u>	<u>-</u>

- i) Pursuant to the rules and regulations of the BVI, the Company is not subject to any income tax in the BVI.
- ii) No provision for Hong Kong profits tax has been made for subsidiary established in Hong Kong as this subsidiary did not have any assessable profits subject to Hong Kong profits tax during the years ended 31 December 2015 and 2014.

Tax charge for the year is reconciled to loss before taxation as follows:

	<u>2015</u>	<u>2014</u>
	GBP	GBP
Loss before taxation	<u>(301,146)</u>	<u>(505,642)</u>
Tax at the application income tax rate	<u>(49,689)</u>	<u>(83,431)</u>
Tax effect of expenses not deductible	<u>49,689</u>	<u>83,431</u>
Tax charge and effective tax rate for the year	<u>-</u>	<u>-</u>

## 9. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year.

The calculation of basic and diluted loss per share is based on:

	<u>2015</u>	<u>2014</u>
	GBP	GBP
<b>Loss</b>		
Loss attributable to owners of the Company used in		
the basic loss per share calculation	<u>(301,146)</u>	<u>(505,642)</u>
<b>Shares</b>		
Weighted average number of ordinary shares in issue		
during the year	<u>211,853,195</u>	<u>209,861,072</u>

- (a) Basic loss per share

During the year ended 31 December 2015, the calculation of basic loss per share amount is based on the net loss for the year of GBP301,146 (2014: GBP505,642) attributable to the equity holders of the Company, and weighted average of 211,853,195 (2014: 209,861,072) ordinary shares in issued during the year.

(b) Diluted loss per share

No adjustment has been made to the basic loss per share presented for the year ended 31 December 2015 and 2014 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share presented.

## 10. DIVIDEND

No dividend has been paid or declared by the Company during the year ended 31 December 2015 (2014: nil).

## 11. PROPERTY, PLANT AND EQUIPMENT

	<b>Furniture and fixture GBP</b>	<b>Office equipment GBP</b>	<b>Total GBP</b>
<b>At cost:</b>			
At 1 January 2014	306	2,887	3,193
Additions	-	13,995	13,995
Exchange realignment	19	126	145
At 31 December 2014 and 1 January 2015	325	17,008	17,333
Additions	344	466	810
Exchange realignment	27	122	149
<b>At 31 December 2015</b>	<b>696</b>	<b>17,596</b>	<b>18,292</b>
<b>Accumulated depreciation:</b>			
At 1 January 2014	33	330	363
Charge for the year	61	2,062	2,123
Exchange realignment	7	38	45
At 31 December 2014 and 1 January 2015	101	2,430	2,531
Charge for the year	98	2,688	2,786
Exchange realignment	7	49	56
At 31 December 2015	206	5,167	5,373
<b>Net carrying value:</b>			
<b>At 31 December 2015</b>	<b>490</b>	<b>12,429</b>	<b>12,919</b>
At 31 December 2014	224	14,578	14,802

## 12. INVESTMENT IN SUBSIDIARIES

	<u>2015</u>	<u>2014</u>
	<b>GBP</b>	<b>GBP</b>
Unlisted shares, at cost	<u>8</u>	<u>8</u>

Particulars of the subsidiaries of the Company are as follows:

Name of subsidiaries	Place of incorporation	Issued/Paid-up share/registered capital	Effective interest held by the Company		Principal activities
			Direct	Indirect	
All Asia Asset Energy Limited	British Virgin Islands	Ordinary Share US\$1	100%	-	Investment holding
All Asia Assets (Hong Kong) Limited	Hong Kong	Ordinary Shares HK\$100	100%	-	Administrative supporting services
Energy Central Limited	British Virgin Islands	Ordinary Share US\$1	-	100%	Investment holding
Fortune House Group Limited	British Virgin Islands	Ordinary Share US\$1	-	100%	Investment holding

## 13. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets comprise of:

	<u>2015</u>	<u>2014</u>
	<b>GBP</b>	<b>GBP</b>
Unlisted equity securities, at cost	<b>4,702,021</b>	4,702,021
Add: fair value adjustment	<b>180,779</b>	147,676
exchange realignment	<b>607,637</b>	351,179
	<u><b>5,490,437</b></u>	<u>5,200,876</u>

The unlisted equity securities are measured at fair value and are classified as Level 3 fair value measurement. Fair value is estimated using Discounted Cash Flow ("DCF") method. Details of which the model's parameters adopted were shown in corresponding note to each category of available-for-sale financial assets.

The details of movement in available-for-sale financial assets have been set out as follow:

### As at 31 December 2015

	Place of Incorporation	At cost GBP	Fair value adjustment GBP	Exchange difference GBP	At fair value GBP
Andaman Power and Utility Co., Limited (a)	Thailand	<b>3,462,095</b>	<b>(1,720)</b>	<b>464,744</b>	<b>3,925,119</b>

Myanmar Allure Group Company Limited (b)	Thailand	<u>1,239,926</u>	<u>182,499</u>	<u>142,893</u>	<u>1,565,318</u>
		<u>4,702,021</u>	<u>180,779</u>	<u>607,637</u>	<u>5,490,437</u>

#### As at 31 December 2014

	Place of Incorporation	At cost GBP	Fair value adjustment GBP	Exchange difference GBP	At fair value GBP
Andaman Power and Utility Co., Limited (a)	Thailand	3,462,095	(96,301)	284,734	3,650,528
Myanmar Allure Group Company Limited (b)	Thailand	<u>1,239,926</u>	<u>243,977</u>	<u>66,445</u>	<u>1,550,348</u>
		<u>4,702,021</u>	<u>147,676</u>	<u>351,179</u>	<u>5,200,876</u>

#### Notes:

- (a) As at 31 December 2015, the Group owns 7% interest of Andaman Power and Utility Co., Limited (“APU”). APU has obtained the rights to develop and operate a 500MW combined-cycle power plant construction project in Shan Province of Myanmar. In the opinion of the directors, the Group has not been in a position to exercise any significant influence over the financial and operating policies of APU. Accordingly, APU has been accounted for as an available-for-sale financial asset.

As at 31 December 2015, the fair value of approximately US\$5,810,000 (equivalent to GBP3,925,119) (2014: US\$5,670,000 (equivalent to GBP3,650,528)) was derived by an independent professional valuer using a DCF method. In determining the fair value, a risk-adjusted discount rate of 31.87% was being used.

- (b) As at 31 December 2015, the Group owns 7% equity interest of Myanmar Allure Group Company Limited (“MAG”). MAG, a private company with limited liability, owns and operates a resort hotel in Tachileik, Shan Province of Myanmar. In the opinion of the directors, the Group has not been in a position to exercise any significant influence over the financial and operating policies of MAG. Accordingly, MAG has been accounted for as an available-for-sale financial asset.

As at 31 December 2015, a fair value of approximately US\$2,517,000 (equivalent to GBP1,565,318) (2014: US\$2,408,000 (equivalent to GBP1,550,348)) was derived by an independent professional valuer using a DCF method. In determining the fair value, a risk-adjusted discount rate of 31.05% was being used.

#### 14. CASH AND BANK BALANCE

<u>2015</u>	<u>2014</u>
<b>GBP</b>	<b>GBP</b>

Cash and bank balance	<u>186,783</u>	<u>452,395</u>
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At 31 December 2015, bank balances carry interest at market rate of 0.05% (2014: 0.05%) per annum. The bank balances are deposited with creditworthy banks of high credit rating.

## 15. SHARE CAPITAL

	Number of ordinary shares of £0.10each	GBP
<b>Authorised</b>		
As at 31 December 2014 and 2015	1,000,000,000	N/A
<b>Issued</b>		
As at 1 January 2014	198,861,072	3,429,969
Issuance of consideration shares <sup>(i)</sup>	11,000,000	2,365,000
As at 31 December 2014 and 1 January 2015	209,861,072	5,794,969
Issue of shares under subscription of share <sup>(ii)</sup>	2,000,000	330,000
Issue of shares under subscription of Share <sup>(iii)</sup>	965,000	159,225
As at 31 December 2015	212,826,072	6,284,194

### Notes:

- (i) Save as disclosed in the elsewhere of these consolidated financial statements, during the year ended 31 December 2014 the Company issued 11,000,000 ordinary shares of the Company as a consideration to acquire 4.5% equity interest in APU.
- (ii) On 7 May 2015, 2,000,000 ordinary shares of 16.5 pence each in the Company were issued at subscription price of 16.5 pence per share by subscription of share. The net proceeds of GBP330,000 were intended to fund further investment opportunities of the Group and general working capital of the Group.
- (iii) On 27 May 2015, 965,000 ordinary shares of 16.5 pence each in the Company were issued at subscription price of 16.5 pence share by subscription of share. The net proceeds of GBP159,225 were intended to fund further investment opportunities of the Group and general working capital of the Group.

All the shares issued were ranked pari passu in all respects with the existing ordinary shares of the Company.

## 16. WARRANTS AND SHARE APPRECIATION AWARDS

The Group has issued or generated one-off warrants and share appreciation awards (the "Awards") to the executive directors of the Company during the Reporting Period.

### *Warrants*

On 25 April 2013, the Company has issued one-off warrants to the executive directors of the Company which given the right to subscribe for new Ordinary Shares of the Company at 3 pence per ordinary share and are exercisable 2 years after the date of grant and will lapse if not exercised within 5 years from the date of grant. There are no performance conditions that are required to be satisfied in order for the Warrants to become exercisable.

	<b>2015</b>		<b>2014</b>	
	<b>No. of</b>	<b>Weighted average exercise price per share (pence)</b>	<b>No. of</b>	<b>Weighted average exercise price per share (pence)</b>
Outstanding at 1 January	12,528,247	3	13,920,274	3
Grant during the year	-	-	-	-
Lapsed during the year	(8,352,165)	3	(1,392,027)	3
Outstanding at 31 December	4,176,082	3	12,528,247	3
Exercisable at 31 December	4,176,082	-	-	-

The exercisable period of warrants of the Company are as follows:

	<b>2015</b>		<b>2014</b>	
	<b>No. of</b>	<b>Weighted average exercise price per share (pence)</b>	<b>No. of</b>	<b>Weighted average exercise price per share (pence)</b>
24 April 2015 – 24 April 2018	4,176,082	3	12,528,247	3

The fair value of the warrants is initially recognised on the grant date was GBP133,839. The fair value was estimated by the directors with reference to a valuation report issued by an independent valuer the Black-Scholes option pricing model by Bloomberg and taking into account the terms and conditions upon which the warrants granted.

On 20 July 2015, one of the executive directors, Dr. Sri Hartati Kurniawan resigned from her office and the 8,352,165 of warrants granted to her lapsed accordingly.

On 16 June 2014, one of the executive directors, Mr. Yuhi Horiguchi resigned from his office and the 1,392,027 of warrants granted to him lapsed accordingly.

#### *Share Appreciation Awards*

On 25 April 2013, the Company issued one-off share appreciation awards (“the Awards”) to the executive directors which are split into five tranches with different exercise timeframe. The Awards are given the rights to receive the new Ordinary Shares of the Company based on the performance of the Company which are measured by the share price of the Company of each tranche. The

Awards will become exercisable in respect of that number of Ordinary Shares subject to the relevant tranche and the Awards are exercisable for two years from the date upon which the relevant performance condition is satisfied and are not exercisable during the close period. Where a Performance Condition is not satisfied within the relevant measurement period, the relevant tranche shall lapse and not carry over. The Company does not intend to grant further share appreciation awards.

	2015					2014	
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Total	Total
	No. of awarded shares	No. of awarded shares	No. of awarded shares	No. of awarded shares	No. of awarded shares		
<b>Outstanding at 1 January</b>	5,369,248	5,369,248	5,369,248	5,369,248	5,369,248		
<b>Granted during the year</b>	-	-	-	-	-	-	-
<b>Lapsed during the year</b>	(5,369,248)	(5,369,248)	(5,369,248)	(5,369,248)	(3,579,499)	(25,056,491)	(2,977,915)
<b>Outstanding as at 31 December</b>	-	-	-	-	1,789,749	1,789,749	26,846,240
<b>Exercisable as at 31 December</b>	-	-	-	-	-	-	21,476,992

The performance condition and exercise period of each tranche are as follow:

Tranche	Share price	Measurement period in respect of tranche
1	4.5 pence	Any 12 month period before 31 December 2013
2	6.75 pence	Any 12 month period before 31 December 2014
3	10.13 pence	Any 12 month period before 31 December 2015
4	15.2 pence	Any 12 month period before 31 December 2016
5	22.8 pence	Any 12 month period before 31 December 2017

The fair value of the Awards is initially recognised on the grant date was GBP66,218. The fair value was estimated by the directors with reference to a valuation report issued by an independent valuer the Black-Scholes option pricing model by Bloomberg and taking into account the terms and conditions upon which the warrants granted.

The performance conditions of the four tranches were met and each was available for exercise before the second anniversary of the date when the performance condition was met.

Tranche	Date of performance met	Exercisable period
1	24 May 2013	24 May 2013 – 24 May 2015
2	21 June 2013	21 June 2013 – 21 June 2015
3	29 Oct 2013	29 Oct 2013 – 29 Oct 2015
4	29 Oct 2013	29 Oct 2013 – 29 Oct 2015

During the year ended 31 December 2015, 7,158,996 of the Awards granted to Mr. Robert Berkeley lapsed accordingly.

On 20 July 2015, one of the executive directors, Dr. Sri Hartati Kurniawan resigned from her office and the 8,352,165 of Awards granted to her lapsed accordingly.

On 16 June 2014, one of the executive directors, Mr. Yuhi Horiguchi resigned from his office and the 1,392,027 of Awards granted to him lapsed accordingly.

## 17. RESERVES

	<b>Fair Value <u>reserve</u> GBP</b>	<b>Share option <u>reserve</u> GBP</b>	<b>Exchange <u>reserve</u> GBP</b>	<b>Accumul- <u>ated loss</u> GBP</b>	<b><u>Total</u> GBP</b>
At 1 January 2014	455,543	200,057	(52,132)	(624,695)	(21,227)
Loss for the period	-	-	-	(505,642)	(505,642)
Other comprehensive income: Fair value change on available for-sale financial assets	(307,868)	-	-	-	(307,868)
Exchange difference on translating financial statements of overseas subsidiaries	-	-	397,366	-	397,366
Total comprehensive income for the year	(307,868)	-	397,366	(505,642)	(416,144)
Lapse of share options	-	(20,006)	-	-	(20,006)
As at 31 December 2014 January 2015	<u>147,675</u>	<u>180,051</u>	<u>345,234</u>	<u>(1,130,337)</u>	<u>(457,377)</u>
Loss for the year	-	-	-	(301,146)	(301,146)
Other comprehensive income: Fair value change on available- for-sale financial assets	33,104	-	-	-	33,104
Exchange difference on translating financial statements of overseas subsidiaries	-	-	255,870	-	255,870
Total comprehensive income for the year	33,104	-	255,870	(301,146)	(12,172)
Lapse of share options	-	(135,926)	-	-	(135,926)
<b>As at 31 December 2015</b>	<b><u>180,779</u></b>	<b><u>44,125</u></b>	<b><u>601,104</u></b>	<b><u>(1,431,483)</u></b>	<b><u>(605,475)</u></b>



## Nature and purpose of the reserves

### (i) Fair Value reserve

The fair value reserve comprises the change in fair value of available-for-sale financial assets as at the end of each reporting period. The amount will be reclassified to profit or loss as realised gain on disposal of available-for-sale financial assets when the available-for-sale financial assets have been disposed.

### (ii) Share options reserve

Share options reserve comprises the fair value of warrants and the Awards granted which are yet to be exercised, the amount will transferred to share capital account when the related warrants and Awards are exercised or to retained profits should the related warrants and Awards expire or be forfeited.

### (iii) Exchange reserve

The exchange fluctuation reserve comprises all foreign exchange difference arising from translation of financial statements of the overseas subsidiaries.

## 18. OTHER PAYABLES AND ACCRUALS

	<u>2015</u> GBP	<u>2014</u> GBP
Accruals expenses	16,250	23,792
Other payables	-	1,315
Deposit received	-	320,922
	<u>16,250</u>	<u>346,029</u>

## 19. OPERATING LEASES ARRANGEMENT

The Group leases certain of its office property under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to two years.

As at the year ended of 31 December 2015, the Group had the following total future minimum lease payments payable under non-cancellable operating lease:

	<u>2015</u> GBP	<u>2014</u> GBP
Not later than one year	9,548	6,570
Later than one year	-	-
	<u>9,548</u>	<u>6,570</u>

## 20. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group

<u>2015</u>	<u>2014</u>
-------------	-------------

	GBP	GBP
Short term employee benefits	119,124	207,504
Past-employment benefit	1,340	2,622
Equity-settled share option expenses	(135,926)	(20,006)
	<u>(15,462)</u>	<u>190,120</u>

## 21. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of cash and cash equivalents and equity attributable to shareholders of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure by considering the cost of capital and the risks associated with capital. In view of this, the Group will balance its overall capital structure through new shares issues as well as issue of new debt.

## 22. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's major financial instruments include equity investment, other payables and bank and cash balances. Detail instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies applied by the Group to mitigate these risks are set out below. Management monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

### Foreign currency risk

The Group has following currency assets which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant currency exposure should the need arises.

### 2015

	Cash and cash equivalents GBP
USD	-
HKD	6,377
	<u>6,377</u>

### 2014

	Cash and cash equivalents GBP
USD	320,922

HKD	2,105
	<u>323,027</u>

### **Sensitivity analysis**

The following table shows the sensitivity analyses of a 5% increase/decrease in GBP against HKD and USD. A positive number below indicates an increase in profit or loss and equity where the GBP weakens 5% against HKD and USD. For a 5% strengthening of GBP against HKD and USD, an equal of opposite impact would exist on profit or loss and equity.

#### **2015**

	<b>Impact of USD GBP</b>	<b>Impact of HKD GBP</b>
Profit or loss	<u>-</u>	<u>319</u>

#### **2014**

	<b>Impact of USD GBP</b>	<b>Impact of HKD GBP</b>
Profit or loss	<u>16,046</u>	<u>105</u>

### ***Interest rate risk***

The Group currently operates with positive cash and cash equivalent as a result of issuing share for cash during the year ended 31 December 2015. As the Group has no borrowings from the bank, the exposure to the interest rate risk is not significant to the Group. The effect of a 5% increase or fall in interest rate obtainable on cash and on short-term deposits would be to increase or decrease the Group's operating results by not more than GBP1,000 (2014: not more than GBP1,000).

### ***Equity price risk***

The Group's equity price risk relates to equity price change arising from unlisted equity securities included available-for-sales financial assets. The Group's unlisted securities are held for medium to long term strategic purpose. Their performance is assessed periodically by the directors of the Company.

### **Sensitivity analysis**

If the price of the respective investments held by the Group as AFS financial assets were higher or lower by 5% as at 31 December 2015, the Group's other comprehensive income for year ended 31 December 2015 would increase or decrease by approximately GBP281,143 (2014: GBP265,345).

### ***Credit risk***

The Group's maximum exposure to credit risk is represented by total financial assets held by the Group. The Group does not hold any collateral during the reporting period.

Cash and bank deposits are placed with financial institutions with sound credit ratings and the directors of the Company do not expect any counterparty failing to meet its obligation.

The Group does not provide any financial guarantees which would expose the Group to credit risk.

## Liquidity risk

Liquidity risk is the risk that the Group are unable to meet their payment obligations associated with its financial liabilities when they fall due. The Group manages liquidity risk by maintaining adequate reserves, as well as continuously monitoring cash flow forecast and actual cash flows.

In managing the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents that is adequate in discretion of the directors of the Company. In formulating their strategy, the directors of the Company would consider the financing of the Group's operations and the effects of fluctuation in operating and investing cash flows. As at 31 December 2015, the liquidity of the Group is primarily dependent on its ability to maintain adequate cash flows from operations and to raise funds through issue and allotment of new shares to meet its obligations and investment project opportunities as they fall due or arise.

The maturity profile of the Group's financial liabilities as at the end of the year is as follows:

### 2015

	<b>Weighted Average effective interest rate</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>undiscou- nted cash flows</b>	<b>Total Carrying amount at 31 Dec 2015</b>
	%	GBP	GBP	GBP	GBP
Accruals and other payables	<b>N/A</b>	<b>16,250</b>	<b>-</b>	<b>-</b>	<b>16,250</b>

### 2014

	Weighted average effective interest rate	Less than 1 year	More than 1 year	Undiscounted cash flows	Total carrying amount at 31 Dec 14
	%	GBP	GBP	GBP	GBP
Accruals and other payables	N/A	346,029	-	-	346,029

## Fair values on financial instruments

### (i) Financial instruments carried at fair value on a recurring basis

The following table presents the carrying amount of financial instruments measured at fair value at 31 December 2015 across the three levels of the fair value hierarchy defined in IFRS 13 Fair Value Measurements, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to the fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair value measurements are those derived from quoted price (unadjusted) in active markets for identical asset or liabilities;
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 (lowest level): fair value measures are those derived from valuation techniques that include inputs for assets or liability that are not based on observable market data (unobservable inputs).

As at 31 December 2015, the Group had following financial instrument carried at fair value all of which are based on the level 3.

	<u>2015</u>	<u>2014</u>
	<b>GBP</b>	GBP
Available-for-sale financial assets	<u><b>5,490,437</b></u>	<u>5,200,876</u>

As at 31 December 2015 and 2014, the Group had only available-for-sale financial assets carried at fair value which are based on the Level 3.

#### Level 3 movement tables

	<u>2015</u>	<u>2014</u>
	<b>GBP</b>	GBP
At the beginning of the year	<b>5,200,876</b>	2,426,674
Total gains or losses		
in profit or loss	-	-
in other comprehensive income	<b>33,104</b>	(307,868)
Purchase	-	2,689,775
Exchange realignment	<b>256,457</b>	392,295
<b>At the end of the year</b>	<u><b>5,490,437</b></u>	<u>5,200,876</u>

The following table gives information about how the fair values of the Group's available-for-sale financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial Assets	31 December 2015 GBP	Valuation technique(s)	unobservable inputs	Range	Relationship of unobservable inputs to fair value
Andaman Power and Utility Co., Limited	3,925,119	Discounted cash flow	Free cash flow	N/A	The higher the free cash flow, the higher the fair value
			Discount rate	31.87%	The higher the discount rate, the lower the fair value
			Discount for lack of marketability	14.16%	The higher the discount for lack of marketability, the lower fair value
Myanmar Allure Group Company Limited	1,565,318	Discounted cash flow	Free cash flow	N/A	The higher the free cash flow, the higher the fair value
			Discount rate	33.05%	The higher the discount rate, the lower the fair value
			Discount for lack of marketability	14.67%	The higher the discount for lack of marketability, the lower fair value

*Fair Value of Financial instruments carried at other than fair value*

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair value as at 31 December 2015 due to their short-term maturities.

## 2015

	<b>Carrying amount</b>	<b>Fair value</b>
	<b>GBP</b>	<b>GBP</b>
Bank and cash balances	186,783	186,783
Deposits	4,830	4,830
Accruals and other payable	<u>(16,250)</u>	<u>(16,250)</u>

## 2014

	Carrying amount	Fair value
	GBP	GBP
Bank and cash balances	452,395	452,395
Deposits	15,548	15,548
Accruals and other payable	<u>(346,029)</u>	<u>(346,029)</u>

### Classification and fair value of financial assets and liabilities

The carrying amounts of each of the categories of financial instruments are as at the end of the reporting period are as follows:

	<b>Loan and receivables</b>	<b>AFS financial assets</b>	<b>Other financial liabilities</b>	<b>Total</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>2015</b>				
<b>AFS financial assets</b>	-	5,490,437	-	5,490,437
<b>Deposits</b>	4,830	-	-	4,830
<b>Bank and cash balance</b>	186,783	-	-	186,783
	<u>191,613</u>	<u>5,490,437</u>	<u>-</u>	<u>5,682,050</u>
<b>Accruals and other payables</b>	<u>-</u>	<u>-</u>	<u>(16,250)</u>	<u>(16,250)</u>

	Loan and receivables	AFS financial assets	Other financial liabilities	Total
	GBP	GBP	GBP	GBP

2014

AFS financial assets	-	5,200,876	-	5,200,876
Deposits	15,548	-	-	15,548
Bank and cash balance	452,395	-	-	452,395
	<u>467,943</u>	<u>5,200,876</u>	<u>-</u>	<u>5,668,819</u>
Accruals and other payables	-	-	(346,029)	(346,029)

### Estimation of fair value

Fair value for unquoted equity investments are estimated using the discount cash flow valuation techniques.

### 23. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements was approved and authorised for issue by the board of Directors on 8 June 2016.

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