

Emerging Capital Ltd

ARBN 603 393 782

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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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

The Board meets 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 Planning Committee

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.

DIRECTOR'S REPORT

Your directors present their report on the Company for the financial period ended 31 December 2014

Directors

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

Khandakar Rezbi

Shahid Akram

Maria Michela Aida Chanel Bianchi

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

Ms Bianchi was in office from 21 November 2014 to 31 July 2015.

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

Mrs. Bianchi resigned on 26 June 2015

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.

Principle Activities

The principle 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 of USD\$ 77, 806

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. During the year the Company has concentrated on completing R&D on its three projects namely MYSY Innovation, Nerone, BP AcqueReflue. MYSY Innovation is ready to be launched in the market provided funds are in place. The other projects Nerone and BP AcqueReflue are coming along very well. R&D can be completed on these projects this year provided funds are in place. Company continues to derive its income and cash flow from its consultancy business

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

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 Abul Kasham 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 her graduated Dhaka 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 ferment 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, 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

ShahidAkram

Non-Executive Director

Board member from 31 July 2015 to date.

Qualification and Experience

MrAkram 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 15 March 2016



Khandakar Abul Kasham 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 2015

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
		Michaela Bianchi	Nil	Nil	Nil	Nil
		Shahid Akram	Nil	Nil	Nil	Nil



IQBAL YASIR & COMPANY

CHARTERED ACCOUNTANTS

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed consolidated statement of financial position of EMERGING CAPITAL LIMITED (the parent company) and its subsidiary EMERGING CAPITAL LIMITED – HONG KONG (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 year then ended.

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 EMERGING 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
IQBAL YASIR AND COMPANY
(Chartered Accountants)

Engagement Partner: Yasir Riaz

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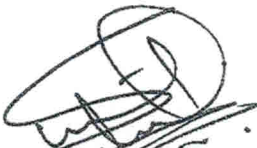
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EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

	Note	2015 USD	2014 USD
<u>ASSETS</u>			
NON CURRENT ASSETS			
Property, plant and equipment	6	3,230	3,617
CURRENT ASSETS			
Trade receivables		810,164	833,078
Receivable from shareholders	7	664,954	-
Other financial asset	8	572,232	-
Advances, deposits and prepayments		50,011	50,005
Cash and bank balance	9	71,374	155,050
		2,168,735	1,038,133
TOTAL ASSETS		2,171,965	1,041,750
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorized share capital	10	14,000,001	14,000,001
Issued, subscribed and paid up capital	10	216,080	190,000
Share premium		1,398,874	360,000
Consolidated retained earnings		553,366	475,561
		2,168,320	1,025,561
<u>CURRENT LIABILITIES</u>			
Accrued expenses		3,645	16,189
Amount due to shareholders		-	-
		3,645	16,189
CONTINGENCIES AND COMMITMENTS			
	11	-	-
TOTAL EQUITY AND LIABILITIES		2,171,965	1,041,750

The annexed notes from 1 to 19 form an integral part of these financial statements.



 DIRECTOR



 DIRECTOR

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	2015 USD	2014 USD
Revenue		1,461,817	260,856
Operating Expenses			
Fee for professional services		1,045,977	147,084
Staff salaries, commission and benefits		244,283	3,035
Listing fee		3,976	-
Prospectus fee		13,965	-
Information management fee		12,839	-
Rent, rates and taxes		505	13
Fees & Subscription		7,956	-
Utilities		30,270	5
Entertainment		6,332	64
Travelling fee		7,976	-
Depreciation		386	36
Other expenditures		2,000	3,081
Audit Fee		3,000	2,063
		(1,379,464)	(155,381)
Operating profit		82,353	105,475
Bargain purchase gain on the acquisition of subsidiary	14	-	369,752
Finance cost		(6,731)	(50)
Profit before tax		75,622	475,177
Taxation	12	-	-
Profit after tax		75,622	475,177
Earnings per share			
- Basic	13.1	0.015	0.119
- Diluted	13.2	0.015	0.119

The annexed notes from 1 to 19 form an integral part of these financial statements.

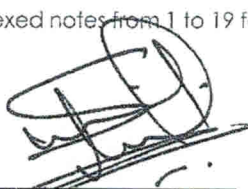

 DIRECTOR


 DIRECTOR

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015 USD	2014 USD
Profit for the year	75,622	475,177
<u>Other comprehensive income</u>		
<i>Items that may not be reclassified subsequently to profit or loss account:</i>		
Exchange Gain/(Loss) on translating foreign operations	2,183	384
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>77,805</u>	<u>475,561</u>

The annexed notes from 1 to 19 form an integral part of these financial statements.



DIRECTOR

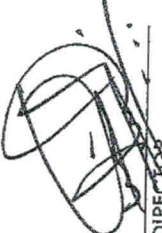


DIRECTOR

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2015

	Share capital		Reserves			Total equity and reserves
	Ordinary	Convertible	Share premium	Foreign currency translation reserve	Consolidated retained earnings	Total
-----USD-----						
Shares issued during the period	40,000	150,000	360,000	-	-	550,000
Total comprehensive income for the period	-	-	-	384	475,177	475,561
Balance as at December 31, 2014	40,000	150,000	360,000	384	475,177	1,025,561
Shares issued during the year	26,080	-	1,038,874	-	-	1,064,954
Total comprehensive income for the year	-	-	-	2,183	75,622	77,805
Balance as at December 31, 2015	66,080	150,000	1,398,874	2,567	550,799	2,168,320

The annexed notes from 1 to 19 form an integral part of these financial statements.



 DIRECTOR



 DIRECTOR

EMERGING CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	2015 USD	2014 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		75,622	475,177
Adjustments for:			
- Bargain purchase gain on acquisition of subsidiary		-	(369,752)
- Depreciation		386	36
- Finance cost		(6,731)	50
- Exchange Gain on translating foreign operations		2,183	(384)
		<u>71,460</u>	<u>105,127</u>
Operating profit before working capital changes		71,460	105,127
WORKING CAPITAL CHANGES			
(Increase)/decrease in current assets			
Trade receivables		22,914	425
Other financial asset		(572,232)	
Advances, deposits and prepayments		(5)	(21)
Increase/(decrease) in current liabilities			
Accrued expenses		(12,544)	2,063
		<u>(561,867)</u>	<u>2,467</u>
Cash generated from operations		<u>(490,407)</u>	<u>107,594</u>
Finance cost paid		6,731	(50)
Income taxes paid		-	-
Net cash (outflow)/inflow from operating activities		<u>(483,676)</u>	<u>107,544</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash of subsidiary Emerging Capital Limited (HK) on acquisition date		-	47,507
Net cash inflow from investing activities		<u>-</u>	<u>47,507</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of new shares		20,000	-
Share premium		380,000	-
Net cash inflow from financing activities		<u>400,000</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		<u>(83,676)</u>	<u>155,050</u>
Cash and cash equivalents at beginning of the year		155,050	-
Cash and cash equivalents at the end of the year		<u>71,374</u>	<u>155,050</u>

The annexed notes from 1 to 19 form an integral part of these financial statements.


DIRECTOR


DIRECTOR

EMERGING CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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/- Asiatic 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 Kong.

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 is 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;
- Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and 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 18 to these financial statements.

4.2 Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the directors determined that the useful lives of items of property, plant 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 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 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost in relation to property plant and equipment consists of historical costs and subsequent changes due to revaluations, if any.

Depreciation on property, plant and equipment is charged on reducing balance method at the rates stated in note 6 to these financial statements.

Depreciation charge commences from the month in which asset is available for use and continues until the month of disposal.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and assets so replaced, if any, are retired. Gains and losses on disposal of property, plant and equipment are recognized in the statement of profit or loss.

5.4 Impairment of assets

The carrying amounts of the group's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of impairment loss if any. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Impairment losses are charged to the profit and loss account, but if any revaluation surplus in respect of such assets exists, then such impairment is firstly charged against that surplus and then remaining portion, if any, is charged to profit or loss.

5.5 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.

5.6 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.

5.7 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.

5.8 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.

5.9 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.

5.10 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.

6. PROPERTY, PLANT AND EQUIPMENT

Particulars	COST			Rate %	DEPRECIATION			WDV as at December 31, 2015
	As at 01 January 2015	Addition/ (Deletion)	As at December 31, 2015		As at 01 January 2015	For the Period	As at December 31, 2015	
	----- (USD) -----				----- (USD) -----			
Furniture and fittings	2,495	-	2,495	10	676	182	858	1,637
Electrical Equipments	2,128	-	2,128	10	576	155	732	1,396
Computers	452	-	452	20	206	49	255	197
Total	5,075	-	5,075		1,458	386	1,845	3,230
Total 2014	-	5,075	5,075		1,422	36	1,458	3,617

	Note	2015 USD	2014 USD
7. RECEIVABLE FROM SHAREHOLDERS			
Receivable against shares issued	7.1	<u>664,954</u>	<u>-</u>

7.1 The parent company issued shares to shareholders on 15 September 2015 and 15 October 2015 respectively during the financial year ended December 31, 2015. The shares are evidenced by two promissory notes due on 30 June 2016 or earlier on demand. The promissory note agreement with shareholders is for a total of \$1,064,954 against share issue.

	Note	2015 USD	2014 USD
8. OTHER FINANCIAL ASSET			
Rising Star Limited		<u>572,232</u>	<u>-</u>

8.1 This represents advance given to purchase an equity interest in above entity.

9. CASH AND BANK BALANCE

Cash in hand	-	-
Cash at bank:		
- current accounts	4	4
- saving Accounts	71,370	155,046
	<u>71,374</u>	<u>155,050</u>

10. SHARE CAPITAL

Authorized share capital

Ordinary Share Capital

1,000,000,000 ordinary shares of USD 0.01 each
1 founder share of USD 1.00 each

10,000,000	10,000,000
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
<u>14,000,001</u>	<u>14,000,001</u>

Issued, subscribed and paid up share capital

Ordinary Share Capital

4,000,000 shares of US \$0.01 each
2,000,000 shares of US \$0.01 each
300,000 shares of US \$0.01 each
308,000 shares of US \$0.01 each

10.1	40,000	40,000
10.1	20,000	-
10.1	3,000	-
10.1	3,080	-
10.2	150,000	150,000
	<u>216,080</u>	<u>190,000</u>

Convertible Share Capital

15,000,000 shares of US \$ 0.01 each

10.1 Share premium

4,000,000 shares issued at a premium of US\$0.09
2,000,000 shares issued at a premium of US\$0.19
300,000 shares issued at a premium of US\$1.09
308,000 shares issued at a premium of US\$1.08

360,000	360,000
380,000	-
326,427	-
332,447	-
<u>1,398,874</u>	<u>360,000</u>
<u>1,614,954</u>	<u>550,000</u>

- 10.2 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.

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.

12. TAXATION

According to the management of the group, the parent company as well as its subsidiary company are not liable to pay any tax in any jurisdiction.

		2015	2014
13. EARNINGS PER SHARES			
13.1 Earnings per share - basic			
Profit after taxation for the year	USD	75,622	475,177
Weighted average number of ordinary shares	Number of shares	4,887,671	4,000,000
Earnings per share - basic	USD	<u>0.015</u>	<u>0.119</u>
13.2 Earnings per share - diluted			
Profit after taxation for the year	USD	75,622	475,177
Weighted average number of ordinary shares	Number of shares	5,039,338	4,000,000
Earnings per share - diluted	USD	<u>0.015</u>	<u>0.119</u>

14. BUSINESS COMBINATION

As at July 17, 2014 the company acquired Emerging capital limited, a company with its registered office in Hong Kong.

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.

	2014
	USD
Fair value of identifiable net assets at date of acquisition	919,752
Percentage of identifiable net assets acquired	100%
Purchase consideration paid in ordinary shares of the company	550,000
Bargain Purchase Gain	<u>369,752</u>

15. FINANCIAL INSTRUMENTS

15.1 Financial instruments by class and category

Financial assets

	2015 USD	2014 USD
Trade receivables	810,164	833,078
Receivable from shareholders	664,954	-
Other financial asset	572,232	-
	<u>2,047,350</u>	<u>833,078</u>

15.2 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.

15.2.1 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.

15.2.2 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.

15.2.3 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
Trade receivables	810,164	-	-	810,164
Receivable from shareholders	664,954	-	-	664,954
Other financial asset	572,232	-	-	572,232
	<u>2,047,350</u>	<u>-</u>	<u>-</u>	<u>2,047,350</u>
2014				
	Total	Level 1	Level 2	Level 3
Trade receivables	833,078	-	-	833,078
	<u>833,078</u>	<u>-</u>	<u>-</u>	<u>833,078</u>

16. 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.

16.1 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.

16.2 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.

	2015	2014
	USD	USD
16.2.1 Maximum exposure to credit risk		
The maximum exposure to credit risk as at the reporting date is as follows:		
Trade receivables	810,164	833,078
Receivable from shareholders	664,954	-
	<u>1,475,118</u>	<u>833,078</u>

16.2.2 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.

16.2.3 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.

16.2.3.1 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.

16.2.3.2 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.

16.2.4 Collateral held

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

16.2.5 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.

16.3 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.

17. 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.

18. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved and authorized for issue on ~~14 MAR 2010~~ by the Board of Directors of the parent company.

19. GENERAL

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



DIRECTOR



DIRECTOR

Emerging Capital Ltd

ARBN 603 393 783

STOCK EXCHANGE INFORMATION

TOP 20 ORDINARY SHAREHOLDERS AS AT 14 MARCH 2016

Shareholder	Shares	%of issued
J P MORGAN NOMINEES AUSTRALIA	2,705,000	31.341
MICHELA BIANCHI	2,000,000	23.172
KHANDAKAR REZBI	2,000,000	23.172
RINA ROSARINA MARIA	1,000,000	11.586
JAVED IQBAL MUGHAL	200,000	2.317
GERHARD FLECHL POLLHEIM	30,000	0.348
MR PAUL BODENSTEINER	15,000	0.174
RONALD RUDOLPH	15,000	0.174
ANTOINE ARNOLD	14,000	0.162
PAUL BODENSTEINER	14,000	0.162
MOHAMMAD JOUNUL ABEDIN	10,000	0.116
SHAKHIL AHMED	10,000	0.116
MEHMOOD AKHTAR	10,000	0.116
LUCKY AKTER	10,000	0.116
MAHNAZ AKTER	10,000	0.116
MOMOTAZ AKTER	10,000	0.116
SAIDA AKTER	10,000	0.116
SHAMMI AKTER	10,000	0.116
MD MURSHED ALAM	10,000	0.116
LITON ALI	10,000	0.116
MUHAMMAD ALI	10,000	0.116
MEHMOONA ALTAF	10,000	0.116
MUHAMMAD ALTAF	10,000	0.116
IFFAT ARA	10,000	0.116
ROWSHE ARA	10,000	0.116
ALI ASGHAR	10,000	0.116
KHANDAKER BADIUZZAMAN	10,000	0.116
KHANDAKAR SHAFIUL BASHER	10,000	0.116
MOMTAZ BEGUM	10,000	0.116
REHANA BEGUM	10,000	0.116
SHAHJADI GULBADAN BEGUM	10,000	0.116
KASHIF ALI BHATTI	10,000	0.116
SAQIB ALI BHATTI	10,000	0.116
KHANDAKER MORTUZA BISHAL	10,000	0.116
MD BIPLOB HASEN BURHAN	10,000	0.116
NADEEM ABID CHAUDHRY	10,000	0.116
ALLAH DITA	10,000	0.116
KHANDAKAR OMAR FARUK	10,000	0.116
WASEEM ABID GONDAL	10,000	0.116
MARIANNE GUTSCHE	10,000	0.116
ABDUL HAQ	10,000	0.116
MD ROKIBUL HASAN	10,000	0.116
JAFAR HOSSAIN	10,000	0.116

ABIDA IQBAL	10,000	0.116
MOHITUL ISLAM	10,000	0.116
AKHTAR JAAN	10,000	0.116
KHANDAKAR ANAMUL KABIR	10,000	0.116
AL MAMUN KHAN	10,000	0.116
MD AMIN ULLAH KHAN	10,000	0.116
MD MASUD RANA KHAN	10,000	0.116
MUHAMMAD SARFARAZ KHAN	10,000	0.116
MOSAMAT MALEKA KHATUN	10,000	0.116
MST MONWARA KHATUN	10,000	0.116
OMAIR MAHMOOD	10,000	0.116
ADIL MANZOOR	10,000	0.116
SHAMEEN MANZOOR	10,000	0.116
MD MANIK MIA	10,000	0.116
FARHAN KABIR NILA	10,000	0.116
ASMA PARVIN	10,000	0.116
ABDUL QADOOS	10,000	0.116
HABIBUR RAHMAN	10,000	0.116
MOHAMMAD FAZLUR RAHMAN	10,000	0.116
ABDUL RAZZAQ	10,000	0.116
BERND REIMER	10,000	0.116
TAIMOR SARWAR	10,000	0.116
NUZHAT SHAMEEM	10,000	0.116
NOSHABA SHAMIM	10,000	0.116
RAMIZ UDDIN	10,000	0.116
KHANDAKER KHOSNOR ARA YESMIN	10,000	0.116
GHAZALA ZAFAR	10,000	0.116
NADIRA ZAMAN	10,000	0.116
MOSAMOD FATEMA TU ZOHORA	10,000	0.116

Analysis of Holdings as at 14-03-16

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	62	620,000	7.192
10,001-100,000	5	88,000	1.020
100,001-99,999,999,999	5	7,905,000	91.588
Totals	72	8,631,000	99.800

Substantial shareholders

	Shares	% of Issued
J P MORGAN NOMINEES AUSTRALIA	2,705,000	31.341
MICHELA BIANCHI	2,000,000	23.172
KHANDAKAR REZBI	2,000,000	23.172
RINA ROSARINA MARIA	1,000,000	11.586

Emerging Capital Ltd

ARBN603 393 782

CORPORATE DIRECTORY

DIRECTORS

KhandakarRezbi

ShahidAkram

SECRETARY

Westco Secretaries Ltd - Samoa

ANDREW BRISTOW - AUSTRALIA

REGISTERED OFFICE – AUSTRALIA

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NOMINATED ADVISOR

HIGHGATE CORPORATE ADVISORS PTY LTD

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AUDITOR

IQBAL YASIR & COMPANY

Chartered Accountants

RB-II, 2nd Floor,

Flat No.15

Awami Complex

Usman Black, New Garden Town,

Lahore Pakistan

(REGISTERED IN Samoa)

CDI/SHARE REGISTRY

BOARDROOM PTY LIMITED

LEVEL 7, 207 KENT STREET,

SYDNEY NSW 2000