

**ASIA WEALTH GROUP HOLDINGS LIMITED**

Consolidated Financial Statements  
For the year ended 29 February 2016

# **ASIA WEALTH GROUP HOLDINGS LIMITED**

## **Consolidated Financial Statements For the year ended 29 February 2016**

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## ASIA WEALTH GROUP HOLDINGS LIMITED

### Company Directory At 29 February 2016

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#### BOARD OF DIRECTORS

Richard Cayne  
Peter Upperton

#### REGISTERED AGENT AND OFFICE

Harneys Corporate Services Limited  
Craigmuir Chambers  
P.O. Box 71  
Road Town, Tortola VG 1110  
British Virgin Islands

#### CORPORATE ADVISOR

Peterhouse Corporate Finance Limited (*appointed 24 August 2015*)  
New Liverpool House  
15 Eldon Street  
London EC2M 7LD  
United Kingdom

Beaumont Cornish Limited (*replaced 24 August 2015*)  
2nd Floor, Bowman House  
29 Wilson Street  
London EC2M 2SJ  
United Kingdom

#### LEGAL COUNSEL

Gordon Dadds  
6 Agar Street  
London WC2N 4HN  
United Kingdom

#### BANKER

HSBC Bank Plc  
Pall Mall  
London SW1Y 5EZ  
United Kingdom

#### REGISTRAR

Computershare Investor Services (BVI) Limited  
Craigmuir Chambers  
P.O. Box 71  
Road Town, Tortola VG 1110  
British Virgin Islands

#### DEPOSITARY

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS13 8AE  
United Kingdom

#### EXCHANGE LISTING DETAILS

ICAP Securities & Derivatives Exchange  
ISIN: VGG0540E1097  
TIDM: AWLP  
<http://www.isdx.com/>



**BAKER TILLY  
(BVI) LIMITED**

Chartered Accountants

P.O. Box 650  
Tropic Isle Building  
Nibbs Street  
Road Town, Tortola VG 1110  
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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**

**ASIA WEALTH GROUP HOLDINGS LIMITED**

We have audited the accompanying consolidated financial statements of Asia Wealth Group Holdings Limited (the "Parent Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 29 February 2016, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 26.

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinion we have formed.

**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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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 qualified audit opinion.

**Basis for qualified opinion**

The Group has an available-for-sale investment carried at cost as disclosed in note 6. However, the Group has not assessed the investment at year end for impairment in accordance with accounting policy 2(n) and we were unable to satisfy ourselves as to whether this value represents its cost, less impairment losses, if any.

**Qualified opinion**

In our opinion, except for the possible effects of the matter discussed in the basis for qualified opinion paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Group as at 29 February 2016, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

*Baker Tilly (BVI) Limited*

**Chartered Accountants**

**23 July 2016**

**Tortola, British Virgin Islands**

# ASIA WEALTH GROUP HOLDINGS LIMITED

## Consolidated Statement of Financial Position

At 29 February 2016

Expressed in U.S. Dollars

	Note	2016	2015
<b>Non-current assets</b>			
Fixed assets	3	41,266	68,925
Goodwill	4(a)	11,815	—
		<u>53,081</u>	<u>68,925</u>
<b>Current assets</b>			
Cash and cash equivalents		1,281,923	1,695,584
Trade receivables		268,828	273,483
Loans and other receivables		45,843	—
Due from related party	5	—	26,810
Prepayments and other assets		110,959	88,191
Available-for-sale investment	6	318,162	318,162
Investment in associate	4(a)	—	12,410
		<u>2,025,715</u>	<u>2,414,640</u>
<b>Total assets</b>		<u>\$ 2,078,796</u>	<u>\$ 2,483,565</u>
<b>Equity</b>			
Share capital	7	913,496	913,496
Share-based payment reserve	8	35,423	35,423
Consolidation reserve		405,997	405,997
Translation reserve		(15,919)	(7,875)
Accumulated deficit		<u>(302,692)</u>	<u>(166,773)</u>
<b>Total equity attributable to equity holders of the Parent Company</b>		1,036,305	1,180,268
Equity attributable to non-controlling interests	4(b)	<u>(1,201)</u>	<u>—</u>
<b>Total equity</b>		<u>1,035,104</u>	<u>1,180,268</u>
<b>Non-current liabilities</b>			
Liabilities under finance lease agreement	9	<u>26,032</u>	<u>40,031</u>
<b>Current liabilities</b>			
Trade payables		933,698	1,183,146
Due to related parties	5	10,911	4,975
Liabilities under finance lease agreement	9	7,868	13,168
Deferred revenue		1,911	—
Other payables and accrued expenses	5	<u>63,272</u>	<u>61,977</u>
		<u>1,017,660</u>	<u>1,263,266</u>
<b>Total liabilities</b>		<u>1,043,692</u>	<u>1,303,297</u>
<b>Total equity and liabilities</b>		<u>\$ 2,078,796</u>	<u>\$ 2,483,565</u>

# ASIA WEALTH GROUP HOLDINGS LIMITED

## Consolidated Statement of Comprehensive Income For the year ended 29 February 2016

*Expressed in U.S. Dollars*

	Note	2016	2015
<b>Revenue</b>		<u>1,202,336</u>	<u>1,726,989</u>
<b>Expenses</b>			
Commission		534,638	998,447
Professional fees	5	341,119	265,769
Directors' fees	5	216,418	209,030
Travel and entertainment expense		65,363	60,283
Wages and salaries expense		49,681	39,031
Marketing expense		48,204	31,620
Office expense		45,663	43,914
Bad debt expense		44,100	—
Depreciation expense	3	28,569	17,324
Rent expense		14,277	15,244
Communications expense		3,029	3,447
Bank charges		6,682	7,488
Other expenses		<u>13,159</u>	<u>29,098</u>
		<u>1,410,902</u>	<u>1,720,695</u>
<b>Net (loss)/profit from operations</b>		<u>(208,566)</u>	<u>6,294</u>
<b>Other income/(expense)</b>			
Loss on disposal of subsidiary	5	—	(8,272)
Foreign currency exchange gain/(loss)		56,491	(87,041)
Other income		<u>6,456</u>	<u>11,948</u>
		<u>62,947</u>	<u>(83,365)</u>
<b>Net loss before finance costs</b>		<u>(145,619)</u>	<u>(77,071)</u>
<b>Finance costs</b>			
Interest expense		<u>4,449</u>	<u>1,825</u>
<b>Net loss before taxation</b>		<u>(150,068)</u>	<u>(78,896)</u>
Taxation	10	<u>—</u>	<u>2,670</u>
<b>Total comprehensive loss</b>		<u>\$ (150,068)</u>	<u>\$ (81,566)</u>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the Parent Company		(135,919)	(81,566)
Non-controlling interest		<u>(14,149)</u>	<u>—</u>
		<u>(150,068)</u>	<u>(81,566)</u>
<b>Loss per share attributable to the equity holders of the Parent Company:</b>			
Basic loss per share	11	\$ (0.01189)	\$ (0.00713)
Diluted loss per share	11	\$ (0.01142)	\$ (0.00685)

ASIA WEALTH GROUP HOLDINGS LIMITED

Consolidated Statement of Changes in Equity  
For the year ended 29 February 2016

Expressed in U.S. Dollars

		2016					
		Attributable to Equity Holders of the Parent Company					
Share Capital		Share-based Payment		Consolidation Reserve		Translation Reserve	
Number	US\$						Non- controlling interest
Balances at beginning of year	11,433,433	913,496	35,423	405,997	(7,875)	(166,773)	1,180,268
Acquisition of subsidiary	—	—	—	—	—	—	13,296
Translation differences	—	—	—	—	(8,044)	—	(348)
Total comprehensive loss	—	—	—	—	—	(135,919)	(150,068)
Balances at end of year	11,433,433	\$ 913,496	\$ 35,423	\$ 405,997	\$ (15,919)	\$ (302,692)	\$ 1,035,104

		2015					
		Attributable to Equity Holders of the Parent Company					
Share Capital		Share-based Payment		Consolidation Reserve		Translation Reserve	
Number	US\$						Non- controlling interest
Balances at beginning of year	11,433,433	913,496	35,423	405,997	(9,984)	(85,207)	1,259,725
Translation differences	—	—	—	—	2,109	—	2,109
Total comprehensive loss	—	—	—	—	—	(81,566)	(81,566)
Balances at end of year	11,433,433	\$ 913,496	\$ 35,423	\$ 405,997	\$ (7,875)	\$ (166,773)	\$ 1,180,268



# ASIA WEALTH GROUP HOLDINGS LIMITED

## Consolidated Statement of Cash Flows

For the year ended 29 February 2016

Expressed in U.S. Dollars

	2016	2015
<b>Operating activities</b>		
Total comprehensive loss	(150,068)	(81,566)
Adjustments for:		
Gain on disposal of subsidiary	—	8,272
Bad debt expense	44,100	—
Depreciation expense	28,569	17,324
Unrealised foreign exchange loss	13,307	87,041
Operating (loss)/income before changes in operating assets and liabilities	(64,092)	31,071
Changes in operating assets and liabilities:		
Increase in trade receivables	(39,445)	(108,412)
Increase in loan and other receivables	(45,843)	—
Increase in prepayments and other assets	(22,768)	(9,052)
Decrease in trade payables	(249,448)	(20,806)
Decrease in liabilities under finance lease agreement	(19,299)	—
Increase in deferred revenue	1,911	—
Increase/(decrease) in other payables and accrued expenses	1,295	(4,345)
<i>Cash flows from operating activities</i>	<u>(437,689)</u>	<u>(111,544)</u>
<b>Investing activities</b>		
Acquisition of subsidiary	(28,987)	—
Acquisition of associate	—	(12,410)
Disposal of subsidiary	—	(6,249)
Acquisition of fixed assets	(910)	(11,585)
<i>Cash flows from investing activities</i>	<u>(29,897)</u>	<u>(30,244)</u>
<b>Financing activities</b>		
Net advances from/(to) related party	32,746	(26,809)
<i>Cash flows from financing activities</i>	<u>32,746</u>	<u>(26,809)</u>
<b>Net decrease in cash and cash equivalents</b>	(434,840)	(168,597)
Effects of exchange rate fluctuations on cash and cash equivalents	21,179	(10,677)
<b>Cash and cash equivalents at beginning of year</b>	<u>1,695,584</u>	<u>1,874,858</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 1,281,923</u>	<u>\$ 1,695,584</u>

Cash and cash equivalents comprise cash at bank.

## **ASIA WEALTH GROUP HOLDINGS LIMITED**

### **Consolidated Statement of Cash Flows (Cont'd)**

**For the year ended 29 February 2016**

*Expressed in U.S. Dollars*

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On 2 July 2014, the Parent Company disposed of its 100% interest in Asia Wealth Group Pte. Ltd. ("Asia Wealth Singapore"), with a net asset value of \$84,575, to one of the directors of Asia Wealth Singapore by paying cash of \$6,249 and being forgiven payables owed to Asia Wealth Singapore at 31 July 2014 of \$82,552.

On 31 January 2015, the Group entered into a finance lease agreement to purchase a new vehicle amounting to \$49,610 and paid a 20% downpayment of \$9,922.

## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

For the year ended 29 February 2016

*Expressed in U.S. Dollars*

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#### 1) GENERAL INFORMATION

Asia Wealth Group Holdings Limited (the “Parent Company”) was incorporated in the British Virgin Islands on 7 October 2010 under the BVI Business Companies Act, 2004. The liability of the shareholders is limited by shares. The Parent Company maintains its registered office in the British Virgin Islands and its financial records and statements are maintained and presented in U.S. Dollars, rounded to the nearest dollar. The financial statements were authorised for issue by the Board of Directors on 23 July 2016.

The principal activity of the Parent Company and its subsidiaries (the “Group”) is to provide wealth management advisory services to Asia-based high net worth individuals and corporations.

The Parent Company’s shares are listed on the PLUS Stock Exchange based in London, United Kingdom. During the prior year, ICAP Plc, an interdealer broker based in London, United Kingdom, bought PLUS Stock Exchange and rebranded and relaunched it as ICAP Securities & Derivatives Exchange (“ISDX”). The Parent Company’s shares were automatically admitted to ISDX.

The Parent Company has the following subsidiaries:

	<b>Incorporation Date</b>	<b>Country of Incorporation</b>	<b>Ownership Interest</b>
Meyer Asset Management Ltd. (“Meyer BVI”)	2000	British Virgin Islands	100%
Meyer International Limited (“Meyer Thailand”)	2010	Thailand	100%
BTS Property Holdings Limited (“BTS Property”)	2014	Thailand	68.99%

Meyer BVI directly holds 49% and acquired beneficial ownership of 51% of the total issued share capital of Meyer Thailand via a trust agreement. The registered owner of the 51% outstanding shares is Mr. Somchai Krunton as set out in a declaration of trust in favour of Meyer BVI. The Parent Company has control over the financial and reporting policies of Meyer Thailand and has accordingly accounted for it as a wholly owned subsidiary.

On 13 June 2012, Meyer BVI was licensed to provide investment business services under Section 3 of the Securities and Investment Business Act, 2010 of the British Virgin Islands.

#### 2) SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the Group’s consolidated financial statements are set out below.

##### a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRSs”).

##### b) Basis of preparation

The consolidated financial statements have been prepared on the basis of historical costs and do not take into account increases in the market value of assets.

The accounting policies have been applied consistently by the Group and are consistent with those used in the previous year.

## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

For the year ended 29 February 2016

*Expressed in U.S. Dollars*

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#### 2) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### b) Basis of preparation

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 March 2015 that would be expected to have a material impact on the Group's consolidated financial statements.

##### c) Use of estimates

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

##### *Critical accounting estimates and judgments*

##### **Depreciation**

Management regularly reviews the estimated useful lives and residual values of the Group's fixed assets and will revise rates of depreciation where useful lives and residual values previously estimated have changed.

##### **Leases**

In determining whether a lease is to be classified as an operating lease or a finance lease, management is required to use their judgment as to whether the significant risks and rewards of ownership of the leased asset have been transferred or not.

##### d) Investment in subsidiaries

##### *Basis of consolidation*

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries for the year ended 29 February 2016. Details of the Group are set out in note 1.

Subsidiaries are those enterprises controlled by the Parent Company. 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.

## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

For the year ended 29 February 2016

*Expressed in U.S. Dollars*

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#### 2) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### d) Investment in subsidiaries

###### *Basis of consolidation*

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; and
- the ability to use its power over the investee to affect its returns.

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 with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- 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 or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

Non-controlling interests pertain to the equity in a subsidiary not attributable, directly or indirectly to the Parent Company. Any equity instruments issued by a subsidiary that are not owned by the Parent Company are non-controlling interests including preferred shares and options under share-based transactions.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not wholly-owned and are presented separately in the consolidated statements of income and comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position, separately from the Parent Company's equity.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity as an "Equity reserve" and attributed to the owners of the Group.

## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

For the year ended 29 February 2016

*Expressed in U.S. Dollars*

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#### 2) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### d) Investment in subsidiaries

###### *Basis of consolidation*

If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interests;
- derecognises the cumulative translation adjustments recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss; and
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets and liabilities.

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

###### *Acquisitions*

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (ii) fair value of the net identifiable assets acquired is recorded as goodwill.

##### e) Associates

Associates are those enterprises in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

For the year ended 29 February 2016

*Expressed in U.S. Dollars*

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#### 2) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### f) Segment reporting

The Group's operating businesses are organised and managed separately according to geographical area, with each segment representing a strategic business unit that serves a different market. Financial information on business segments is presented in note 12 of the consolidated financial statements.

##### g) Translation reserve

Assets and liabilities of the Group's non-U.S. Dollar functional currency subsidiaries are translated into U.S. Dollars at the closing exchange rates at the reporting date. Revenues and expenses are translated at the average exchange rates for the year. All cumulative differences from the translation of the equity of foreign subsidiaries resulting from changes in exchange rates are included in a separate caption within equity without affecting income.

##### h) Available-for-sale investment

The Group designates its investment into the available-for-sale category. The category of available-for-sale financial assets comprise non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss. This includes investment in equity securities in a private company (see note 6).

##### i) Cash and cash equivalents

Cash comprises current deposits with banks, net of any overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

##### j) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets that are classified as loans and receivables comprise trade receivables, loans and other receivables.

Trade accounts receivable are recognised initially at fair value and are subsequently recorded at fair value reduced by any appropriate allowances for estimated irrecoverable amounts. An allowance for doubtful accounts is established when there is evidence that the Group will not be able to collect amounts due. The Group primarily uses the specific identification method to determine if the receivable is impaired. The carrying amount of the receivable is reduced through the use of the allowance account, and the amount of the loss is recognised in the consolidated statement of comprehensive income.

The Group determines its allowance by considering a number of factors, including the length of time trade receivables are past due, the Group's previous loss history, the customer's current ability to pay its obligation to the Group, and the condition of the general economy and the industry as a whole.



## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

For the year ended 29 February 2016

*Expressed in U.S. Dollars*

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#### 2) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### j) Loans and receivables

The Group writes off accounts receivable when they become uncollectible. Actual bad debts, when determined, reduce the allowance, the adequacy of which management then reassesses. The Group writes off accounts after a determination by management that the amounts at issue are no longer likely to be collected, following the exercise of reasonable collection efforts and upon management's determination that the costs of pursuing the collection outweigh the likelihood of recovery.

##### k) Financial liabilities

Financial liabilities, other than those at fair value through profit or loss, are non-derivative contractual obligations to deliver cash or another financial asset to another entity and comprise trade payables, due to related parties and other payables and accrued expenses.

These financial liabilities are initially recognised initially at fair value less any directly attributable transaction costs and subsequently carried at amortised cost using the effective interest method.

Financial liabilities are derecognised when the obligation specified in a contract is discharged, cancelled or expired.

##### l) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

##### m) Fixed assets

Items of fixed assets are stated at cost less accumulated depreciation. Depreciation is charged to the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of fixed assets.

The annual rates of depreciation in use are as follows:

Leasehold improvements	20%
Office equipment	20-33%
Vehicles	20%

Subsequent expenditure incurred to replace a component of a fixed asset is capitalised only when it increases the future economic benefits embodied in the item of a fixed asset. All other expenditure is recognised in the consolidated statement of comprehensive income when it is incurred.

##### n) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount is estimated as the greater of an asset's net selling price or value in use. An impairment loss is recognised in the consolidated statement of comprehensive income whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.



## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

For the year ended 29 February 2016

*Expressed in U.S. Dollars*

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#### 2) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### n) Impairment

If in a subsequent period, the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the consolidated statement of comprehensive income.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

##### o) Revenue and expense recognition

In relation to the rendering of professional services, the Group recognises fee income as time is expended and costs are incurred, provided the amount of consideration to be received is reasonably determinable and there is reasonable expectation of its ultimate collection.

Interest income is recognised in the consolidated statement of comprehensive income as it accrues.

All expenses are recognised in the consolidated statement of comprehensive income on the accrual basis.

##### p) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position whenever the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

##### q) Leases

Leases of equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the estimated present value of the underlying lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are recorded as long-term liabilities. The finance charge is taken to the consolidated statement of comprehensive income over the lease period. Assets acquired under finance lease agreements are depreciated over their useful lives.

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the term of the lease. When an operating lease is terminated before the lease term has expired, any penalty is recognised as an expense in the period in which the termination takes place.

##### r) Taxation

Taxation on net profit before taxation for the year comprises both current and deferred tax.

Current tax is the expected income tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years in the countries where the Parent Company and its subsidiaries operate and generate taxable income.

## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements

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#### 2) SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### r) Taxation

The Group accounts for income taxes in accordance with IAS 12, "Income Taxes," which requires that a deferred tax liability be recognised for all taxable temporary differences and a deferred tax asset be recognised for an enterprise's deductible temporary differences, operating losses, and tax credit carryforwards. A deferred tax asset or liability is measured using the marginal tax rate that is expected to apply to the last dollars of taxable income in future years. The effects of enacted changes in tax laws or rates are recognised in the period that includes the enactment date.

##### s) Share-based payment

The Group entered into a series of equity-settled, share-based payment transactions, under which the Group received services from a third party as consideration for equity instruments (shares, options or warrants) of the Group.

For non-vesting share-based payments, the fair value of the service received in exchange for the shares is recognised as an expense immediately with a corresponding credit to share capital.

For share-based payments with vesting periods, the service received is recognised as an expense by reference to the fair value of the share options granted or warrants issued. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied with a corresponding credit to the share capital reserve.

##### t) Foreign currency

Transactions in foreign currencies are converted at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. Dollars at the foreign currency exchange rate ruling at the reporting date.

Foreign currency exchange differences arising on conversion or translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in the consolidated statement of comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies which are stated at historical cost are translated at the foreign currency exchange rate ruling at the date of the transaction, or if impaired, at the date of the impairment recognition. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into U.S. Dollars at the foreign currency exchange rates ruling at the dates that the values were determined.

##### u) Amended and newly issued accounting standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 March 2015, and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

## ASIA WEALTH GROUP HOLDINGS LIMITED

### Notes to and forming part of the Consolidated Financial Statements For the year ended 29 February 2016

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#### 3) FIXED ASSETS

	Leasehold improvements	Office equipment	Vehicles	Total
<b>Cost:</b>				
At 28 February 2015	20,281	27,486	89,833	137,600
Additions	—	910	—	910
At 29 February 2016	20,281	28,396	89,833	138,510
<b>Depreciation:</b>				
At 28 February 2015	16,603	18,306	33,766	68,675
Charge for the year	3,479	4,727	20,363	28,569
At 29 February 2016	20,082	23,033	54,129	97,244
<b>Net book value:</b>				
At 29 February 2016	\$ 199	\$ 5,363	\$ 35,704	\$ 41,266
At 28 February 2015	\$ 3,678	\$ 9,180	\$ 56,067	\$ 68,925

As at 29 February 2016, the Group had fixed assets under a finance lease agreement (refer to note 9) with a net book value of \$35,704 (2015: \$56,067).

#### 4) BUSINESS COMBINATIONS

##### a) *BTS Property*

On 12 January 2015, the Group paid \$12,410 for a 20% interest in BTS Property, a company incorporated on 22 December 2014 in Thailand.

On 22 June 2015, the Group paid \$28,987 for an additional 48.99% interest in BTS Property.

The fair values of assets acquired and liabilities assumed during the acquisition were as follows:

Cash and cash equivalents	420
Short-term fixed deposit	2,958
Accounts and other receivables	75,391
Fixed assets	579
Other assets	60,988
Payables	(97,457)
Net assets arising from business acquisition	42,879
Percentage of ownership acquired	68.99%
Equity interest acquired	\$29,582

## ASIA WEALTH GROUP HOLDINGS LIMITED

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#### 4) BUSINESS COMBINATIONS (Cont'd)

##### a) *BTS Property*

Consideration paid – current year	28,987
Consideration paid – prior year	12,410
Fair value of identifiable net assets	(29,582)
Goodwill	<u>\$11,815</u>

In the eight months to 29 February 2016, BTS Property contributed net losses of \$31,477 to the Group. If the acquisition had occurred on 1 May 2015, management estimates that the Group would have incurred losses of \$32,207. In determining these amounts, management assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition, would have been the same if the acquisition had occurred on 1 May 2015.

##### b) *Non-controlling interests*

The following details certain information with respect to the subsidiary that has non-controlling interests:

Subsidiary	Accumulated balances of non-controlling interests		Total comprehensive loss allocated to Non-controlling interests	
	2016	2015	2016	2015
BTS Property – 31.01%	<u>\$(1,201)</u>	<u>\$ –</u>	<u>\$(14,149)</u>	<u>\$ –</u>

#### 5) RELATED PARTY TRANSACTIONS

On 2 July 2014, the Company disposed of its 100% interest in Asia Wealth Group Pte. Ltd. (“Asia Wealth Singapore”), with a net asset value of \$84,575, to one of the directors of Asia Wealth Singapore by paying cash of \$6,249 and being forgiven payables owed to Asia Wealth Singapore at 31 July 2014 of \$82,552.

During the prior year, the Group advanced \$26,810 to cover the initial costs of the operations of BTS Property. Refer to note 4(a)).

The Group was charged \$40,206 (2015: \$33,082) in accounting fees by Administration Outsourcing Co., Ltd, a company related by way of common directorship, of which \$6,110 (2015: \$2,556) remained outstanding as at 29 February 2016.

During the year, the Group paid directors’ fees, inclusive of an accommodation allowance, amounting to \$216,418 (2015: \$209,030).

As at 29 February 2016, the Group owed one of the directors and a related party for expenses paid on behalf of the Group amounting to \$10,226 and \$685, respectively (2015: \$4,975 and \$nil, respectively).

#### 6) AVAILABLE-FOR-SALE INVESTMENT

On 12 June 2012, the Company acquired a 15% equity interest in Ray Alliance Financial Advisers Pte Ltd (“RAFA”) for a consideration of 322,000 shares issued at £0.70 per share. The Company also issued 16,100 shares at £0.60 per share in consideration for the advisory services provided during the transaction. The total cost of the investment amounted to \$318,162.

## ASIA WEALTH GROUP HOLDINGS LIMITED

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#### 7) SHARE CAPITAL

##### Authorised

The Parent Company is authorised to issue an unlimited number of no par value shares of a single class.

##### Issued and fully paid:

11,433,433 shares of no par value per share.

Each share in the Parent Company confers upon the shareholder:

- (a) the right to one vote on any resolution of shareholders;
- (b) the right to an equal share in any dividend paid by the Parent Company; and
- (c) the right to an equal share in the distribution of the surplus assets of the Parent Company on its liquidation.

#### 8) SHARE-BASED PAYMENTS

##### a) Options

Following the Parent Company's admission to the ISDX, the directors of the Parent Company proposed to grant options for up to 1,000,000 shares to key consultants. On 1 July 2011, the Parent Company issued a total of 260,000 share options at an exercise price of £0.60 per share conditional on the consultants completing 2 years' service (the vesting period). On 27 May 2012, the Parent Company issued 50,000 share options at an exercise price of £0.60 per share in consideration of the provision of advisory services exercisable on or after 30 September 2012. On 30 July 2012, the Parent Company issued 100,000 share options at an exercise price of £0.60 per share to one of the Group's Directors exercisable on the second anniversary of the date of grant. The share options reserve as at 29 February 2016 amounted to \$26,402 (2015: \$26,402).

Share options outstanding at the end of the year had the following expiry dates and exercise prices:

Grant Date	Expiry Date	Exercise Price	2016	2015
1 October 2012	27 May 2017	£0.60	50,000	50,000
1 July 2013	1 July 2016	£0.60	260,000	260,000
31 July 2013	30 July 2017	£0.60	100,000	100,000

##### b) Warrants

On 16 May 2011, the Parent Company issued share warrants to Beaumont Cornish Limited to subscribe for 55,444 shares, in accordance with the terms of its agreement. The warrants are exercisable at the placing price for a period of 5 years. The total advisory fee expense and share warrants reserve for these issued share warrants amounted to \$9,021. The fair value of these warrants issued determined using the Black-Scholes valuation model was £0.102. The significant inputs into the model were the share price of £0.60 at the grant date, the exercise price shown below, a volatility of 10%, a dividend yield of 0%, an expiry date of 5 years and an annual risk-free interest rate of 3%.

## ASIA WEALTH GROUP HOLDINGS LIMITED

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#### 8) SHARE-BASED PAYMENTS (Cont'd)

##### b) Warrants

Share warrants outstanding at the end of the year had the following expiry date and exercise price:

Grant Date	Expiry Date	Exercise Price	2016	2015
16 May 2011	1 July 2016	£0.60	55,444	55,444

#### 9) LEASES

	2016	2015
Liabilities under finance lease agreements:		
Less than 1 year	7,868	13,168
1 to 5 years	<u>26,032</u>	<u>40,031</u>
Total	33,900	53,199
Less: Deferred interest	<u>(3,753)</u>	<u>(6,172)</u>
	30,147	47,027
Less: Current portion net of short term deferred interest	<u>(6,771)</u>	<u>(11,450)</u>
Net	<u>\$23,376</u>	<u>\$35,577</u>

#### 10) TAXATION

There is no mainstream taxation in the British Virgin Islands. The Company and Meyer BVI are not subject to any forms of taxation in the British Virgin Islands, including income, capital gains and withholding taxes.

Meyer Thailand and BTS Property are subject to Thailand graduated statutory income tax at a rate of 0-30% on profit before tax.

The current tax expense included in the consolidated statement of comprehensive income relates to the following subsidiary:

	2016	2015
Meyer Thailand	<u>—</u>	<u>2,670</u>
	<u>\$ —</u>	<u>\$2,670</u>

The Group had no deferred tax assets or liabilities as at the reporting date.

The Group's total income tax differs from the amount determined by multiplying net profit before taxation by the weighted average tax rate of nil% (2015: 0.12%) as follows:

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#### 10) TAXATION (Cont'd)

	2016	2015
Net loss before taxation	\$ —	\$(78,896)
Tax calculated at weighted average tax rate	—	( 95)
Expenses not deductible for tax purposes	—	21
Meyer BVI net profit not subject to tax	—	( 181)
Company's net loss not subject to tax	—	288
Weighted average tax rate differential	—	2,635
Other	—	2
	<u>\$ —</u>	<u>\$(2,670)</u>

#### 11) LOSS PER SHARE

##### a) Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of shares in issue during the year.

	2016	2015
Loss attributable to equity holders of the Company	\$(135,919)	\$(81,566)
Weighted average number of shares in issue	<u>11,433,433</u>	<u>11,433,433</u>

##### b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. The Company has share warrants and share options as potential dilutive shares. For the share options and warrants, a calculation is done to determine the number of shares that could have been acquired at fair value based on the monetary value of the subscription rights attached to outstanding share options and warrants. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options and warrants.

	2016	2015
Loss attributable to equity holders of the Company	\$(135,919)	\$(81,566)
Weighted average number of shares in issue	11,433,433	11,433,433
Adjusted for weighted average number of :		
- share options (see note 8(a))	410,000	410,000
- share warrants (see note 8(b))	<u>55,444</u>	<u>55,444</u>
Weighted average number of shares for diluted earnings per share	<u>11,898,877</u>	<u>11,898,877</u>



## ASIA WEALTH GROUP HOLDINGS LIMITED

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#### 12) SEGMENTAL INFORMATION

The Group has three reportable segments based on geographical areas where the Group operates and these were as follows:

British Virgin Islands (“BVI”) – where the Company and Meyer BVI are domiciled. The Company serves as the investment holding company of the Group and Meyer BVI provides wealth management and advisory services.

Thailand – where Meyer Thailand is domiciled and provides marketing and economic consulting services to the Group and where BTS Property is domiciled and provides property management services.

Singapore – where Asia Wealth Group Pte. Ltd. is domiciled and provided management services to the Group until the loss of control on 2 July 2014.

The reportable segmental revenue, other profit and loss disclosures and assets were as follows:

##### Revenue

	2016			2015		
	Total segment revenue	Inter-segment revenue	Revenue from external customers	Total segment revenue	Inter-segment revenue	Revenue from external customers
BVI	1,163,503	—	1,163,503	1,726,989	—	1,726,989
Thailand	282,001	(243,168)	38,833	242,500	(242,500)	—
Singapore	—	—	—	14,910	(14,910)	—
Total	<u>\$1,445,504</u>	<u>\$(243,168)</u>	<u>\$1,202,336</u>	<u>\$1,984,399</u>	<u>\$(257,410)</u>	<u>\$1,726,989</u>

The revenue between segments is carried out at arm’s length.

##### Other profit and loss disclosures

	2016			2015		
	Commission expense	Depreciation	Income tax	Commission expense	Depreciation	Income tax
BVI	532,192	985	—	998,447	984	—
Thailand	2,446	27,584	—	—	15,674	2,670
Singapore	—	—	—	—	666	—
Total	<u>\$534,638</u>	<u>\$28,569</u>	<u>\$ —</u>	<u>\$998,447</u>	<u>\$17,324</u>	<u>\$2,670</u>



## ASIA WEALTH GROUP HOLDINGS LIMITED

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#### 12) SEGMENTAL INFORMATION (Cont'd)

Assets	2016		2015	
	Total assets	Additions to non-current assets	Total assets	Additions to non-current assets
BVI	1,873,250	—	2,320,554	—
Thailand	205,546	910	163,011	51,273
Singapore	—	—	—	—
<b>Total</b>	<b>\$2,078,796</b>	<b>\$910</b>	<b>\$2,483,565</b>	<b>\$51,273</b>

Intersegment assets amounting to \$2,197,790 (2015: \$1,873,554) were already eliminated in the total assets per segment above.

Revenues from two customers of the BVI segment represent approximately 61% (2015: 71%) of the Group's total revenues.

#### 13) FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Financial assets of the Group include cash and cash equivalents, trade receivables, loans and other receivables and available-for-sale investment. Financial liabilities include trade payables, due to related parties and other payables and accrued expenses.

##### a) Market risk

Market risk represents the potential loss that can be caused by a change in the market value of the Group's financial instruments. The Group's exposure to market risk is determined by a number of factors which include interest rate risk.

##### *Interest rate risk*

The financial instruments exposed to interest rate risk comprise cash and cash equivalents.

The Group is exposed to interest rate cash flow risk on cash and cash equivalents, which earn interest at floating interest rates that are reset as market rates change. The Group is exposed to interest rate risk to the extent that these interest rates may fluctuate.

A sensitivity analysis was performed with respect to the interest-bearing financial instruments with exposure to fluctuations in interest rates and management noted that there would be no material effect to shareholders' equity or net income for the year.

##### b) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if financial instrument counterparties failed to perform as contracted.

# ASIA WEALTH GROUP HOLDINGS LIMITED

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### 13) FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Cont'd)

#### b) Credit risk

As at 29 February 2016, the Group's financial assets exposed to credit risk amounted to the following:

	2016	2015
Cash and cash equivalents	1,281,923	1,695,584
Trade receivables (net of allowance for doubtful accounts of \$44,100 (2015: \$nil))	268,828	273,483
Loans and other receivables	45,843	—
Due from related party	—	26,810
Available-for-sale investment	318,162	318,162
Investment in associate	—	12,410
	<u>\$1,914,756</u>	<u>\$2,326,449</u>

The ageing of the Group's trade receivables as at 29 February 2016 is as follows:

	2016		2015	
	Gross	Impairment	Gross	Impairment
1 – 90 days	182,706	—	145,197	—
91 – 180 days	<u>130,222</u>	<u>44,100</u>	<u>128,286</u>	<u>—</u>
	<u>\$312,928</u>	<u>\$44,100</u>	<u>\$273,483</u>	<u>\$ —</u>

The movement in the allowance for doubtful accounts as at 29 February 2016 is as follows:

	2016	2015
Balance at 1 March	—	—
Additional allowance	<u>44,100</u>	<u>—</u>
Balance at 29 February	<u>\$44,100</u>	<u>\$ —</u>

The Group invests all its available cash and cash equivalents in several banks. The Group is exposed to credit risk to the extent that these banks may be unable to repay amounts owed. To manage the level of credit risk, the Group attempts to deal with banks of good credit standing, whenever possible.

The Group has two significant customers which expose it to credit risk, though the exposure to credit risk is reduced as these customers have a good working relationship with the Group. To reduce exposure to credit risk, the Group may perform ongoing credit evaluations on the financial condition of its customers, but generally does not require collateral.

## ASIA WEALTH GROUP HOLDINGS LIMITED

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#### 13) FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Cont'd)

##### b) Credit risk

The Group is exposed to credit risk with respect to its investments. Bankruptcy or insolvency of the investee companies may cause the Group's rights to the security to be delayed or limited.

The extent of the Group's exposure to credit risk in respect of these financial assets approximates their carrying values.

##### c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group'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 or risking damage to the Group's reputation. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational needs as they arise.

#### 14) FAIR VALUE INFORMATION

The Group's investment at the reporting date comprises an investment in the unlisted ordinary shares of RAFA. Ordinary shares that have no active market and whose fair value cannot be reliably measured are carried at cost, less impairment, if any.

For certain of the Group's financial instruments, not carried at fair value, including cash and cash equivalents, trade receivables, loans and other receivables, trade payables, due to related parties and other payables and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level of input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Group. The Group considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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#### 14) FAIR VALUE INFORMATION (Cont'd)

Investments whose values are based on quoted market prices in active markets are therefore classified within Level 1.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. The Group's Level 3 investment comprises an investment in unlisted shares valued at cost, since there was no information to estimate their fair values. The Group believes that the value stated as at 29 February 2016 is most representative of its fair value.

The following table analyses within the fair value hierarchy the Group's financial assets (by class) measured at fair value at the reporting date:

	2016	2015
<i>Level 3</i>		
Available-for-sale investment	<u>\$318,162</u>	<u>\$318,162</u>

The Group did not hold any investments under the Level 1 and Level 2 hierarchies as at 29 February 2016 and 2015.

There were no significant investments transferred between Levels 1, 2 and 3.

#### 15) CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern; and
- to provide adequate returns to its shareholders.

In order to maintain or balance its overall capital structure to meet its objectives, the Group is continually monitoring the level of share issuance and any dividend declaration and distributions to shareholders in the future.

#### 16) COMPARATIVES

Certain comparative figures have been reclassified to conform with the current year's presentation.