Emerging Capital Ltd

ARBN 603 393 782

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

CONTENTS

DIRECTORS GOVERNANCE STATEMENT

The Board has the responsibility of ensuring that the Company is properly managed so as to protect and enhance shareholders' interests in a manner that is consistent with the Company's responsibility to meet its obligations to governance policies with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and nature of activities.

The main corporate governance policies are summarised below:

Director's Access to Independent Advice

It is the Board's policy that any committees established by the Board should:

- Be entitled to obtain independent professional or other advice at the cost of the Company, unless the Board determines otherwise.
- Be entitled to obtain such resources and information from the Company including direct access to employees of and advisers to the Company as they might require.
- Operate in accordance with the terms of reference established by the Board.

Audit Board and Risk

Board representatives meet with the external auditors at least once a year. The specific activities include assessing and monitoring:

- The adequacy of the Company's internal controls and procedures to ensure compliance with all applicable legal obligations.
- The adequacy of the financial risk management processes.
- The appointment of the external auditor, any reports prepared by the external auditor and listing with the external auditor.

Remuneration and Management Succession

The Board in fulfilling its responsibilities to shareholders by:

- Reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
- Ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
- Maintaining a Board that has an appropriate mix of skills and experience to be an effective decision making body; and
- Ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.

of corporate governance.

Emerging Capital Ltd

ARBN 603 393 782

DIRECTOR'S REPORT

Your directors present their report on the Company for the financial period ended 31 December 2016

Directors

The names of directors in office at any time during or since the end of the period are:

Khandakar Rezbi

Shahid Akram

Mr Rezbi has been in office since 21 November 2014 until the date of this report.

Mr Akram has been in office since 31 July 2015 until the date of this report.

Company Secretary

The position of company secretary from 21 November 2014 has been held by each of Mr Andrew David Bristow and Westco Secretaries Pty Ltd.

Principal Activities

The principal activity of the Company and its Subsidiary is investment activities and corporate advisory.

Our business model and objectives

The Company proposes to generate future income by continuing to invest (either directly or indirectly) predominately in small medium enterprises.

The Company proposes to fund these investments by additional capital.

Operating Results

The Company incurred a net operating profit for the period of US$106,895.
Cash and bank balance of the company was spontaneously low near the year-end at US$97 due to Investments made in other entities for the purpose of obtaining steady cash flows in the future. As presented in the statement of cash flows, the company generated cash inflows from

its financing activities amounted to US$3,329,690 and used them in operating and investing activities amounting to US$3,224,133 and US$176,834 respectively. Cash flows of the company became steady and sound subsequent to the year-end as the company rendered services to various customers and as a result generated significant receipts from them."

Dividends Paid or Recommended

No dividends have been paid since the date of incorporation and the directors do not recommend the payment of a dividend.

Review of Operations

The Company has been engaging in its principal activities.

Financial Position

The net assets of the Company during the financial period other than those disclosed elsewhere in this report.

Significant Changes in State of Affairs

Since the balance date the Company has (subject to Shareholders approval) agreed to relinquish its investment in three Italian emerging projects and to acquire a 50% interest in Cromwell Infomedia Ltd.

There were no significant changes in the state of affairs of the Company during the financial period other than those disclosed elsewhere in this report.

After Balance Date Events

There have been no events that have affected or may significantly affect the operations of the Company, the results of those operations , or the state of affairs of the Company in the future since the Balance Date.

Future Developments and Business Strategies

The Company will pursue its investment objectives for the long-term benefit of members. This will require the continued review of the investment strategy that is in place and may from time to time require some changes to that strategy.

We do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of our investments. Accordingly, we do not provide a forecast of the likely results of our activities.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under the law of the Australia or elsewhere.

DIRECTORS' REPORT

Information on Directors

Khandakar Abdul Kassam Rezbi

Executive Director, Chairman.

Board member from 21 November 2014 to date.

Qualification and Experience

Mr Rezbi is an established entrepreneur and has enterprising skills in Management, Sales and Marketing.

After he graduated from Dhaka University in 1978, he started his professional career in the same year working for on of the top firms in Bangladesh, Abdul Monem in their freight forwarding division. Subsequently he had a very successful 15 years with Coma Creations looking after shipping and freight.

In 1998 he worked for Penguin Marine Services in Sharjah, UAE as their Shipping Manager.

In 2001 he established his own garment factory exporting ready made garments to Europe and USA.

In addition to his garment factory, Mr Rezbi started his Financial Services company providing M&A Advice, Lease Finance, Term Finance, Project Finance, Corporate Restructuring, and Company Reorganisation.

Mr Rezbi has acquired excellent skills in helping companies achieve their dreams by coaching them in managing their companies, good accounting practices and finance handling skills.

Interest in Shares and Options
2,000,000 CDI's and 750,000 A Class Converting Preference Shares

Special Responsibilities

Nil

Directorships held in other listed Entities

Anchor Capital Investments Limited and Energy Solutions Ltd.

Shahid Akram

Non-Executive Director

Board member from 31 July 2015 to date.

Qualification and Experience

Mr Akram is an experienced executive who has worked in numerous Human Resources and other senior management roles in various companies in Dubai. He is currently the Managing Director of Mogul Tourism LLC.

Interest in Shares and Options

Nil

Special Responsibilities

Nil

Directorships held in other listed Entities

Anchor Capital Investments Limited

Dated: 30 March 2017

Khandakar Abdul Kassam Rezbi

Emerging Capital Ltd

ARBN 603 393 782

REMUNERATION REPORT (Unaudited)

This report details the nature and amount of remuneration for each director of Emerging Capital Ltd, and for the executives receiving the highest remuneration.

Remuneration Policy

All issues in relation of both Executive Directors and Non-Executive Directors are dealt with by the Board as a whole.

The Constitution of Emerging Capital Ltd requires approval by the shareholders in general meetings of a maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Directors. The amount of remuneration currently approved by shareholders for Non-Executive Directors is a maximum of $50,000 per annum.

Non-Executive Directors hold office until such as they retire, resign or are removed from office under the terms set out in the constitution of the Company. Non-Executive Directors do not receive any performance based remuneration.

Details of remuneration for period ended 31 December 2016

Details of the remuneration for each Director of the Company was as follows:

Name	**Salary & Fees**	**Superannuation Contributions**	**Other**	Total
	$	**$**	**$**	**$**
Khandakar Rezbi	Nil	Nil	Nil	Nil
Shahid Akram	Nil	Nil	Nil	Nil

IQBAL YASIR & COMPANY
CHARTERED ACCOUNTANTS

AUDITORS' REPORT TO THE MEMBERS

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated statement of financial position of **EMERGING CAPITAL LIMITED** and its subsidiary **EMERGING CAPITAL LIMITED – HONG KONG** (together referred to as the Group) as at 31 December 2016 and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity together with the notes forming part thereof for the year then ended.

Management's Responsibility for the Consolidated Financial Statements

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 consolidated financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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 error or fraud. 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 on the consolidated financial statements.

Opinion

In our opinion and to the best of our information, the consolidated financial statements present fairly, in all material respects the consolidated financial position of the group as at 31 December 2016 and of their consolidated financial performance and consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards and Samoa's International Companies Act, 1987.

IQBAL YASIR & COMPANY Registered Samoan Auditors (Chartered Accountants)

Lahore.
Date: 29 March 2017

IQBAL YASIR & Co.
IQBAL YASIR AND COMPANY
(Chartered Accountants)
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EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

	Note	2016 USD	2015 USD
ASSETS			
NON CURRENT ASSETS			
Property and equipment	6	2,887	3,230
Other financial asset	7	749,066	572,232
		751,953	575,462
CURRENT ASSETS			
Trade receivables	8	810,388	810,164
Receivable from shareholders	9	3,339,342	664,954
Advances, deposits and prepayments		704,595	50,011
Cash and bank balance	10	97	71,374
		4,854,422	1,596,503
TOTAL ASSETS		5,606,375	2,171,965
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	11	14,000,001	14,000,001
Issued, subscribed and paid up capital	11	291,360	216,080
Share premium		4,653,284	1,398,874
Consolidated retained earnings		659,731	553,366
Share holder's equity		5,604,375	2,168,320
CURRENT LIABILITIES			
Accrued expenses		2,000	3,645
CONTINGENCIES AND COMMITMENTS	12	-	-
TOTAL EQUITY AND LIABILITIES		5,606,375	2,171,965

The annexed notes from 1 to 23 form an integral part of these financial statements.

IQBAL YASIR & COMPANY (Chartered Accountants) Registered Samoan Auditors

CHIEF EXECUTIVE **DIRECTOR**

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Note	2016 USD	2015 USD
Revenue	13	1,411,190	1,461,817
Cost of revenue	14	(1,227,787)	(1,329,016)
Gross profit		183,403	132,801
Operating expenses	15	(19,235)	(50,449)
Operating profit		164,168	82,352
Exchange gain on translating foreign currency transactions		3,927	-
Finance cost	16	(61,200)	(6,731)
		(57,273)	(6,731)
Profit before tax		106,895	75,621
Taxation	17	-	-
Profit after tax		106,895	75,621
Earnings per share			
- Basic	18.1	0.01	0.02
- Diluted	18.2	0.01	0.02

The annexed notes from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE

IQBAL YASIR & COMPANY Registered Samoan Auditors (Chartered Accountants)

DIRECTOR

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 USD	2015 USD
Profit for the year	**106,895**	75,621
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Exchange (loss)/gain on translating foreign operations	**(530)**	2,183
Total comprehensive income for the year	**106,365**	77,804

The annexed notes from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE

IQBAL YASIR & COMPANY
Registered Samoan Auditors
(Chartered Accountants)

DIRECTOR

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 USD	2015 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	106,895	75,621
Adjustments for:		
- Depreciation	343	386
- Finance cost	61,200	6,731
- Exchange Gain on translating foreign operations	(530)	2,183
	61,013	9,300
Operating profit before working capital changes	167,908	84,921
WORKING CAPITAL CHANGES		
(Increase)/decrease in current assets		
Trade receivables	(224)	22,915
Receivable from shareholders	(2,674,388)	-
Advances, deposits and prepayments	(654,584)	(5)
Increase/(decrease) in current liabilities		
Accrued expenses	(1,645)	(12,544)
	(3,330,841)	10,366
Cash generated from operations	(3,162,933)	95,287
- Finance cost	(61,200)	(6,731)
- Tax paid	-	-
Net cash (outflow)/inflow from operating activities	(3,224,133)	88,556
CASH FLOWS FROM INVESTING ACTIVITIES		
Other financial asset	(176,834)	(572,232)
Net cash inflow from investing activities	(176,834)	(572,232)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of new shares	75,280	20,000
Share premium	3,254,410	380,000
Net cash inflow from financing activities	3,329,690	400,000
Net (decrease)/increase in cash and cash equivalents	(71,277)	(83,676)
Cash and cash equivalents at beginning of the year	71,374	155,050
Cash and cash equivalents at the end of the year	97	71,374

The annexed notes from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE

IQBAL YASIR & COMPANY (Chartered Accountants) Registered Samoan Auditors

DIRECTOR

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016

	Share capital			Reserves			
	Ordinary	Convertible	Share premium	Foreign currency translation reserve	Consolidated retained earnings	Total	Total equity and reserves
	USD						
Balance as at 1st January 2015	**40,000**	**150,000**	**360,000**	**384**	**475,177**	**475,561**	**1,025,561**
Shares issued during the period	26,080	-	1,038,874	-	-	-	1,064,954
Total comprehensive income	-	-	-	2,183	75,621	77,805	77,805
Balance as at December 31, 2015	**66,080**	**150,000**	**1,398,874**	**2,567**	**550,798**	**553,366**	**2,168,320**
Shares issued during the period	75,280	-	3,254,410	-	-	-	3,329,690
Profit for the year	-	-	-	-	106,895	106,895	106,895
Other comprehensive income	-	-	-	(530)	-	(530)	(530)
Balance as at December 31, 2016	**141,360**	**150,000**	**4,653,284**	**2,037**	**657,693**	**659,731**	**5,604,375**

The annexed notes from 1 to 23 form an integral part of these financial statements.

IQBAL YASIR & COMPANY
Registered Samoan Auditors
(Chartered Accountants)

CHIEF EXECUTIVE

DIRECTOR

1. STATUS AND NATURE OF BUSINESS

The group consists of the following companies:

1.1 Holding company

Emerging Capital Limited was incorporated under the International Companies Act, 1987 in Samoa as an International Company on the November 21, 2014. The registered office of the company is situated at c/- Asiaciti Trust Samoa Ltd, 2nd Floor, Building B, SNPF Plaza, Savalalo, Apia, Samoa. The principal activities of the company are investment holding and consultancy business .

1.2 Subsidiary company

Emerging Capital Limited was incorporated on 14 June 2010 as a limited liability company in Hong Kong. The company's previous name was "AFG Listing Limited". The main activity of the company is to act as business consultant.

There have been no significant changes in the nature of these activities during the financial year.

The registered office of the company is at Flat 502 5/F Prosperous Building 48-52 Des Voeux Road Central Hong

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.

The comparative financial statements are the first consolidated financial statements of the group and accordingly have been consolidated from the date of acquisition on 17 July 2014 to 31 December 2015.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2016. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

• Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)

• Exposure, or rights, to variable returns from its involvement with the investee

• The ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

• The contractual arrangement(s) with the other vote holders of the investee

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

IQBAL YASIR & COMPANY
Registered Samoan Auditors
Chartered Accountants

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

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 period

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.

- IFRS 14 Regulatory Deferral Accounts
- Amendments to IFRS 5 resulting from September 2014 annual improvements to IFRSs
- Amendments to IFRS 7 resulting from September 2014 annual improvements to IFRSs
- Amendments to IFRS 10 for consolidation exceptions
- Amendments to IFRS 11 Accounting for Acquisition of Interest in Joint Operations
- Amendments to IFRS 12 regarding the application of consolidation exception
- Amendments to IAS 1 Presentation of Financial Statements, disclosure initiative
- Amendments to IAS 16 and IAS 38 for determining acceptable methods of depreciation or amortization and
- Amendments to IAS 17 resulting from September 2014 annual improvements to IFRSs
- Amendments to IAS 27 for reinstating the equity method as an accounting option for investments in
- Amendments to IAS 28 for restating the equity method as an accounting option for investments in subsidiary,
- Amendments to IAS 34 resulting from September 2014 annual improvements to IFRSs

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 period beginning on or after 01 April 2016:

- IFRS 9 Financial Instruments;
- IFRS 15 Revenue from Contracts with Customers;
- IFRS 16 Leases
- Amendments to IFRS 2 for classifying and measuring share-based payment transactions
- Amendments to IAS 7 for disclosure initiative
- Amendments to IAS 12 for recognition of deferred tax assets for unrealized losses

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 18 to these financial statements.

IQBAL YASIR & COMPANY Registered Samoan Auditors (Chartered Accountants)

4.2 Useful lives of property and equipment

The company reviews the estimated useful lives of property and equipment at the end of each reporting period. During the current year, the directors determined that the useful lives of items of property and equipment was in line with the pattern of their usage and be maintained at the current levels.

4.3 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 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value which is approxiate its book value and the amount of any non-controlling interests in the acquiree. The group elects to measure the non-controlling interests in the acquiree at proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Goodwill is initially measured at cost. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

5.2 Functional and presentation currency

Presentation currency

The consolidated financial statements are presented in United States Dollars (US$)

Functional currency

The functional currency of parent is United States Dollars (US$)

5.3 Foreign currencies

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

5.4 Foreign operations

On consolidation, the assets and liabilities of foreign operations are translated into Pound Sterling at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated using average

IQBAL YASIR & COMPANY Registered Samoan Auditors (Chartered Accountants)

exchange rates. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

5.5 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment if any. Cost of property, plant and equipment consists of historical cost and directly attributable cost of bringing the assets to their present location and condition.

Depreciation on property and equipment is calculated using reducing balance method at the rates which are considered to be appropriate to write off the cost of an asset over its useful life. Depreciation on addition commences when the asset becomes available of use in a manner as intended by management and shall cease at the earlier of date the asset that asset is classified as held for sale and the date when asset is derecognised.

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment is recognised in the income currently. The recoverable amount is higher of an assets fair value less costs of sell and value in use. Where an impairment loss is recognised, the depreciation charge is adjusted for the future periods to allocate the asset's revised carrying value over its estimated useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a seperate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

Gains and losses arising on disposal of property, plant and equipment are recognized in the statement of profit of loss in the year the asset is derecognised.

5.6 Trade debts

Trade debts are carried at invoice amount on transaction date less any estimate for doubtul debts. Known bad debts are written off as and when identified

5.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, cash with banks on current/savings and deposit accounts, that are readily convertible to known amount of cash and which are subject to insignificant risk of change in value.

5.8 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

5.9 Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

5.10 Revenue Recognition

Revenue represents the fair value of the consideration received or receivable for goods sold, net of discounts and sales tax. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue, and the associated cost incurred, or to be incurred, can be measured reliably.

Sale of goods

Revenue is recognised when it is probable that the economic benefits will flow to the company and the amount can be measured reliably.

IQBAL YASIR & COMPANY
Registered Samoan Auditors
(Chartered Accountants)

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.

5.11 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.

5.12 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.

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EMERGING CAPITAL LIMITED
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

6. PROPERTY AND EQUIPMENT

Particulars	COST			Rate %	DEPRECIATION			WDV as at December 31, 2016
	As at January 01, 2016	Addition/ (Deletion)	As at December 31, 2016		As at January 01, 2016	For the year	As at December 31, 2016	
	-------- (USD) -------				----------- (USD) -----------			
Furniture and fittings	2,495	-	2,495	10	858	164	1,022	1,473
Electrical Equipments	2,128	-	2,128	10	732	140	872	1,256
Computers	452	-	452	20	255	39	294	158
Total	**5,075**	-	**5,075**		**1,845**	**343**	**2,188**	**2,887**
Total 2015	-	5,075	5,075		1,458	386	1,845	3,230

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		2016	2015
		USD	USD
7.	**OTHER FINANCIAL ASSET**		
	Investments in Rising Star Capital FZE	588,121	572,232
	Investments in Mina Holdings LLC - UK	160,945	-
		749,066	572,232

7.1 This represents advance given to purchase an equity interest in above entities.

		2016	2015
8.	**TRADE RECEIVABLES**		
	Trade receivables - unsecured	810,388	810,164

These receivables are unsecured but are considered good by the management of the company.

		Note	2016	2015
			USD	USD
9.	**RECEIVABLE FROM SHAREHOLDERS**			
	Receivable against shares issued	9.1	3,339,342	664,954

9.1 The parent company issued shares amounted to US$3,348,333 and US$664,954 to shareholders during the financial year ended December 31, 2016 and December 31, 2015 respectively.

		Note	2016	2015
			USD	USD
10.	**CASH AND BANK BALANCE**			
	Cash at bank:			
	- current accounts		48	4
	- saving Accounts		49	71,370
			97	71,374
11.	**SHARE CAPITAL**			
	Authorized share capital			
	Ordinary Share Capital			
	1,000,000,000 ordinary shares of USD 0.01 each		10,000,000	10,000,000
	1 founder share of USD 1.00 each		1	1
			10,000,001	10,000,001
	Convertible Shares			
	400,000,000 convertible shares of USD 0.01 each		4,000,000	4,000,000
			14,000,001	14,000,001
	Issued, subscribed and paid up share capital			
	Ordinary Share Capital			
	14,136,000 (2015: 6,608,000) ordinary shares of US $0.01 each		141,360	66,080
	Convertible Share Capital			
	1,500,000 convertible shares of US $ 0.01 each	11.1	150,000	150,000
			291,360	216,080

11.1 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 share are not entitled to the dividend declared by the company before any conversion. The company reserves the right to either convert the shares into ordinary share or to pay them off and redeem them.

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12. **CONTINGENCIES AND COMMITMENTS**

CONTINGENCIES:

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

COMMITMENTS:

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

	Note	2016 USD	2015 USD
13. REVENUE		**1,411,190**	1,461,817
Income from consulting service		**1,411,190**	1,461,817
14. COST OF REVENUE			
Commission, fee and professional charges		**1,129,114**	1,072,781
Staff salaries, commission and benefits		-	244,283
Listing fee		**40,940**	3,976
Foreign travelling		**57,733**	7,976
		1,227,787	1,329,016
15. OPERATING EXPENSES			
Rent, rates and taxes		-	505
Fees and subscription		**4,263**	7,956
Utilities		-	30,270
Entertainment		-	6,332
Other expenditures		**11,879**	2,000
Depreciation	6	**343**	386
Audit fee		**2,750**	3,000
		19,235	50,449
16. FINANCE COST			
Bank charges		**61,200**	6,731
		61,200	6,731

17. **TAXATION**

The company as well as its subsidiary company are not liable to pay any tax in any jurisdiction.

		2016	2015
18. EARNINGS PER SHARES			
18.1 Earnings per share - basic			
Profit after taxation for the year	**USD**	**106,895**	75,621
Weighted average number of ordinary shares	**Number of shares**	**7,812,110**	4,887,671
Earnings per share - basic	**USD**	**0.01**	0.02
18.2 Earnings per share - diluted			
Profit after taxation for the year	**USD**	**106,895**	75,621
Weighted average number of ordinary shares	**Number of shares**	**10,744,740**	5,039,338
Earnings per share - diluted	**USD**	**0.01**	0.02

IQBAL YASIR & COMPANY (Chartered Accountants) Registered Samoan Auditors

	2016	2015
19. FINANCIAL INSTRUMENTS	USD	USD
19.1 Financial instruments by class and category		
Financial assets		
Trade receivables	810,388	810,164
Receivable from shareholders	3,339,342	664,954
Other financial asset	749,066	572,232
Cash and bank balance	97	71,374
	4,898,892	2,118,724
Financial liabilities		
Accrued expenses	2,000	3,645
	2,000	3,645

19.2 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

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.

19.2.1 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.

19.2.2 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.

19.2.3 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:

	2016			
	Total	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	810,388	-	-	810,388
Receivable from shareholders	3,339,342	-	-	3,339,342
Other financial asset	749,066	-	-	749,066
Cash and bank balance	97	-	-	97
	4,898,892	-	-	4,898,892
Financial liabilities				
Accrued expenses	2,000	-	-	2,000
	2,000	-	-	2,000

IQBAL YASIR & COMPANY (Chartered Accountants) Registered Samoan Auditors

	2015			
	Total	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	810,164	-	-	810,164
Receivable from shareholders	664,954	-	-	664,954
Other financial asset	572,232	-	-	572,232
Cash and bank balance	71,374	-	-	71,374
	2,118,724	-	-	2,118,724
Financial liabilities				
Accrued expenses	3,645	-	-	3,645
	3,645	-	-	3,645

20. FINANCIAL RISK MANAGEMENT

Financial risk factors

Financial instruments comprise investment in equity instruments, interest accrued, trade receivables, 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.

20.1 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 interest-bearing assets.

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.

IQBAL YASIR & COMPANY Registered Samoan Auditors (Chartered Accountants)

20.2 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 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. The maximum exposure to credit risk at the reporting date was as follows:

	2016	2015
	USD	USD

20.2.1 Maximum exposure to credit risk

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

	2016 USD	2015 USD
Trade receivables	**810,388**	810,164
Receivable from shareholders	**3,339,342**	664,954
Other financial asset	**749,066**	572,232
Cash and bank balance	**97**	71,374
	4,898,892	2,118,724

20.2.2 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.

20.2.3 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.

20.2.3.1 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.

20.2.3.2 Counterparties without external credit ratings

These include trade receivables and receivable from shareholders. Non-performance by these counterparties is not expected.

20.2.4 Collateral held

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

20.2.5 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.

20.3 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.

21. 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.

IQBAL YASIR & COMPANY (Chartered Accountants) Registered Samoan Auditors

22. **DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been approved and authorized for issue on **29 March 2017** by the Board of Directors of the parent company.

23. **GENERAL**

- Figures have been rounded off to the nearest US Dollar.

IQBAL YASIR & COMPANY
Registered Samoan Auditors
(Chartered Accountants)

CHIEF EXECUTIVE **DIRECTOR**

Emerging Capital Ltd

ARBN 603 393 783

STOCK EXCHANGE INFORMATION

TOP 20 ORDINARY SHAREHOLDERS AS AT 28 MARCH 2017

Shareholder	Shares	%of issued
J P MORGAN NOMINEES AUSTRALIA	6,656,694	47.090%
KHANDAKAR REZBI	2,000,000	14.148%
MICHELA BIANCHI	2,000,000	14.148%
BNP PARIBAS NOMINEES PTY LTD	574,447	4.064%
GHAZALA ZAFAR	500,000	3.537%
RATRI AZRI	500,000	3.537%
FARZANA TAHIR	500,000	3.537%
IFTHIKHAR AHMED	500,000	3.537%
RINA ROSARINA MARIA	457,839	3.239%
KHANDAKAR OMAR FARUK	140,000	0.990%
ABDUL RAZZAQ	90,000	0.637%
AL MAMUN KHAN	70,000	0.495%
GERHARD FLECHL POLLHEIM	30,000	0.212%
MR PETER SOETAERT	21,020	0.149%
RONALD RUDOLPH	15,000	0.106%
MR PAUL BODENSTEINER	15,000	0.106%
ANTOINE ARNOLD	14,000	0.099%
PAUL BODENSTEINER	14,000	0.099%
MARIANNE GUTSCHE	10,000	0.071%
BERND REIMER	10,000	0.071%

Analysis of Holdings as at 28-03-16
Security Classes
CHESS Depositary Interests over Fully Paid Ordinary Shares

Holdings Ranges	**Holders**	**Total Units**	**%**
1-1,000	0	0	0.000
1,001-5,000	0	0	0.000
5,001-10,000	2	20,000	0.141
10,001-100,000	8	269,020	1.903
100,001-99,999,999,999	10	13,828,980	97,828
Totals	**20**	**14,118,000**	**99.873**

Substantial shareholders	**Shares**	**%of Issued**
J P MORGAN NOMINEES AUSTRALIA	6,656,694	31.341
KHANDAKAR REZBI	2,000,000	23.172
MICHELA BIANCHI	2,000,000	23.172

Emerging Capital Ltd

ARBN 603 393 782

CORPORATE DIRECTORY

DIRECTORS

Khandakar Rezbi

Shahid Akram

SECRETARY

Westco Secretaries Ltd - Samoa

ANDREW BRISTOW - AUSTRALIA

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AUDITOR

IQBAL YASIR & COMPANY

Chartered Accountants

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Usman Black, New Garden Town,

Lahore Pakistan

(REGISTERED IN Samoa)

CDI/SHARE REGISTRY

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SYDNEY NSW 2000