



IQBAL YASIR & COMPANY

CHARTERED ACCOUNTANTS

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed consolidated statement of financial position of ALLIANCE GLOBAL CAPITAL LIMITED (the parent company) and its subsidiary ALLIANCE GLOBAL CAPITAL PTE LIMITED (the company and its subsidiary constitute the group) as at December 31, 2015 and the related consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows together with the notes forming part thereof for the period from 14 July 2015 to 31 December 2015.

The parent company's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards and Samoa's International Companies Act, 1987 and for such internal control as management determines necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 depends 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 fair presentation of 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 management, 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.

In our opinion and to the best of our information, the consolidated financial statements present fairly, in all material respects the financial position of ALLIANCE GLOBAL CAPITAL LIMITED and its subsidiary as at December 31, 2015 and of their financial performance and cash flows for the period then ended in accordance with the International Financial Reporting Standards and Samoa's International Companies Act, 1987.

Lahore

Date: **14 MAR 2016**



IQBAL YASIR & COMPANY
IQBAL YASIR AND COMPANY
(Chartered Accountants)

Engagement Partner: Yasir Riaz

YR

Head Office:

House No. 415, Block B, Faisal Town,
Lahore.
Ph: 042-35218637-39 Fax: 042-35218640
Email: info@iyk.com.pk

Office Islamabad:

Room No. 2, 2nd Floor,
Pacific Centre, F-8, Markaz Islamabad
Ph: 051-2287347, 051-2287316
Fax: 051-2263636 Email: info.isb@iyk.com.pk

ALLIANCE GLOBAL CAPITAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

| | Note | 31 December 2015 USD |
|--|------|----------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Short term loan | 6 | 574,424 |
| Other financial assets | 7 | 81,761 |
| Interest receivable | | 89,122 |
| Cash and bank balance | 8 | 178,324 |
| | | 923,631 |
| TOTAL ASSETS | | 923,631 |
| EQUITY AND LIABILITIES | | |
| SHARE CAPITAL AND RESERVES | | |
| Authorized share capital | 9 | 14,000,001 |
| Issued, subscribed and paid up capital | 9 | 60,000 |
| Consolidated retained earnings | | 861,631 |
| | | 921,631 |
| Amount due to shareholders | | - |
| CURRENT LIABILITIES | | |
| Accrued liabilities | 10 | 2,000 |
| CONTINGENCIES AND COMMITMENTS | | |
| | 11 | - |
| TOTAL EQUITY AND LIABILITIES | | 923,631 |

The annexed notes from 1 to 20 form an integral part of these financial statements.



 DIRECTOR



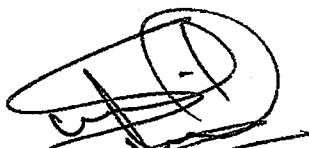


 DIRECTOR

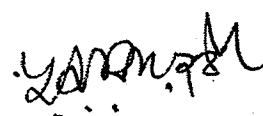
ALLIANCE GLOBAL CAPITAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

| | Note | 14 July 2015 to 31 December 2015 USD |
|---|------|--|
| Revenue | 12 | 523,928 |
| Operating Expenses | | |
| Commission, fee and professional charges | | 11,222 |
| Consultancy fee | | 19,537 |
| Listing fee | | 39,063 |
| Travelling and Conveyance | | 88,700 |
| Business development expenses | | 14,965 |
| Audit fee | | 2,000 |
| Bank charges | | 2,484 |
| | | (177,971) |
| Operating Profit | | 345,957 |
| Bargain purchase gain on the acquisition of subsidiary | 16 | 515,673 |
| Profit before tax | | 861,630 |
| Taxation | 13 | - |
| Profit after tax | | 861,630 |
| Earnings per share - attributable to the Shareholder of parent company | 14 | 0.19 |

The annexed notes from 1 to 20 form an integral part of these financial statements.


 DIRECTOR




 DIRECTOR

ALLIANCE GLOBAL CAPITAL LIMITED
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

14 July 2015
to
31 December 2015
USD

Profit for the period


861,630

Other comprehensive income for the period

Total comprehensive income for the period

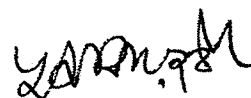
861,630

The annexed notes from 1 to 20 form an integral part of these financial statements.



DIRECTOR



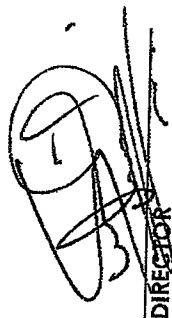


DIRECTOR

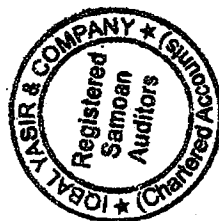
ALLIANCE GLOBAL CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

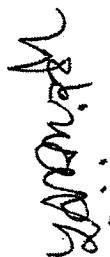
| | Share capital | | Total | Consolidated retained earnings | Total equity and reserves |
|---|---------------|-------------|--------|--------------------------------|---------------------------|
| | Ordinary | Convertible | | | |
| -----USD----- | | | | | |
| Issuance of new shares | 45,001 | 15,000 | 60,001 | - | 60,001 |
| Buyback of shares | (1) | - | (1) | 1 | - |
| Total comprehensive income for the period | - | - | - | 861,630 | 861,630 |
| Balance as at 31 December 2015 | 45,000 | 15,000 | 60,000 | 861,631 | 921,631 |

The annexed notes from 1 to 20 form an integral part of these financial statements.



 DIRECTOR



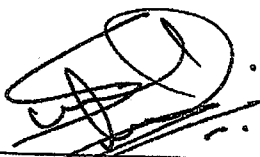


 DIRECTOR

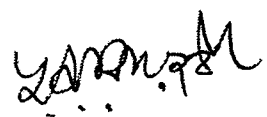
ALLIANCE GLOBAL CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

| | 2015 USD |
|---|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Profit before tax | 861,631 |
| Adjustments for: | |
| - finance cost | 2,484 |
| Operating profit before working capital changes | <u>864,115</u> |
| WORKING CAPITAL CHANGES | |
| (Increase)/Decrease in current assets | |
| Short term loan | (574,424) |
| Other financial assets | (81,761) |
| Interest receivable | (89,122) |
| Increase/(Decrease) in current liabilities | |
| Accrued liabilities | 2,000 |
| Cash generated from operations | <u>(743,307)</u> |
| Less: Finance cost paid | 120,808 |
| | (2,484) |
| Net cash inflow from operating activities | <u>118,324</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Net cash flow from investing's activities | <u>-</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | |
| Issue of new shares | 60,000 |
| Net cash inflow from financing activities | <u>60,000</u> |
| Net change in cash and cash equivalents | 178,324 |
| Cash and cash equivalents at the beginning of the year | - |
| Cash and cash equivalents at the end of the period | <u>178,324</u> |

The annexed notes from 1 to 20 form an integral part of these financial statements.


 DIRECTOR




 DIRECTOR

ALLIANCE GLOBAL CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

1. STATUS AND NATURE OF BUSINESS

The group consists of the following companies:

1.1 Holding company

Alliance Global Capital Limited was incorporated under the International Companies Act, 1987 in Samoa as an international company on the 14 July 2015. The registered office of the company is situated at 2nd Floor Building B, SNPF Plaza, Savalanao, Apia, Samoa. This company is registered as a foreign company in Australia with an Australian registered office at C/- Highgate Corporate Advisors Pty Ltd Suite 214, Level 2, Lexington drive, Bella Vista NSW 2153 Australia. The principal activities of the company is provision of corporate consultancy and advisory services.

1.2 Subsidiary company

Alliance Global Capital Pte Limited (the Company) is principally engaged in providing consultancy services. The Company is a limited liability company incorporated in Singapore. There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

2.1 BASIS OF MEASUREMENT

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been prepared on a historical cost basis. These financial statements are the first accounts of the company and accordingly have been prepared from the date of incorporation on 14 July 2015 to 31 December 2015.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary made up to 31 December 2015 using uniting of interest method.

Under the uniting of interest method, the cost of the business combination is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed, and equity.

At the acquisition date, the cost of the business combination is allocated to identifiable assets, liabilities and contingent liabilities in the business combination which are measured initially at closing values at the acquisition date. The excess of the cost of the business combination over the Group's interest in the net closing value of the identifiable assets, liabilities and contingent liabilities, the Group will:

- a) Reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination; and
- b) Recognize immediately in profit or loss any excess remaining after that assessment.



Subsidiaries are consolidated from the acquisition date, which is the date on which the group effectively obtains control, until the date on which the group ceases to control the subsidiaries. Control exists when the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are exercisable are taken into the account.

Intragroup balances, transactions and unrealized gains and losses on the intragroup transactions are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in consolidated financial statements. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing consolidated financial statements.

The gain or loss on the disposal of a subsidiary, which the difference between the net disposal proceeds and the Group's share of its net assets as of the date of disposal including the carrying amount of goodwill and the cumulative amount of any exchange differences that relate to the subsidiary, is recognized in the consolidated statement of comprehensive income.

Under the uniting of interest method, the cost of business combination is measured at the aggregate of fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued. Non controlling interest is that portion of the profit or loss and net assets of the subsidiary attributable to the equity interests that are not owned, directly and indirectly through subsidiaries, by the group. It is measured at the Non controlling interest share of the fair value of the subsidiaries identifiable assets and liabilities at the acquisition date and the Non controlling interest share of changes in the subsidiaries equity since that date.

2.3 Statement of compliance

These financial statements have been prepared in accordance with the International Accounting and Financial Reporting Standards and the requirements of the Samoa's International Companies Act, 1987. In case requirements differ, the provisions or directives of the International Companies Act, 1987 shall prevail.

3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Standards, amendments and interpretations which became effective during the year

Below is a list of the amendments to IFRSs and the new Interpretations that are mandatorily effective for accounting periods that begin on or after 1 January 2015.

- Amendments to IFRS 10 and IAS 27 Investment Entities; and
- Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting;

Amendments to IFRS 10 and IAS 27 Investment Entities

The amendments to IFRS 10 define an investment entity and introduce an exception from the requirement to consolidate subsidiaries for an investment entity. In terms of the exception, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss. The exception does not apply to subsidiaries of investment entities that provide services that relate to the investment entity's investment activities.

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is an investment entity when it:

- obtains funds from one or more investors for the purpose of providing them with investment management services;



- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measures and evaluates performance of substantially all of its investments on a fair value basis.

Consequential amendments to IFRS 12 and IAS 27 have been made to introduce new disclosure requirements for investment entities. In general, the amendments require retrospective application, with specific transitional provisions.

Amendments to IAS 39 Continuation of Hedge Accounting

The amendments to IAS 39 permits an entity to apply the hedge accounting requirements, for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets and liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the "own used" scope exception.

3.2 Standards, amendments or interpretations issued but not yet effective

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the year ending 31 December 2015:

- IFRS 5 Discontinued operations; Annual improvements
- IFRS 7 Financial Instruments; Annual improvements
- IFRS 9 Financial Instruments;
- IFRS 14 Regulatory Deferral Accounts;
- IFRS 15 Revenue from Contracts with Customers;
- IFRS 16 Leases
- Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations; Amortization;
- IAS 01-Presentation of Financial Statements. - Disclosure Initiative (Amendment)
- IAS 16 -Property, Plant and Equipment and IAS -38 Intangible Assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment).
- IAS 19 Employees Benefit; Annual improvements
- IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)
- Amendments to IAS 28 Investment in associates and joint ventures; Sale or Contribution of assets, Consolidation exceptions

- 3.3 There are a number of other minor amendments and interpretations to other approved accounting standards that are not yet effective and are also not relevant to the Company and therefore have not been presented here.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company.



4.1 Measurement of fair value

When measuring the fair value of assets and liabilities, the company uses market observables data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as stated in Note 17 to these financial statements

4.2 Revenue Recognition

In making their judgment, the directors considered the detailed criteria for the recognition of revenue from the rendering of services as set out in IAS 18 and, in particular, whether the company has established the right to record the said revenue.

5 SIGNIFICANT OF ACCOUNTING POLICIES

5.1 Functional and presentation currency

These financial statements are prepared in US Dollars, which is the company's functional as well as presentation currency.

5.2 Foreign currencies

Transactions in foreign currencies during the financial year are converted into United States Dollars (USD) at exchange rates ruling at the transaction dates. Foreign currency monetary assets and liabilities at the statement of financial position date are translated into USD at exchange rates ruling at that date. All exchange gains or losses are dealt with in the income statement.

5.3 Trade and other receivables

Receivables are stated at anticipated realizable value. Bad debts are written off in the period in which they are identified. Allowance for bad and doubtful debts is made on estimates of possible losses which may arise from non-collection of certain debts.

5.4 Financial instruments

Financial instruments are recognized in the Statement of financial position when the Company is a party to the contractual provision of the instruments. The recognized financial instruments of the company in the statement of financial position comprise cash and cash equivalents, investments, short term loans and interest receivables that arise directly from its operations, non-trade receivables and payables arising from transactions entered into in the normal course of business, borrowings, and ordinary share capital. The company classifies its financial assets into following measurement categories.

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held to maturity
- Available for sale

Financial liabilities are classified as either held at fair value through profit or loss or at amortized cost. Management determines the classification of financial assets and liabilities at initial recognition or, where appropriate, at the time of reclassification.

5.5 Cash and cash equivalent

Cash and cash equivalents consist of cash in hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented.

5.6 Trade creditors

Payables are stated at their nominal values which are the fair values of the consideration to be paid in the future for goods and services received.



5.7 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the company's business, revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria has been met for each of the company's activities as described below:

Rendering of services

Revenue from contracts is recognized on accrual basis

The recognition of revenue to the stage of completion of a transaction is often referred to as the percentage of completion method. Under this method, revenue is recognized in the accounting periods in which the services are rendered. The recognition of revenue on this basis provides useful information on the extent of service activity and performance during a period.

Interest / Mark up income

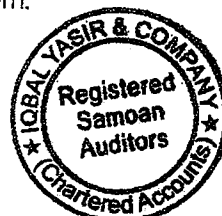
Interest / Mark up is recognized on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

5.8 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the company has a legally enforceable right to offset the recognized amounts and the company intends to settle either on a net basis or realize the asset and settle the liability.



| | 2015 USD |
|--|-------------------|
| 6. SHORT TERM LOAN | |
| Mogul Pure Water Industries Limited - Bangladesh | 574,424 |
| | <u>574,424</u> |
| 6.1 The group made advances to the entity as part of its investment strategy in start-up businesses. The advance is for a period of one year unless extended for another year. The loan could be extended for up to 5 years in total. | |
| 6.2 The interest is calculated at the rate of 10 percent per annum and is payable in lump sum along with the principal repayment of the loans on annual basis. | |
| | 2015 USD |
| 7 OTHER FINANCIAL ASSET | |
| Advances for shares | 81,761 |
| | <u>81,761</u> |
| 7.1 This represents advance for equity interest in Highgate Corporate Advisors Pty Limited; an Australian registered company. | |
| | 2015 USD |
| 8 CASH AND BANK BALANCE | |
| Cash in hand | - |
| Cash at bank: | |
| - current accounts | - |
| - saving Accounts | - |
| | 178,324 |
| | <u>178,324</u> |
| 9 SHARE CAPITAL | |
| Authorized share capital | |
| Ordinary Share Capital | |
| 1,000,000,000 ordinary shares of USD 0.01 each | 10,000,000 |
| 1 founder share of USD 1.00 each | 1 |
| | 10,000,001 |
| Convertible Shares | |
| 400,000,000 convertible shares of USD 0.01 each | 4,000,000 |
| | <u>14,000,001</u> |
| 9 Issued, subscribed and paid up share capital | |
| Ordinary Share Capital | |
| 4,500,000 shares of US \$ 0.01 each | 45,000 |
| Convertible Share Capital | |
| 1,500,000 shares of US \$ 0.01 each | 15,000 |
| | <u>60,000</u> |
| 8.1 The convertible shares are convertible at the option of the company once the company has raised additional capital in excess of USD 30 million. These shares are not entitled to the dividend declared by the company before any conversion. The company retains the right to either convert the shares into ordinary shares or to pay them off and redeem them. | |



| | 2015 |
|-------------------------------|--------------|
| | USD |
| 10 ACCRUED LIABILITIES | |
| Audit fee payable | 2,000 |
| | <u>2,000</u> |

11 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES:

There were no contingencies as on the statement of financial position date.

COMMITMENTS:

There were no capital commitments as on the statement of financial position date.

14 July 2015
to
31 December
2015

| | |
|---------------------------------|----------------|
| 12 REVENUE | |
| Income from consulting services | 472,306 |
| Interest income | 51,622 |
| | <u>523,928</u> |

13 TAXATION

No provision for taxation has been made as the company is not subject to taxation in any of the jurisdictions it operates.

| | 2015 |
|--|----------------------------|
| | USD |
| 14 EARNINGS PER SHARES | |
| Profit after taxation for the year | USD 861,630 |
| Weighted average number of ordinary shares | Number of shares 4,500,000 |
| Earnings per share - basic and diluted | USD 0.19 |

12.1 There is no dilutive effect on basic earnings per share.

15 RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. There are no related party transactions in the year.

16 BUSINESS COMBINATION

As at 31 August 2015 the company acquired Alliance Global Capital Pte Limited, a company with its registered office in Singapore.

The acquisition was accounted for by applying the purchase method. The cost of the acquisition was measured at the fair value of the consideration given. Identified assets acquired, liabilities assumed or incurred have been carried at the fair value as at the acquisition date.

| | |
|---|----------------|
| Fair value of identifiable net assets at date of acquisition | 575,673 |
| Percentage of identifiable net assets acquired | 100% |
| Purchase consideration paid in ordinary shares of the company | 60,000 |
| Bargain Purchase Gain | <u>515,673</u> |



2015
USD

17 FINANCIAL INSTRUMENTS

17.1 Financial instruments by class and category

Financial assets

| | |
|------------------------|----------------|
| Short term loan | 574,424 |
| Other financial assets | 81,761 |
| Interest receivable | 89,122 |
| Cash and bank balance | 178,324 |
| | 923,631 |

17.2 Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged or liability be settled between knowledgeable willing parties in an arm's length transaction. As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts. Further, there are no fair value estimation uncertainties.

17.2.1 Methods of determining fair values

Fair values of financial instruments for which prices are available from the active market are measured by reference to those market prices. The fair value of financial assets (other than investments) and liabilities with no active market are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

17.2.2 Discount/interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.

17.2.3 Fair value hierarchy

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value hierarchy of financial assets measured at fair value is as follows:

| | 2015 | | | |
|------------------------|----------------|----------------|----------------|----------------|
| | Total | Level 1 | Level 2 | Level 3 |
| Short term loan | 574,424 | - | - | 574,424 |
| Other financial asset | 81,761 | - | - | 81,761 |
| Interest receivable | 89,122 | - | - | 89,122 |
| Cash and bank balances | 178,324 | - | - | 178,324 |
| | 923,631 | - | - | 923,631 |



18. FINANCIAL RISK MANAGEMENT

Financial risk factors

Financial instruments comprise advances, deposits, interest accrued, trade debts, cash and bank balances, short term borrowings and trade and other payables, short term investments.

The company has exposure to the following risks from its use of financial instruments:

Market risk

Liquidity risk

Credit risk

The Board of Directors has the overall responsibility for the establishment and oversight of company's risk management framework. The Board is also responsible for developing and monitoring the company's risk management policies.

The company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the company's activities.

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

18.1 Market risk

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

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist.

The company's exposure to currency risk arising from currency exposure to the United States Dollar (USD) on amounts placed with scheduled banks in foreign currency account.

Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company has no significant long-term interest-bearing assets. The company's interest rate risk arises from short term borrowing. Borrowings obtained at variable rates expose the company to cash flow interest.

At the balance sheet date the interest rate profile of the company's interest bearing financial instruments was:

Interest rate risk management

The company manages interest rate risk by analyzing its interest rate exposure on dynamic basis. Cash flow interest rate risk is managed by simulating various scenarios taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the company calculates impact on profit after taxation and equity of defined interest rate shift, mostly 100 basis points.



18.2 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

15.2.1 Maximum exposure to credit risk

The maximum exposure to credit risk as at the reporting date is as follows:

Financial assets

Short term loan

Interest receivable

Cash and bank balances

2015

USD

574,424

89,122

178,324

841,870

18.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is classified in its funds managed by it and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk.

18.2.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external ratings, where available, or to historical information about counterparty default rates.

18.2.3.1 Counterparties with external credit ratings

These include banking companies, which are counter parties to bank balances, various other organizations which are counter parties to investments in debt securities and dividend and profit receivable thereon. These counterparties have reasonably high ratings based on which non-performance by these counterparties is not expected.

18.2.3.2 Counterparties without external credit ratings

These include Central Depository Company of Pakistan Limited which is counterparty to security deposits. Non-performance by these counterparties is not expected.

18.2.4 Collateral held

The Company does not hold any collateral to secure its financial assets.

18.2.5 Credit risk management

The Company's credit risk is primarily attributable to its investment in its funds, balances with banks, and security deposits. Bank balances are maintained with counter parties that are banking companies with reasonably high credit ratings. The risk of default is considered minimal in case of investments in debt securities.



18.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

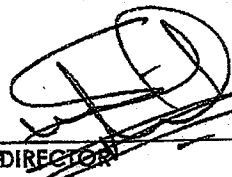
The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses.

19 DATE OF AUTHORIZATION FOR ISSUE

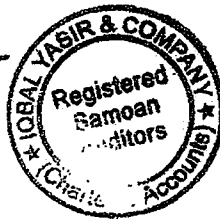
These financial statements have been approved and authorized for issue on _____ by the Board of Directors of the parent company.

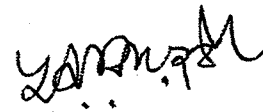
20 GENERAL

Figures have been rounded off to the nearest US Dollar.



DIRECTOR





DIRECTOR



IQBAL YASIR & COMPANY

CHARTERED ACCOUNTANTS

REVIEW REPORT ON PROFORMA FINANCIAL STATEMENTS

We have reviewed the annexed proforma consolidated financial statements of ALLIANCE GLOBAL CAPITAL LIMITED, which comprises of consolidated statement of financial position as at 31 December 2015, and the consolidated profit and loss account, consolidated statement of changes in equity, consolidated statement of cash flows for the period from 14 July 2015 to 31 December 2015, and a summary of significant accounting policies and other explanatory information which has been adjusted for the net effect of the issue of US \$ 150,000 of additional share capital pursuant to an offer dated 31 December 2015 as if that capital was issued as at the same date

Management is responsible for the preparation of these proforma financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express a conclusion on the annexed consolidated financial statements. We conducted our review in accordance with International Standard on Review Engagement (ISRE) 2400, Engagement to Review Historical Financial Statements. ISRE 2400 requires us to conclude whether anything has come to our attention that cause us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

As review of financial statements in accordance with ISRE 2400 is a limited assurance engagement. The reviewer performs procedures, primarily consisting of making inquiries of management and others within the company, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Based on our review, the net effect of increase in US \$150,000 on paid-up capital, share premium and cash and bank balances on the last audited consolidated financial statements, nothing has come to our attention that causes us to believe that these proforma financial statements do not present fairly, in all material respects, the financial position of the company as at 31 December 2015, and of its financial performance for the period from 14 July 2015 to 31 December 2015, in accordance with the International Financial Reporting Standard.

Lahore
Date:

14 MAR 2016



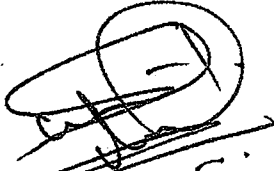
IQBAL YASIR
IQBAL YASIR AND COMPANY
(Chartered Accountants)
Engagement Partner: Yasir Riaz

YR

ALLIANCE GLOBAL CAPITAL LIMITED
PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

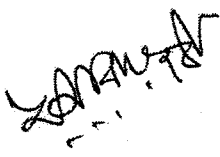
| | Note | 31 December 2015 USD |
|--|------|----------------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Short term loan | 6 | 574,424 |
| Other financial assets | 7 | 81,761 |
| Interest receivable | | 89,122 |
| Cash and bank balance | 8 | 328,324 |
| | | <u>1,073,631</u> |
| TOTAL ASSETS | | <u><u>1,073,631</u></u> |
| <u>EQUITY AND LIABILITIES</u> | | |
| SHARE CAPITAL AND RESERVES | | |
| Authorized share capital | 9 | <u>14,000,001</u> |
| Issued, subscribed and paid up capital | 9 | 75,000 |
| Share premium | | 135,000 |
| Consolidated retained earnings | | <u>861,631</u> |
| | | <u>1,071,631</u> |
| Amount due to shareholders | | - |
| CURRENT LIABILITIES | | |
| Accrued liabilities | 10 | 2,000 |
| CONTINGENCIES AND COMMITMENTS | | |
| | 11 | - |
| TOTAL EQUITY AND LIABILITIES | | <u><u>1,073,631</u></u> |

The annexed notes from 1 to 20 form an integral part of these financial statements.



 DIRECTOR






 DIRECTOR

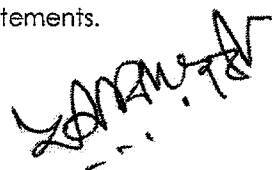
ALLIANCE GLOBAL CAPITAL LIMITED
PROFORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

| | Note | 14 July 2015 to 31 December 2015 USD |
|---|------|--|
| Revenue | 12 | 523,928 |
| Operating Expenses | | |
| Commission, fee and professional charges | | 11,222 |
| Consultancy fee | | 19,537 |
| Listing fee | | 39,063 |
| Travelling and Conveyance | | 88,700 |
| Business development expenses | | 14,965 |
| Audit fee | | 2,000 |
| Bank charges | | 2,484 |
| | | (177,971) |
| Operating Profit | | 345,957 |
| Bargain purchase gain on the acquisition of subsidiary | 16 | 515,673 |
| Profit before tax | | 861,630 |
| Taxation | 13 | - |
| Profit after tax | | 861,630 |
| Earnings per share - attributable to the Shareholder of parent company | 14 | 0.14 |

The annexed notes from 1 to 20 form an integral part of these financial statements.


 DIRECTOR




 DIRECTOR

ALLIANCE GLOBAL CAPITAL LIMITED
PROFORMA CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

14 July 2015
to
31 December 2015

USD


Profit for the period 861,630

Other comprehensive income for the period -

Total comprehensive income for the period

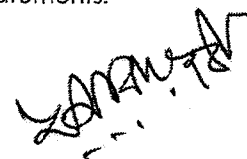
861,630

The annexed notes from 1 to 20 form an integral part of these financial statements.



DIRECTOR






DIRECTOR

ALLIANCE GLOBAL CAPITAL LIMITED
PROFORMA CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

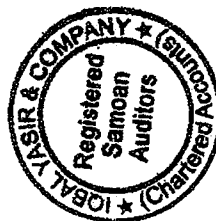
| | Share capital | | Share premium | Consolidated retained earnings | Total equity and reserves |
|---|---------------|---------------|---------------|--------------------------------|---------------------------|
| | Ordinary | Convertible | | | |
| | | | Total | | |
| Issuance of new shares | 60,001 | 15,000 | 75,001 | 135,000 | 210,001 |
| Buyback of shares | (1) | - | (1) | - | - |
| Total comprehensive income for the period | - | - | - | 861,630 | 861,630 |
| Balance as at 31 December 2015 | 60,000 | 15,000 | 75,000 | 135,000 | 1,071,631 |

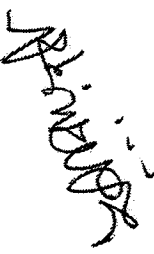
-----USD-----

The annexed notes from 1 to 20 form an integral part of these financial statements.



 DIRECTOR



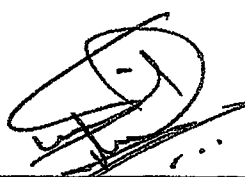


 DIRECTOR

ALLIANCE GLOBAL CAPITAL LIMITED
PROFORMA CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

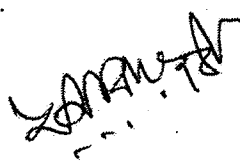
| | 2015 USD |
|---|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Profit before tax | 861,631 |
| Adjustments for: | |
| - finance cost | 2,484 |
| Operating profit before working capital changes | <u>864,115</u> |
| WORKING CAPITAL CHANGES | |
| (Increase)/Decrease in current assets | |
| Short term loan | (574,424) |
| Other financial assets | (81,761) |
| Interest receivable | (89,122) |
| Increase/(Decrease) in current liabilities | |
| Accrued liabilities | 2,000 |
| | <u>(743,307)</u> |
| Cash generated from operations | 120,808 |
| Less: Finance cost paid | (2,484) |
| Net cash inflow from operating activities | <u>118,324</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Net cash flow from investing activities | <u>-</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | |
| Issue of new shares | 75,000 |
| Share premium received | 135,000 |
| Net cash inflow from financing activities | <u>210,000</u> |
| Net change in cash and cash equivalents | 328,324 |
| Cash and cash equivalents at the beginning of the period | - |
| Cash and cash equivalents at the end of the period | <u><u>328,324</u></u> |

The annexed notes from 1 to 20 form an integral part of these financial statements.



 DIRECTOR





 DIRECTOR

ALLIANCE GLOBAL CAPITAL LIMITED
PROFORMA NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 14 JULY 2015 TO 31 DECEMBER 2015

1. STATUS AND NATURE OF BUSINESS

The group consists of the following companies:

1.1 Holding company

Alliance Global Capital Limited was incorporated under the International Companies Act, 1987 in Samoa as an international company on the 14 July 2015. The registered office of the company is situated at 2nd Floor Building B, SNPF Plaza, Savalanao, Apia, Samoa. This company is registered as a foreign company in Australia as a foreign company with an Australian registered office at C/- Highgate Corporate Advisors Pty Ltd Suite 214, Level 2, Lexington drive, Bella Vista NSW 2153 Australia. The principal activities of the company is provision of corporate consultancy and advisory services.

1.2 Subsidiary company

Alliance Global Capital Pte Limited ('the Company') is principally engaged in providing consultancy services. The Company is a limited liability company incorporated in Singapore. There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

2.1 BASIS OF MEASUREMENT

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been prepared on a historical cost basis.

These financial statements are the first accounts of the company and accordingly have been prepared from the date of incorporation on 14 July 2015 to 31 December 2015.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary made up to 31 December 2015 using uniting of interest method.

Under the uniting of interest method, the cost of the business combination is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed, and equity.

At the acquisition date, the cost of the business combination is allocated to identifiable assets, liabilities and contingent liabilities in the business combination which are measured initially at closing values at the acquisition date. The excess of the cost of the business combination over the Group's interest in the net closing value of the identifiable assets, liabilities and contingent liabilities, the Group will:

- a) Reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination; and
- b) Recognize immediately in profit or loss any excess remaining after that assessment.



Subsidiaries are consolidated from the acquisition date, which is the date on which the group effectively obtains control, until the date on which the group ceases to control the subsidiaries. Control exists when the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are exercisable are taken into the account.

Intragroup balances, transactions and unrealized gains and losses on the intragroup transactions are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in consolidated financial statements. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing consolidated financial statements.

The gain or loss on the disposal of a subsidiary, which the difference between the net disposal proceeds and the Group's share of its net assets as of the date of disposal including the carrying amount of goodwill and the cumulative amount of any exchange differences that relate to the subsidiary, is recognized in the consolidated statement of comprehensive income.

Under the uniting of interest method, the cost of business combination is measured at the aggregate of fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued. Non controlling interest is that portion of the profit or loss and net assets of the subsidiary attributable to the equity interests that are not owned, directly and indirectly through subsidiaries, by the group. It is measured at the Non controlling interest share of the fair value of the subsidiaries identifiable assets and liabilities at the acquisition date and the Non controlling interest share of changes in the subsidiaries equity since that date.

2.3 Statement of compliance

These financial statements have been prepared in accordance with the International Accounting and Financial Reporting Standards and the requirements of the Samoa's International Companies Act, 1987. In case requirements differ, the provisions or directives of the International Companies Act, 1987 shall prevail.

3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Standards, amendments and interpretations which became effective during the year

Below is a list of the amendments to IFRSs and the new Interpretations that are mandatorily effective for accounting periods that begin on or after 1 January 2015.

- Amendments to IFRS 10 and IAS 27 Investment Entities;
 - Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting; and
- Amendments to IFRS 10 and IAS 27 Investment Entities**

The amendments to IFRS 10 define an investment entity and introduce an exception from the requirement to consolidate subsidiaries for an investment entity. In terms of the exception, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss. The exception does not apply to subsidiaries of investment entities that provide services that relate to the investment entity's investment activities.

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is an investment entity when it:

- obtains funds from one or more investors for the purpose of providing them with investment management services;
- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and



- measures and evaluates performance of substantially all of its investments on a fair value basis.

Consequential amendments to IFRS 12 and IAS 27 have been made to introduce new disclosure requirements for investment entities. In general, the amendments require retrospective application, with specific transitional provisions.

Amendments to IAS 39 Continuation of Hedge Accounting

The amendments to IAS 39 permits an entity to apply the hedge accounting requirements, for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets and liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the "own used" scope exception.

3.2 Standards, amendments or interpretations issued but not yet effective

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the year ending 31 December 2015:

- IFRS 5 Discontinued operations; Annual improvements
- IFRS 7 Financial Instruments; Annual improvements
- IFRS 9 Financial Instruments;
- IFRS 14 Regulatory Deferral Accounts;
- IFRS 15 Revenue from Contracts with Customers;
- IFRS 16 Leases
- Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations; Amortization;
- IAS 01-Presentation of Financial Statements - Disclosure Initiative (Amendment)
- IAS 16 -Property, Plant and Equipment and IAS - 38 Intangible Assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment).
- IAS 19 Employees Benefit; Annual improvements
- IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)
- Amendments to IAS 28 Investment in associates and joint ventures; Sale or Contribution of assets, Consolidation exceptions

- 3.3** There are a number of other minor amendments and interpretations to other approved accounting standards that are not yet effective and are also not relevant to the Company and therefore have not been presented here.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company.



4.1 Measurement of fair value

When measuring the fair value of assets and liabilities, the company uses market observables data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as stated in Note 17 to these financial statements

4.2 Revenue Recognition

In making their judgment, the directors considered the detailed criteria for the recognition of revenue from the rendering of services as set out in IAS 18 and, in particular, whether the company has established the right to record the said revenue.

5 SIGNIFICANT OF ACCOUNTING POLICIES

5.1 Functional and presentation currency

These financial statements are prepared in US Dollars, which is the company's functional as well as presentation currency.

5.2 Foreign currencies

Transactions in foreign currencies during the financial year are converted into united States Dollars (USD) at exchange rates ruling at the transaction dates. Foreign currency monetary assets and liabilities at the statement of financial position date are translated into USD at exchange rates ruling at that date. All exchange gains or losses are dealt with in the income statement.

5.3 Trade and other receivables

Receivables are stated at anticipated realizable value. Bad debts are written off in the period in which they are identified. Allowance for bad and doubtful debts is made on estimates of possible losses which may arise from non-collection of certain debts.

5.4 Financial instruments

Financial instruments are recognized in the Statement of financial position when the Company is a party to the contractual provision of the instruments. The recognized financial instruments of the company in the statement of financial position comprise cash and cash equivalents, investments, short term loans and interest receivables that arise directly from its operations, non-trade receivables and payables arising from transactions entered into in the normal course of business, borrowings, and ordinary share capital. The company classifies its financial assets into following measurement categories.

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held to maturity
- Available for sale

Financial liabilities are classified as either held at fair value through profit or loss or at amortized cost. Management determines the classification of financial assets and liabilities at initial recognition or, where appropriate, at the time of reclassification.

5.5 Cash and cash equivalent

Cash and cash equivalents consist of cash in hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented.

5.6 Trade creditors

Payables are stated at their nominal values which are the fair values of the consideration to be paid in the future for goods and services received.



5.7 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the company's business, revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria has been met for each of the company's activities as described below:

Rendering of services

Revenue from contracts is recognized on accrual basis

The recognition of revenue to the stage of completion of a transaction is often referred to as the percentage of completion method. Under this method, revenue is recognized in the accounting periods in which the services are rendered. The recognition of revenue on this basis provides useful information on the extent of service activity and performance during a period.

Interest / Mark up income

Interest / Mark up is recognized on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

5.8 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the company has a legally enforceable right to offset the recognized amounts and the company intends to settle either on a net basis or realize the asset and settle the liability.



| | 2015 USD |
|--|-------------------|
| 6. SHORT TERM LOAN | |
| Mogul Pure Water Industries Limited - Bangladesh | |
| | 574,424 |
| | <u>574,424</u> |
| 6.1 The group made advances to the entity as part of its investment strategy in start-up businesses. The advance is for a period of one year unless extended for another year. The loan could be extended for up to 5 years in total. | |
| 6.2 The interest is calculated at the rate of 10 percent per annum and is payable in lump sum along with the principal repayment of the loans on annual basis. | |
| | 2015 USD |
| 7 OTHER FINANCIAL ASSET | |
| Advances for shares | |
| | 81,761 |
| | <u>81,761</u> |
| 7.1 This represents advance for equity interest in Highgate Corporate Advisors Pty Limited; an Australian registered company. | |
| 8 CASH AND BANK BALANCE | |
| Cash in hand | |
| Cash at bank: | |
| - current accounts | 150,000 |
| - saving Accounts | 178,324 |
| | <u>328,324</u> |
| 9 SHARE CAPITAL | |
| Authorized share capital | |
| Ordinary Share Capital | |
| 1,000,000,000 ordinary shares of USD 0.01 each | 10,000,000 |
| 1 founder share of USD 1.00 each | 1 |
| | 10,000,001 |
| Convertible Shares | |
| 400,000,000 convertible shares of USD 0.01 each | 4,000,000 |
| | <u>14,000,001</u> |
| 9 Issued, subscribed and paid up share capital | |
| Ordinary Share Capital | |
| 6,000,000 shares of US \$ 0.01 each | 60,000 |
| Convertible Share Capital | |
| 1,500,000 shares of US \$ 0.01 each | 15,000 |
| | <u>75,000</u> |
| Share Premium | |
| 1,500,000 shares of US \$0.09 each | 135,000 |
| | <u>135,000</u> |



- 8.1 The convertible shares are convertible at the option of the company once the company has raised additional capital in excess of USD 30 million. These shares are not entitled to the dividend declared by the company before any conversion. The company retains the right to either convert the shares into ordinary shares or to pay them off and redeem them.

| | 2015 |
|-------------------------------|--------------|
| | USD |
| 10 ACCRUED LIABILITIES | |
| Audit fee payable | 2,000 |
| | <u>2,000</u> |

11 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES:

There were no contingencies as on the statement of financial position date.

COMMITMENTS:

There were no capital commitments as on the statement of financial position date.

| | 14 July 2015 to 31 December 2015 |
|---------------------------------|---|
| 12 REVENUE | |
| Income from consulting services | 472,306 |
| Interest income | 51,622 |
| | <u>523,928</u> |

13 TAXATION

No provision for taxation has been made as the company is not subject to taxation in any of the jurisdictions it operates.

14 EARNINGS PER SHARES

| | | |
|--|------------------|-------------|
| Profit after taxation for the year | USD | 861,630 |
| Weighted average number of ordinary shares | Number of shares | 6,000,000 |
| Earnings per share - basic and diluted | USD | <u>0.14</u> |

- 12.1 There is no dilutive effect on basic earnings per share.

15 RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. There are no related party transactions in the year.



16 BUSINESS COMBINATION

As at 31 August 2015 the company acquired Alliance Global Capital Pte Limited, a company with its registered office in Singapore.

The acquisition was accounted for by applying the purchase method. The cost of the acquisition was measured at the fair value of the consideration given. Identified assets acquired, liabilities assumed or incurred have been carried at the fair value as at the acquisition date.

| | |
|---|----------------|
| Fair value of identifiable net assets at date of acquisition | 575,673 |
| Percentage of identifiable net assets acquired | 100% |
| Purchase consideration paid in ordinary shares of the company | 60,000 |
| Bargain Purchase Gain | 515,673 |

17 FINANCIAL INSTRUMENTS

2015

USD

17.1 Financial instruments by class and category

Financial assets

| | |
|------------------------|------------------|
| Short term loan | 574,424 |
| Other financial assets | 81,761 |
| Interest receivable | 89,122 |
| Cash and bank balance | 328,324 |
| | 1,073,631 |

17.2 Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged or liability be settled between knowledgeable willing parties in an arm's length transaction. As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts. Further, there are no fair value estimation uncertainties.

17.2.1 Methods of determining fair values

Fair values of financial instruments for which prices are available from the active market are measured by reference to those market prices. The fair value of financial assets (other than investments) and liabilities with no active market are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

17.2.2 Discount/interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.



17.2.3 Fair value hierarchy

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value hierarchy of financial assets measured at fair value is as follows:

| | 2015 | | | |
|------------------------|------------------|----------|----------|------------------|
| | Total | Level 1 | Level 2 | Level 3 |
| Short term loan | 574,424 | - | - | 574,424 |
| Other financial asset | 81,761 | - | - | 81,761 |
| Interest receivable | 89,122 | - | - | 89,122 |
| Cash and bank balances | 328,324 | - | - | 328,324 |
| | <u>1,073,631</u> | <u>-</u> | <u>-</u> | <u>1,073,631</u> |

18. FINANCIAL RISK MANAGEMENT

Financial risk factors

Financial instruments comprise advances, deposits, interest accrued, trade debts, cash and bank balances, short term borrowings and trade and other payables, short term investments.

The company has exposure to the following risks from its use of financial instruments:

Market risk

Liquidity risk

Credit risk

The Board of Directors has the overall responsibility for the establishment and oversight of company's risk management framework. The Board is also responsible for developing and monitoring the company's risk management policies.

The company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the company's activities.

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

18.1 Market risk

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



Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist.

The company's exposure to currency risk arising from currency exposure to the United States Dollar (USD) on amounts placed with scheduled banks in foreign currency account.

Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company has no significant long-term interest-bearing assets. The company's interest rate risk arises from short term borrowing. Borrowings obtained at variable rates expose the company to cash flow interest.

At the balance sheet date the interest rate profile of the company's interest bearing financial instruments was:

Interest rate risk management

The company manages interest rate risk by analyzing its interest rate exposure on dynamic basis. Cash flow interest rate risk is managed by simulating various scenarios taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the company calculates impact on profit after taxation and equity of defined interest rate shift, mostly 100 basis points.

18.2 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

15.2.1 Maximum exposure to credit risk

The maximum exposure to credit risk as at the reporting date is as follows:

Financial assets

| | |
|------------------------|----------------|
| Short term loan | 574,424 |
| Interest receivable | 89,122 |
| Cash and bank balances | 328,324 |
| | <u>991,870</u> |

18.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is classified in its funds managed by it and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk.



18.2.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external ratings, where available, or to historical information about counterparty default rates.

18.2.3.1 Counterparties with external credit ratings

These include banking companies, which are counter parties to bank balances, various other organizations which are counter parties to investments in debt securities and dividend and profit receivable thereon. These counterparties have reasonably high ratings based on which non-performance by these counterparties is not expected.

18.2.3.2 Counterparties without external credit ratings

These include Central Depository Company of Pakistan Limited which is counterparty to security deposits. Non-performance by these counterparties is not expected.

18.2.4 Collateral held

The Company does not hold any collateral to secure its financial assets.

18.2.5 Credit risk management

The Company's credit risk is primarily attributable to its investment in its funds, balances with banks, and security deposits. Bank balances are maintained with counter parties that are banking companies with reasonably high credit ratings. The risk of default is considered minimal in case of investments in debt securities.

18.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

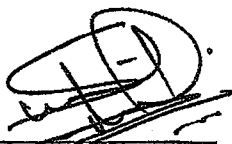
The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses.

19 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved and authorized for issue on _____ by the Board of Directors of the parent company.

20 GENERAL

Figures have been rounded off to the nearest US Dollar.



DIRECTOR





DIRECTOR



IQBAL YASIR & COMPANY

CHARTERED ACCOUNTANTS

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed statement of financial position of ALLIANCE GLOBAL CAPITAL PTE LIMITED as at December 31, 2015 and the related statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows together with the notes forming part thereof for the year then ended.

The company's management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards and Samoa's International Companies Act, 1987 and for such internal control as management determines necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of 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 management, as well as, evaluating the overall presentation of the financial statements.

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

In our opinion and to the best of our information, the financial statements present fairly, in all material respects the financial position of ALLIANCE GLOBAL CAPITAL PTE LIMITED as at December 31, 2015 and of their financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and Samoa's International Companies Act, 1987.

Lahore

Date: **14 MAR 2016**



Yasir Riaz
IQBAL YASIR AND COMPANY
(Chartered Accountants)

Engagement Partner: Yasir Riaz

Head Office:

House No. 415, Block B, Faisal Town,
Lahore.
Ph: 042-35218637-39 Fax: 042-35218640
Email: info@iyk.com.pk


Office Islamabad:

Room No. 2, 2nd Floor,
Pacific Centre, F-8, Markaz Islamabad
Ph: 051-2287347, 051-2287316
Fax: 051-2263636 Email: info.isb@iyk.com.pk

ALLIANCE GLOBAL CAPITAL PTE LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

| | Note | 2015 USD | 2014 USD |
|--|------|-----------------------|-----------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Short term loan | 6 | 574,424 | 500,000 |
| Other financial asset | 7 | 81,761 | - |
| Interest receivable | | 89,122 | 37,500 |
| Cash and bank balances | 8 | 178,324 | 24,664 |
| | | <u>923,631</u> | <u>562,164</u> |
| TOTAL ASSETS | | <u>923,631</u> | <u>562,164</u> |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized, issued, subscribed and paid up capital | 9 | 1 | 1 |
| Unappropriated profit | | 921,630 | 562,163 |
| TOTAL EQUITY | | <u>921,631</u> | <u>562,164</u> |
| CURRENT LIABILITIES | | | |
| Accrued liabilities | 10 | 2,000 | - |
| Taxation | 11 | - | - |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 12 | - | - |
| TOTAL EQUITY AND LIABILITIES | | <u>923,631</u> | <u>562,164</u> |

The annexed notes from 1 to 17 form an integral part of these financial statements.



 DIRECTOR



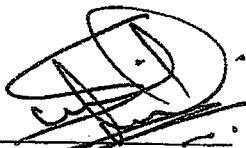


 DIRECTOR

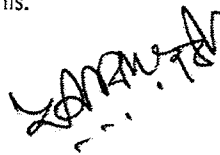
ALLIANCE GLOBAL CAPITAL PTE LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2015

| | Note | 2015 USD | 2014 USD |
|--|------|----------------|----------------|
| Revenue | 13 | 1,272,359 | 530,826 |
| Operating Expenses | | | |
| Commission, fee and professional charges | | 419,261 | 12,090 |
| Consultancy fee | | 21,537 | - |
| Listing fee | | 277,197 | 60,184 |
| Meals and entertainment | | 355 | - |
| Stationery | | 1,935 | - |
| Travelling and Conveyance | | 147,055 | 21,814 |
| Business development expenses | | 30,486 | - |
| Utilities | | 6,752 | - |
| Audit fee | | 2,000 | - |
| | | (906,578) | (94,088) |
| Operating profit | | 365,781 | 436,738 |
| Finance cost | | (6,314) | (632) |
| Profit before tax | | 359,467 | 436,106 |
| Taxation | 11 | - | - |
| Profit after tax | | 359,467 | 436,106 |

The annexed notes from 1 to 17 form an integral part of these financial statements.


 DIRECTOR

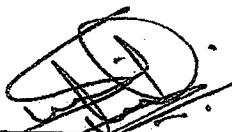



 DIRECTOR

ALLIANCE GLOBAL CAPITAL PTE LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
AS AT DECEMBER 31, 2015

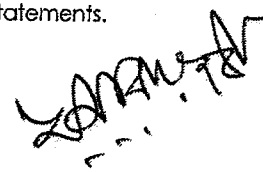
| | 2015 USD | 2014 USD |
|--|-----------------------|-----------------------|
| Profit for the year | 359,467 | 436,106 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | <u>359,467</u> | <u>436,106</u> |

The annexed notes from 1 to 17 form an integral part of these financial statements.



 DIRECTOR






 DIRECTOR

ALLIANCE GLOBAL CAPITAL PTE LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT DECEMBER 31, 2015

| | Share Capital | Accumulated profit | Total |
|---|------------------|-----------------------|----------------|
| | USD | | |
| Balance as at January 01, 2014 | 1 | 126,057 | 126,058 |
| Total comprehensive income for the year | - | 436,106 | 436,106 |
| Balance as at December 31, 2014 | 1 | 562,163 | 562,164 |
| Total comprehensive income for the year | - | 359,467 | 359,467 |
| Balance as at December 31, 2015 | 1 | 921,630 | 921,631 |

The annexed notes from 1 to 17 form an integral part of these financial statements.



 DIRECTOR



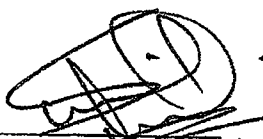


 DIRECTOR

ALLIANCE GLOBAL CAPITAL PTE LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

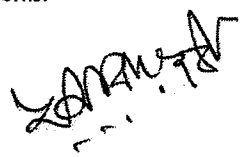
| | 2015 USD | 2014 USD |
|--|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 359,467 | 436,106 |
| Adjustments for: | | |
| - finance cost | 6,314 | 632 |
| Operating profit before working capital changes | <u>365,781</u> | <u>436,738</u> |
| WORKING CAPITAL CHANGES | | |
| (Increase)/Decrease in current assets | | |
| Short term loans | (74,424) | (500,000) |
| Other financial asset | (81,761) | - |
| Interest receivable | (51,622) | (37,500) |
| Increase/(Decrease) in current liabilities | | |
| Accrued liabilities | 2,000 | - |
| | <u>(205,807)</u> | <u>(537,500)</u> |
| Cash generated from/(used in) operations | <u>159,974</u> | <u>(100,762)</u> |
| Less: Finance cost paid | (6,314) | (632) |
| Net cash inflow/(outflow) from operating activities | <u>153,660</u> | <u>(101,394)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Net cash flow from investing activities | - | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net cash flow from financing activities | - | - |
| Net change in cash and cash equivalents | 153,660 | (101,394) |
| Cash and cash equivalents at the beginning of the year | 24,664 | 126,058 |
| Cash and cash equivalents at the end of the year | <u>178,324</u> | <u>24,664</u> |

The annexed notes from 1 to 17 form an integral part of these financial statements.



 DIRECTOR





 DIRECTOR

Amendments to IAS 39 Continuation of Hedge Accounting

The amendments to IAS 39 permits an entity to apply the hedge accounting requirements, for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets and liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the "own used" scope exception.

3.2 Standards, amendments or interpretations issued but not yet effective

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the year ending 31 December 2015:

- IFRS 5 Discontinued operations; Annual improvements
- IFRS 7 Financial Instruments; Annual improvements
- IFRS 9 Financial Instruments;
- IFRS 14 Regulatory Deferral Accounts;
- IFRS 15 Revenue from Contracts with Customers;
- IFRS 16 Leases
- Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations; Amortization;
- IAS 01-Presentation of Financial Statements, - Disclosure Initiative (Amendment)
- IAS 16 -Property, Plant and Equipment and IAS - 38 Intangible Assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment).
- IAS 19 Employees Benefit; Annual improvements
- IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)
- Amendments to IAS 28 Investment in associates and joint ventures; Sale or Contribution of assets, Consolidation exceptions

- 3.3** There are a number of other minor amendments and interpretations to other approved accounting standards that are not yet effective and are also not relevant to the Company and therefore have not been presented here.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company.

4.1 Measurement of fair value

When measuring the fair value of assets and liabilities, the company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as stated in Note 14 to these financial statements.

4.2 Revenue Recognition

In making their judgment, the directors considered the detailed criteria for the recognition of revenue from the rendering of services as set out in IAS 18 and, in particular, whether the company has established the right to record the said revenue.



ALLIANCE GLOBAL CAPITAL PTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

1 COMPANY AND ITS OPERATIONS

Alliance Global Capital Pte Limited ('the Company') is principally engaged in providing consultancy services. The Company is a limited liability company incorporated in Singapore. The registered office of the company is situated at 100 Tras Street # 16-01 100AM Singapore, 079027. The company is a wholly owned subsidiary of Alliance Global Capital Limited which was incorporated under the International Companies Act, 1987 in Samoa as an international company on the 14 July 2015. The registered office of the company is situated at 2nd Floor Building B, SNPF Plaza, Savalanao, Apia, Samoa. This company is registered as a foreign company in Australia as a foreign company with an Australian registered office at C/- Highgate Corporate Advisors Pty Ltd Suite 214, Level 2, Lexington drive, Bella Vista NSW 2153 Australia. The principal activities of the company is provision of corporate consultancy and advisory services.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise specifically stated.

2.2 Statement of compliance

The financial statements are the separate financial statements of the company and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Standards, amendments and interpretations which became effective during the year

Below is a list of the amendments to IFRSs and the new Interpretations that are mandatorily effective for accounting periods that begin on or after 1 January 2015.

- Amendments to IFRS 10 and IAS 27 Investment Entities; and
- Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting;

Amendments to IFRS 10 and IAS 27 Investment Entities

The amendments to IFRS 10 define an investment entity and introduce an exception from the requirement to consolidate subsidiaries for an investment entity. In terms of the exception, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss. The exception does not apply to subsidiaries of investment entities that provide services that relate to the investment entity's investment activities.

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is an investment entity when it:

- obtains funds from one or more investors for the purpose of providing them with investment management services;
- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measures and evaluates performance of substantially all of its investments on a fair value basis.

Consequential amendments to IFRS 12 and IAS 27 have been made to introduce new disclosure requirements for investment entities. In general, the amendments require retrospective application, with specific transitional provisions.



5 SIGNIFICANT OF ACCOUNTING POLICIES

5.1 Functional and presentation currency

These financial statements are prepared in US Dollars, which is the company's functional as well as presentation currency.

5.2 Foreign currencies

Transactions in foreign currencies during the financial year are converted into United States Dollars (USD) at exchange rates ruling at the transaction dates. Foreign currency monetary assets and liabilities at the statement of financial position date are translated into USD at exchange rates ruling at that date. All exchange gains or losses are dealt with in the income statement.

5.3 Trade and other receivables

Receivables are stated at anticipated realizable value. Bad debts are written off in the period in which they are identified. Allowance for bad and doubtful debts is made on estimates of possible losses which may arise from non-collection of certain debts.

5.4 Financial Instruments

Financial instruments are recognized in the Statement of financial position when the Company is a party to the contractual provision of the instruments. The recognized financial instruments of the company in the statement of financial position comprise cash and cash equivalents, investments, short term loans and interest receivables that arise directly from its operations, non-trade receivables and payables arising from transactions entered into in the normal course of business, borrowings, and ordinary share capital. The company classifies its financial assets into following measurement categories.

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held to maturity
- Available for sale

Financial liabilities are classified as either held at fair value through profit or loss or at amortized cost. Management determines the classification of financial assets and liabilities at initial recognition or, where appropriate, at the time of reclassification.

5.5 Cash and cash equivalent

Cash and cash equivalents consist of cash in hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented.

5.6 Trade creditors

Payables are stated at their nominal values which are the fair values of the consideration to be paid in the future for goods and services received.

5.7 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the company's business, revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria has been met for each of the company's activities as described below:

Rendering of services

Revenue from contracts is recognized on accrual basis.

The recognition of revenue to the stage of completion of a transaction is often referred to as the percentage of completion method. Under this method, revenue is recognized in the accounting periods in which the services are rendered. The recognition of revenue on this basis provides useful information on the extent of service activity and performance during a period.



Interest / Mark up income

Interest / Mark up is recognized on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

5.8 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the company has a legally enforceable right to offset the recognized amounts and the company intends to settle either on a net basis or realize the asset and settle the liability.



| | 2015 USD | 2014 USD |
|--|----------------|----------------|
| 6. SHORT TERM LOAN | | |
| Mogul Pure Water Industries Limited - Bangladesh | 574,424 | 500,000 |
| | <u>574,424</u> | <u>500,000</u> |

6.1 The company made advances to the entity as part of its investment strategy in start-up businesses. The advance is for a period of one year unless extended for another year. The loan could be extended for up to 5 years in total.

6.2 The interest is calculated at the rate of 10 percent per annum and is payable in lump sum along with the principal repayment of the loans on annual basis.

| | 2015 USD | 2014 USD |
|---------------------------------|---------------|-------------|
| 7. OTHER FINANCIAL ASSET | | |
| Advances for shares | 81,761 | - |
| | <u>81,761</u> | <u>-</u> |

7.1 This represents advance for equity interest in Highgate Corporate Advisors Pty Limited; an Australian registered company.

| | | |
|---------------------------------|----------------|---------------|
| 8. CASH AND BANK BALANCE | | |
| Cash at bank | 178,324 | 24,664 |
| | <u>178,324</u> | <u>24,664</u> |

| | | |
|--|----------|----------|
| 9. SHARE CAPITAL | | |
| Issued, subscribed and paid up share capital | | |
| 1 (2014: 1) Ordinary shares of USD 1.00 each | 1 | 1 |
| | <u>1</u> | <u>1</u> |

| | | |
|--------------------------------|--------------|----------|
| 10. ACCRUED LIABILITIES | | |
| Audit fee payable | 2,000 | - |
| | <u>2,000</u> | <u>-</u> |

11. TAXATION
No provision for taxation has been made as the company is not subject to taxation in any of the jurisdictions it operates.

12. CONTINGENCIES AND COMMITMENTS

CONTINGENCIES:

There were no contingencies as on the date of statement of financial position.

COMMITMENTS:

There were no capital commitments as on the date of statement of financial position.

| | 2015 USD | 2014 USD |
|---------------------------------|------------------|----------------|
| 13. REVENUE | | |
| Income from consulting services | 1,220,737 | 493,326 |
| Interest income | 51,622 | 37,500 |
| | <u>1,272,359</u> | <u>530,826</u> |



| | 2015 USD | 2014 USD |
|---|----------------|----------------|
| 14. FINANCIAL INSTRUMENTS | | |
| 14.1 Financial instruments by class and category | | |
| Financial assets | | |
| Short term loan | 574,424 | 500,000 |
| Other financial asset | 81,761 | - |
| Interest receivable | 89,122 | 37,500 |
| Cash and bank balances | 178,324 | 24,664 |
| | <u>923,631</u> | <u>562,164</u> |

14.2 Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged or liability be settled between knowledgeable willing parties in an arm's length transaction. As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts. Further, there are no fair value estimation uncertainties.

14.2.1 Methods of determining fair values

Fair values of financial instruments for which prices are available from the active market are measured by reference to those market prices. The fair value of financial assets (other than investments) and liabilities with no active market are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

14.2.2 Discount/interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.

14.2.3 Fair value hierarchy

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value hierarchy of financial assets measured at fair value is as follows:

| | 2015 | | | |
|------------------------|----------------|----------|----------|----------------|
| | Total | Level 1 | Level 2 | Level 3 |
| Short term loan | 574,424 | - | - | 574,424 |
| Other financial asset | 81,761 | - | - | 81,761 |
| Interest receivable | 89,122 | - | - | 89,122 |
| Cash and bank balances | 178,324 | - | - | 178,324 |
| | <u>923,631</u> | <u>-</u> | <u>-</u> | <u>923,631</u> |



| | 2014 | | | |
|------------------------|---------|---------|---------|---------|
| | Total | Level 1 | Level 2 | Level 3 |
| Short term loan | 500,000 | - | - | 500,000 |
| Interest receivable | 37,500 | - | - | 37,500 |
| Cash and bank balances | 24,664 | - | - | 24,664 |
| | 562,164 | - | - | 562,164 |

15. FINANCIAL RISK MANAGEMENT

Financial risk factors

Financial instruments comprise advances, deposits, interest accrued, trade debts, cash and bank balances, short term borrowings and trade and other payables, short term investments.

The company has exposure to the following risks from its use of financial instruments:

Market risk

Liquidity risk

Credit risk

The Board of Directors has the overall responsibility for the establishment and oversight of company's risk management framework. The Board is also responsible for developing and monitoring the company's risk management policies.

The company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the company's activities.

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

15.1 Market risk

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

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist.

The company's exposure to currency risk arising from currency exposure to the United States Dollar (USD) on amounts placed with scheduled banks in foreign currency account.

Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company has no significant long-term interest-bearing assets. The company's interest rate risk arises from short term borrowing. Borrowings obtained at variable rates expose the company to cash flow interest.

At the balance sheet date the interest rate profile of the company's interest bearing financial instruments was:

Interest rate risk management

The company manages interest rate risk by analyzing its interest rate exposure on dynamic basis. Cash flow interest rate risk is managed by simulating various scenarios taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the company calculates impact on profit after taxation and equity of defined interest rate shift, mostly 100 basis points.



15.2 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

15.2.1 Maximum exposure to credit risk

The maximum exposure to credit risk as at the reporting date is as follows:

Financial assets

| | 2015 USD | 2014 USD |
|------------------------|----------------|----------------|
| Short term loan | 574,424 | 500,000 |
| Interest receivable | 89,122 | 37,500 |
| Cash and bank balances | 178,324 | 24,664 |
| | <u>841,870</u> | <u>562,164</u> |

15.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is classified in its funds managed by it and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk.

15.2.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external ratings, where available, or to historical information about counterparty default rates.

15.2.3.1 Counterparties with external credit ratings

These include banking companies, which are counter parties to bank balances, various other organizations which are counter parties to investments in debt securities and dividend and profit receivable thereon. These counterparties have reasonably high ratings based on which non-performance by these counterparties is not expected.

15.2.3.2 Counterparties without external credit ratings

These include Central Depository Company of Pakistan Limited which is counterparty to security deposits. Non-performance by these counterparties is not expected.

15.2.4 Collateral held

The Company does not hold any collateral to secure its financial assets.

15.2.5 Credit risk management

The Company's credit risk is primarily attributable to its investment in its funds, balances with banks, and security deposits. Bank balances are maintained with counter parties that are banking companies with reasonably high credit ratings. The risk of default is considered minimal in case of investments in debt securities.



15.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses.

16. DATE OF AUTHORIZATION

These financial statements have been approved and authorized for issue on _____ by the Board of Directors of the company.

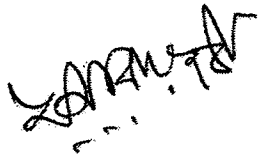
17. GENERAL

Figures have been rounded off to the nearest United States Dollar.



DIRECTOR





DIRECTOR