

Eagle IG Limited

ABN 81 617 884 858

**APPENDIX 3 AND
INTERIM FINANCIAL REPORT
For the Half Year Ended 30 June 2017**

Eagle IG Limited
ABN 81 617 884 858
Appendix 3

1. Details of the reporting period

Current Period: 10 March 2017– 30 June 2017 (“HY2017”)

Previous Corresponding Period: As Eagle IG Limited was incorporated on 10 March 2017, there is no previous corresponding period to disclose.

2. Results for announcement to the market

		30 June 2017
2.1	Revenue from continuing operations	826,753
2.2	Profit / (loss) after income tax	262,004
2.3	Profit (loss) for the period attributable to members of the parent	262,004

2.4 Dividend

No dividend was declared or paid during the period.

2.5 Explanation of Results

The explanation of the results is included in the Directors' Report.

3. Net tangible assets per ordinary share

		30 June 2017
		Cents
Net tangible assets per ordinary share		36.1

Calculation is based from Eagle IG ordinary shares issued as at 30 June 2017.

4. Details of entities over which control has been gained or lost during the period

4.1	Name of company	: Asia Fortune International Holdings Limited
	Place of incorporation	: Hong Kong
	Percentage of interest	: 100%
4.2	Name of company	: Eagle IG Hong Kong Limited (formerly Eagle IG Limited)
	Place of incorporation	: Hong Kong
	Percentage of interest	: 100%
4.3	Name of company	: Beijing Zhanteng Borun Management Consulting Co., Ltd.
	Place of incorporation	: China
	Percentage of interest	: 100%

5. Dividend Payment Information

No dividend was declared or paid during the period.

6. Dividend/distribution reinvestment plan

No dividend/distribution reinvestment plan was made during the period.

7. Investment in Associates and Joint Ventures

Details of the associate are as follows:

Name of company	: Hua Teng Financial Group Limited
Place of incorporation	: Hong Kong
Percentage of interest	: 35%

8. Accounting Standards

Australian Accounting Standards have been used in complying the information contained in Appendix 3.

9. Audit Disputes or Qualifications

There are no audit disputes or qualifications during the period.

**Eagle IG Limited and
Its Controlled Entities**

ABN 81 617 884 858

**Consolidated Financial Statements
For the Half Year Ended 30 June 2017**

Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

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Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

Directors' Report

The directors present their report, together with the financial statements on the consolidated entity (referred to hereafter as the 'Group') consisting of Eagle IG Limited (referred to hereafter as the 'Company' or "Eagle IG") and the entities it controlled for the period of 10 March 2017 to 30 June 2017.

Directors

The following persons were directors of Eagle IG during the whole of the financial period and up to the date of this report, unless otherwise stated:

Dennis (Kwong Yeung) To

Huei-Ching Huang

Yan Cui (appointed on 17 July 2017)

Timothy Lawlor Wall (resigned on 17 July 2017)

Principal activities

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

Review of Operations

The table below sets out the selected key performance indicators for the half year's ended 30 June 2017:

US\$	30 June 2017
Revenue	826,753
Direct cost	(483,980)
Gross profit	342,773
Other income	370,014
General and administrative expenses	(450,783)
Net profit for the period	262,004

Dividend

No dividends were paid or declared during or subsequent to the end of the financial period.

Significant Changes in State of Affairs

No change during the period.

Directors' Report (Cont'd)

Likely developments and expected results of operations

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Company.

Matters subsequent to the end of the financial period

There has not arisen, in the interval between the end of the financial period and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect substantially:

- (a) the Company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Company's state of affairs in future financial years.

Rounding of amounts

The company is of a kind referred to in ASIC Corporations Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with Class Order to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.



Dennis (Kwong Yeung) To
Director
13 September 2017
Australia



Yan Cui
Director
13 September 2017
Australia

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF EAGLE IG LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2017 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Prosperity Audit Services

PROSPERITY AUDIT SERVICES



LUKE MALONE
Partner

13 September 2017
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the Professional Standards Legislation



Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Consolidated Half-year Ended 30 June 2017 USD
Revenue		
Revenue	5	826,753
Cost of sales		<u>(483,980)</u>
Gross profit		<u>342,773</u>
Other income	6	370,014
General and administration expenses	7	<u>(450,783)</u>
Profit before income tax		<u>262,004</u>
Income tax expense		<u>-</u>
Net profit for the period		262,004
Other comprehensive income		<u>1,683,907</u>
Total comprehensive income for the period		<u>1,945,911</u>
Profit for the period is attributable to:		
Owners of Eagle IG Limited		<u>262,004</u>
Earnings per share for the period		
Basic earnings per share		<u>1.93 cents</u>

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	Consolidated As at 30 June 2017 USD
Current Assets		
Cash and cash equivalents		370,363
Trade receivables	8	1,599,709
Loan receivable		154,800
Prepayments and other current assets		9,979
Other receivables		191,283
Receivables from related parties	9	2,008,301
Total current assets		<u>4,334,435</u>
Non-Current Assets		
Other investments		901,659
Deposit		103,626
Total non-current assets		<u>1,005,285</u>
Total Assets		<u>5,339,720</u>
Current Liabilities		
Receipts in advance from customers		74,599
Payables to related parties	9	344,794
Other payables		20,323
Total current liabilities		<u>439,716</u>
Non-Current Liabilities		-
Total Liabilities		<u>439,716</u>
Net Assets		<u>4,900,004</u>
Equity		
Share capital	10	2,954,093
Reserve		1,683,907
Retained earnings		262,004
Total Equity		<u>4,900,004</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital	Pooling of interest reserve	Retained earnings	Total
	USD	USD	USD	USD
<u>Consolidated 2017</u>				
Balance at 10 March 2017 (Date of incorporation)	-	-	-	-
Net profit for the period	-	-	262,004	262,004
Other comprehensive income for the period	-	1,683,907		1,683,907
Total comprehensive income for the period	-	1,683,907	262,004	1,945,911
Issue of shares	2,954,093	-	-	2,954,093
Balance at 30 June 2017	2,954,093	1,683,907	262,004	4,900,004

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Consolidated Half-year Ended 30 June 2017 USD
Cash flows from operating activities:		
Profit before taxation		262,004
Increase in trade receivables		(12,394)
Increase in repayments and other current assets		(9,979)
Increase in other receivables		(107,624)
Increase in receivable from related parties		(1,834,570)
Increase in payable from related parties		205,455
Increase in deposit		(103,626)
Increase in receipts in advance from customers		74,599
Increase in other payable and accruals		(1,283,423)
Net cash generated from/(used in) operating activities		(2,809,558)
Cash flows from financing activities:		
Issue of shares		2,954,093
Net cash generated from financing activities		2,954,093
Cash flows from investing activities:		
Cash acquired from pooling of interest		1,127,487
Increase in other investments		(901,659)
Net cash generated from investing activities		225,828
Net increase in cash and cash equivalents		370,363
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period		370,363

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes

Notes to Financial Statements

NOTE 1: GENERAL

The financial statements cover Eagle IG Limited ("Parent entity" or the "Company") as a consolidated entity consisting of Eagle IG Limited, Eagle IG Limited and the entities it controlled (together referred to as the "Group") at the end of, or during, the half-year ended 30 June 2017. The financial statements are presented in United States dollars, which is the Company's presentation currency, with all values rounded to the nearest thousand dollars unless otherwise stated.

The Company is a for-profit listed public company limited by shares, incorporated and domiciled in Australia. The Company's shares are publicly traded on the National Stock Exchange.

The company's registered office is located at Suite 2305, Level 23, One International Towers Sydney, 100 Barangaroo Avenue, Sydney NSW 2000, Australia.

The principal activities of the company are business advisory and consulting services.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 13 September 2017.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements for the interim half-year reporting period ended 30 June 2017 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

These general purpose financial statements have been prepared on a historical cost basis, except for a few items where the basis used will be explicitly stated in the relevant note.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

New, revised or amended Accounting Standards and Interpretations adopted

The group has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amended Accounting Standards or Interpretations that are not yet mandatory have not been adopted early.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Notes to Financial Statements (Cont'd)

NOTE 3: GROUP RESTRUCTURE

Eagle IG Limited was incorporated on 10 March 2017, owning 100% shares of Asia Fortune International Holdings Limited ("Asia Fortune") which in turn owns 100% shares of Eagle IG Hong Kong Limited (formerly Eagle IG Limited) ("Eagle IG HK"), 100% shares of Beijing ZhanTeng Borun Management Consulting Co., Ltd. and 35% shares of Hua Teng Financial Group Limited.

Eagle IG Limited was incorporated on 10 March 2017 and inserted as a holding company above the existing company, Asia Fortune. The founding Shareholders of Eagle IG Limited ('Founders') entered into an arrangement whereby their shares in Asia Fortune were transferred to Eagle IG Limited in return for the shareholders obtaining Shares in Eagle IG Limited.

This reorganisation does not represent a business combination under AASB 3 Business Combinations as there has been no combination with any other business and there was no economic substance in terms of any alteration to the composition of ownership of the subsidiary company Asia Fortune.

As such the consolidated financial statements are presented using the pooling of interests method of accounting.

Under the pooling of interest method as applied in this situation the consolidated financial statements of Eagle IG Limited are effectively presented as follows:

- the consolidated balance sheet is issued under the name of the legal parent (Eagle IG Limited) but is a reflection of the financial statements of the subsidiary, Asia Fortune where the equity and reserves of the subsidiary, Asia Fortune are reflected in the consolidated financial statements;
- the assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, including goodwill, as a result of the re-organisation; and
- the cost of investment held by the legal parent (Eagle IG Limited) in the legal subsidiary (Asia Fortune) is eliminated on consolidation. The consolidated share capital reflects the share capital of Eagle IG Limited, and to the extent that this is different to the subsidiary, Asia Fortune, then this is recognised in equity as a 'pooling of interest reserve.'

Notes to Financial Statements (Cont'd)

NOTE 4: SEGMENT REPORTING

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

The Directors (who are identified as the CODM) assess performance and determine the allocation of resources based on the internal reports which are organised in one operating segment for the subcontracting of workforce with State Owned Enterprise and private companies based in China. As a result, there is only one operating segment and the statement of profit or loss and other comprehensive income and the statement of financial position is reflective of this operating segment.

NOTE 5: REVENUE

	<u>30/06/2017</u>
	US\$
<u>Revenue</u>	
Fee income	826,753

Fee income is mainly attributable to consultancy services rendered to various companies during their process of listing on the stock exchange. Income generated from providing these services is received through the issuance of shares in these companies at the date of listing. Revenue is recognised when the right to the income is known and the following criteria are used in this assessment:

- The financial, legal and regulatory due diligence is at a stage where the listing is considered highly likely to proceed; and
- The share price for the listing of these entities is confirmed and agreed.

As a result of the above revenue recognition criteria, there are a number of projects at difference stages of the listing process where the date of listing and the share price are uncertain and therefore revenue has not yet been recognised.

NOTE 6: OTHER INCOME

	<u>30/6/2017</u>
	US\$
Fair value gain of other investments	366,912
Realised gain on disposal of investments	3,067
Interest income	35
	<u>370,014</u>

Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

Notes to Financial Statements (Cont'd)

NOTE 7: GENERAL AND ADMINISTRATION EXPENSES

30/06/2017

US\$

General and administration expenses

Wages and salaries	114,515
Rent expenses	19,721
Other expenses	316,547
	<hr/> 450,783 <hr/>

NOTE 8: TRADE RECEIVABLES

30/6/2017

US\$

Trade receivables	<hr/> 1,599,709 <hr/>
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NOTE 9: RELATED PARTY TRANSACTIONS

9.1 Related party transactions

30/6/2017

US\$

Rental and related expenses to AGC Capital Securities

Pty Ltd ("AGC")	<hr/> 19,721 <hr/>
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Eagle IG Ltd
Consolidated Financial Statements
Half-year Ended 30 June 2017

Notes to Financial Statements (Cont'd)

9.2 Balances with related parties

	<u>30/6/2017</u>
	US\$
Amounts due from related parties	
Hua Teng Financial Group Limited (Associate)	89,676
AGC	472,795
Mr. Chien-Chih Kao (Majority Shareholder)	1,434,908
Mr. Dennis To (Director)	10,922
	<u>2,008,301</u>
 Rental deposit with AGC	 <u>103,626</u>
 Amounts due to related parties	
Beijing ZhanTeng Borun Touziguangli Co. Ltd	205,378
Ms. Huei-Ching Huang (Director)	139,416
	<u>344,794</u>

NOTE 10: SHARE CAPITAL

		<u>30/06/2017</u>
	Number of shares	US\$
<u>Issued and fully paid:</u>		
Issue of shares as part of share swap	7,517,271	-
Issue of shares to other shareholders	6,048,406	2,954,093
	<u>13,565,677</u>	<u>2,954,093</u>

NOTE 11: CONTINGENCIES AND COMMITMENTS

The Group has no contingent liabilities or commitments as at 30 June 2017.

Notes to Financial Statements (Cont'd)

NOTE 12: FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The directors consider that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

NOTE 13: EVENTS AFTER THE BALANCE SHEET DATE

There has not arisen, in the interval between the end of the financial period and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect substantially:

- (a) the Company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Company's state of affairs in future financial years.

Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard *AASB 134 'Interim Financial Reporting'*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Dennis (Kwong Yeung) To
Director
13 September 2017
Australia



Yan Cui
Director
13 September 2017
Australia

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE SHAREHOLDERS OF EAGLE IG LIMITED
FOR THE HALF-YEAR ENDED 30 JUNE 2017**

Report on the Financial Report

We have reviewed the accompanying financial report of Eagle IG Limited and its Controlled Entities ("the Group") which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Eagle IG Limited's financial position as at 30 June 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is located on page 5 of the financial report.

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE SHAREHOLDERS OF EAGLE IG LIMITED
FOR THE HALF-YEAR ENDED 30 JUNE 2017**

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Eagle IG Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of Eagle IG Limited's financial position as at 30 June 2017 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Prosperity Audit Services

PROSPERITY AUDIT SERVICES

LUKE MALONE
Partner

13 September 2017
Sydney