MYANMAR STRATEGIC HOLDINGS PTE. LTD. AND ITS SUBSIDIARIES

(Company Registration No. 201302159D)

Director's Statement and Financial Statements
for the financial year ended 31 March 2016

BDO

DIRECTOR'S STATEMENT

The Director of Myanmar Strategic Holdings Pte. Ltd. (the "Company") present his statement to the members together with the audited financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2016 and the statement of the financial position of the Company as at 31 March 2016.

1. Opinion of the Director

In the opinion of the Director,

(a) The consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016, and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Director

The Director of the Company in office at the date of this statement is:

Enrico Cesenni

3. Arrangements to enable the Director to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Director of the Company to acquire benefits by means of the acquisition of shares in, or debentures, of the Company or any other body corporate.

4. Director's interests in shares or debentures

The Director of the Company holding office at the end of the financial year had interest in the shares or debentures of the Company or any other related corporation as follows:

	At beginning of financial year or date of appointment, if later	At end of financial year
Ultimate holding company, Macan Pte. Ltd.		
Enrico Cesenni (Class A - Non-voting shares)	209	234
Enrico Cesenni (Class B - Ordinary shares)	-	25
Subsidiary company, Orwell Consulting Partners		
Enrico Cesenni (Ordinary shares)	1	1
Subsidiary company, L Partners Limited		
Enrico Cesenni (Ordinary shares)	1	1
Subsidiary company, Kipling Global Hospitality Group Limited		
Enrico Cesenni (Ordinary shares)	-	1

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

6. Independent auditor

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.



Enrico Cesenni
Director

30 June 2016

BDO

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MYANMAR STRATEGIC HOLDINGS PTE. LTD.

Report on the financial statements

We have audited the accompanying financial statements of Myanmar Strategic Holdings Pte. Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2016, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Report on the financial statements (Continued)

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Other Matters

The financial statements of the Group and Company for the financial period from 1 January 2014 to 31 March 2015 were audited by another auditor whose report dated 19 October 2015, expressed an unmodified opinion on those financial statements.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
30 June 2016

MYANMAR STRATEGIC HOLDINGS PTE. LTD.
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Group 1 April 2015 to 31 March 2016 US$	1 January 2014 to 31 March 2015 US$
Revenue	4	66,000	30,000
Other income	5	34,705	7,880
Employee benefit expense	6	(248,678)	(57,193)
Depreciation expense		(3,236)	(527)
Other expenses		(361,578)	(369,129)
Loss before income tax	7	(512,787)	(388,969)
Income tax expense	8	(10,500)	-
Loss for the year/period, representing total comprehensive income for the year/period		(523,287)	(388,969)
Loss attributable to:			
Owner of the parent		(479,990)	(361,967)
Non-controlling interests		(43,297)	(27,002)
		(523,287)	(388,969)
Total comprehensive income attributable to:			
Owner of the parent		(479,990)	(361,967)
Non-controlling interests		(43,297)	(27,002)
		(523,287)	(388,969)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	Group		Company	
		2016	2015	2016	2015
		US$	US$	US$	US$
ASSETS					
Non-current assets					
Plant and equipment	9	11,544	3,354	3,167	-
Investment in subsidiaries	10	-	-	287,250	265,000
Total non-current assets		11,544	3,354	290,417	265,000
Current assets					
Trade and other receivables	11	599,421	87,005	1,305,697	182,952
Cash and cash equivalents	12	2,289,247	404,694	1,775,779	321,516
Total current assets		2,888,668	491,699	3,081,476	504,468
Total assets		2,900,212	495,053	3,371,893	769,468
LIABILITIES AND EQUITY					
Liabilities					
Current liabilities					
Other payables	13	97,943	96,496	30,882	12,876
Income tax payables		10,500	-	-	-
Total current liabilities		108,443	96,496	30,882	12,876
Equity					
Share capital	14	3,683,749	770,000	3,683,749	770,000
Equity reserves	15	(57,793)	-	-	-
Accumulated losses	15	(855,931)	(375,941)	(342,738)	(13,408)
Equity attributable to owners of the parent		2,770,025	394,059	3,341,011	756,592
Non-controlling interests		21,744	4,498	-	-
Total equity		2,791,769	398,557	3,341,011	756,592
Total liabilities and equity		2,900,212	495,053	3,371,893	769,468

The accompanying notes form an integral part of these financial statements.

MYANMAR STRATEGIC HOLDINGS PTE. LTD.
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Share capital US$	Equity reserves US$	Accumulated losses US$	Attributable to owners of the parent US$	Non-controlling interests US$	Total equity US$
Group							
2016							
Equity							
Balance at 1 April 2015		770,000	-	(375,941)	394,059	4,498	398,557
Loss for the financial year, representing total comprehensive income for the financial year		-	-	(479,990)	(479,990)	(43,297)	(523,287)
Changes in ownership interest in subsidiaries							
Acquisition of non-controlling interest	10	-	(57,793)	-	(57,793)	35,543	(22,250)
Issuance of shares by subsidiary	10	-	-	-	-	25,000	25,000
Contribution by owners of the parent							
Issuance of shares	14	2,913,749	-	-	2,913,749	-	2,913,749
Balance at 31 March 2016		3,683,749	(57,793)	(855,931)	2,770,025	21,744	2,791,769

The accompanying notes form an integral part of these financial statements.

MYANMAR STRATEGIC HOLDINGS PTE. LTD.
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Share capital US$	Equity reserves US$	Accumulated losses US$	Attributable to owners of the parent US$	Non-controlling interests US$	Total equity US$
Group							
2015							
Equity							
Balance at 1 January 2014		120,000	-	(13,974)	106,026	-	106,026
Loss for the period, representing total comprehensive income for the period		-	-	(361,967)	(361,967)	(27,002)	(388,969)
Changes in ownership interest in subsidiaries			-				
Issuance of shares by subsidiaries	10	-	-	-	-	31,500	31,500
Contribution by owners of the parent							
Issuance of shares	14	650,000	-	-	650,000	-	650,000
Balance at 31 March 2015		770,000	-	(375,941)	394,059	4,498	398,557

The accompanying notes form an integral part of these financial statements.

MYANMAR STRATEGIC HOLDINGS PTE. LTD.
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	Note	Group 1 April 2015 to 31 March 2016 US$	1 January 2014 to 31 March 2015 US$
Operating activities			
Loss before income tax		(523,287)	(388,969)
Adjustments for:			
Share-based compensation		25,000	-
Depreciation of plant and equipment		3,236	527
Interest income		(519)	(58)
Operating cash flows before working capital changes		(495,570)	(388,500)
Working capital changes:			
Trade and other receivables		(512,416)	(85,505)
Other payables		11,947	92,560
Cash used in operations		(996,039)	(381,445)
Interest received		519	58
Net cash used in operating activities		(995,520)	(381,387)
Cash flows used in investing activities			
Purchase of plant and equipment, representing net cash used in investing activities		(11,426)	(3,881)
Cash flows from financing activities			
Acquisition of equity interest from non-controlling interest		(22,250)	31,500
Proceeds from issuance of ordinary shares	14	2,913,749	650,000
Net cash generated from financing activities		2,891,499	681,500
Net change in cash and cash equivalents		1,884,553	296,232
Cash and bank balances at beginning of year/period		404,694	108,462
Cash and bank balances at end of year/period	12	2,289,247	404,694

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General corporate information

Myanmar Strategic Holdings Pte. Ltd. (the "Company") (Registration Number 201302159D) is a private limited liability company incorporated and domiciled in Singapore with its principal place of business and registered office 69B Boat Quay, #03-00, Singapore 049857.

The Company's immediate and ultimate holding company is Macan Pte. Ltd., a company incorporated and domiciled in Singapore.

The principal activities of the Company is investment and trading in Myanmar related investment projects. The principal activities of the subsidiaries are set out in Note 10 to the financial statements.

Related companies in these financial statements refer to the group of companies within Macan Pte. Ltd. The principal activities of the subsidiaries are disclosed in Note 10 to the financial statements.

The statement of financial position of Company and the consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 31 March 2016 were authorised for issue in accordance with a Directors' resolution dated 30 June 2016.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been drawn up in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") which comprise standards and interpretations approved by IASB and International Financial Reporting Interpretations Committee ("IFRIC"), and are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in United States dollar ("US$") which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

The preparation of financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have significant effect on the financial statements are disclosed in Note 3 to the financial statements.

In the current financial year, the Group has adopted all the new and revised IFRS that are relevant to its operations and effective for the current financial year. The adoption of these new/revised IFRS did not result in changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior years.

2. **Summary of significant accounting policies** (Continued)

2.1 **Basis of preparation** (Continued)

IFRS issued but not yet effective

At the date of authorisation of these financial statements, the following IFRS that may be relevant to the Group were issued but not yet effective and have not been adopted early in these financial statements:

		Effective date (annual periods beginning on or after)
IAS 1 (Amendments)	: Disclosure initiative	1 January 2016
IAS 7 (Amendments)	: Disclosure initiative	1 January 2017
IFRS 9	: Financial instruments	1 January 2018
IFRS 15	: Revenue from contracts with customers	1 January 2018
IFRS 15 (Amendments)	: Clarification to revenue from contracts with customers	1 January 2018
IFRS 16	: Leases	1 January 2019
Annual improvements 2012 - 2014 cycle		1 January 2016

Consequential amendments were also made to various standards as a result of these new or revised standards.

Except as disclosed below, the Director anticipates that the adoption of the above IFRS in future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

IFRS 9 Financial Instruments

IFRS 9 supersedes IAS 39 Financial Instruments: Recognition and Measurement with new requirements for the classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

Under IFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for certain equity investments, for which the Group will have a choice to recognise the gains and losses in other comprehensive income. A third measurement category has been added for debt instruments - fair value through other comprehensive income. This measurement category applies to debt instruments that meet the Solely Payments of Principal and Interest contractual cash flow characteristics test and where the Group is holding the debt instrument to both collect the contractual cash flows and to sell the financial assets.

2. **Summary of significant accounting policies** (Continued)

2.1 **Basis of preparation** (Continued)

IFRS issued but not yet effective (Continued)

IFRS 9 Financial Instruments (Continued)

IFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from IAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, IFRS 9 retains the requirements in IAS 39 for de-recognition of financial assets and financial liabilities.

IFRS 9 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss model in IAS 39. This determines the recognition of impairment provisions as well as interest revenue. For financial assets at amortised cost or fair value through other comprehensive income, the Group will now always recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition.

IFRS 9 also introduces a new hedge accounting model designed to allow entities to better reflect their risk management activities in their financial statements.

The Group plans to adopt IFRS 9 in the financial year beginning on 1 April 2018 with retrospective effect in accordance with the transitional provisions. There may be a potentially significant impact on the accounting for financial instruments on initial adoption. The Group is in the process of assessing the impact of this standard. The Group will be required to reassess the classification and measurement of financial assets and the new impairment requirements are expected to result in changes for impairment provisions on trade receivables and other financial assets not measured at fair value through profit or loss.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 introduces a comprehensive model that applies to revenue from contracts with customers and supersedes all existing revenue recognition requirements under IFRS. The model features a five-step analysis to determine whether, how much and when revenue is recognised, and two approaches for recognising revenue: at a point in time or over time. The core principle is that an entity recognises revenue when control over promised goods or services is transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

On initial adoption of this standard there may be a potentially significant impact on the timing and profile of revenue recognition of the Company. The Group is in the process of assessing the impact of this standard. The Group plans to adopt the standard in the financial year beginning on 1 April 2018 with either full or modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

2. **Summary of significant accounting policies** (Continued)

2.1 **Basis of preparation** (Continued)

IFRS issued but not yet effective (Continued)

IFRS 16 Leases

IFRS 16 supersedes IFRS 17 Leases and introduces a new single lessee accounting model which eliminates the current distinction between operating and finance leases for lessees. IFRS 16 requires lessees to capitalise all leases on the statement of financial position by recognising a 'right-of-use' asset and a corresponding lease liability for the present value of the obligation to make lease payments, except for certain short-term leases and leases of low-value assets. Subsequently, the lease assets will be depreciated and the lease liabilities will be measured at amortised cost.

From the perspective of a lessor, the classification and accounting for operating and finance leases remains substantially unchanged under IFRS 16. IFRS 16 also requires enhanced disclosures by both lessees and lessors.

On initial adoption of this standard, there may be a potentially significant impact on the accounting treatment for the Group's leases, particularly rented office premises and other operating facilities, which the Group, as lessee, currently accounts for as operating leases. Due to the recent release of this standard, the Group has not yet made a detailed assessment of the impact of this standard. The Group plans to adopt the standard in the financial year beginning on 1 April 2019 with either full or modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

2.2 **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are consolidated from the date on which control is obtained by the Group up to the effective date on which control is lost, as appropriate.

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses may be an impairment indicator of the asset concerned.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by other members of the Group.

Non-controlling interests in subsidiaries relate to the equity in subsidiaries which is not attributable directly or indirectly to the owners of the parent. They are shown separately in the consolidated statements of comprehensive income, financial position and changes in equity.

2. **Summary of significant accounting policies** (Continued)

2.2 **Basis of consolidation** (Continued)

Non-controlling interests in the acquiree that are a present ownership interest and entitle its holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value, of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. 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 and attributed to owners of the Company.

When the Group loses control of a subsidiary it derecognises the assets and liabilities of the subsidiary and any non-controlling interest. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

In the separate financial statements of the Company, investment in subsidiaries are carried at cost, less any impairment loss that has been recognised in profit or loss.

2.3 **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is presented net of estimated, rebates, other similar allowances and sales related taxes.

Management fees

Management fees earned from hotels managed by the Group, usually under long-term contracts with the hotel owner, are recognised when services are rendered under the terms of the contracts. The fees are incentive fees, which are based on the hotel's profitability.

Technical support service fees

Technical support service fees earned from hotels managed by the Group are recognised as and when services are rendered under the terms of the contracts.

2. **Summary of significant accounting policies** (Continued)

2.4 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated undiscounted liability for annual leave expected to be settled wholly within 12 months from the reporting date as a result of services rendered by employees up to the end of the financial year.

2.5 Share-based payments

The Group issues equity-settled share-based payments to certain employees.

Equity-settled share-based payments are measured at fair value of the equity instruments (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period with a corresponding credit to the share-based payment reserve, based on the Group's estimate of the number of equity instruments that will eventually vest and adjusted for the effect of non market-based vesting conditions. At the end of each financial year, the Group revises the estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period with a corresponding adjustment to the share-based payment reserve.

2.6 Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from profit reported as profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is recognised at the amount expected to be paid or recovered from the taxation authorities and is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and its subsidiaries operate by the end of the financial year.

Current income taxes are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2. **Summary of significant accounting policies** (Continued)

2.6 Taxes (Continued)

Deferred tax (Continued)

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects to recover or settle its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is recognised in profit or loss, except when it relates to items recognised outside profit or loss, in which case the tax is also recognised either in other comprehensive income or directly in equity, or where it arises from the initial accounting for a business combination. Deferred tax arising from a business combination, is taken into account in calculating goodwill on acquisition.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales taxation that is incurred on purchase of assets or services is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.7 Foreign currency transactions and translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2. **Summary of significant accounting policies** (Continued)

2.7 **Foreign currency transactions and translation** (Continued)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollar using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, are recognised initially in other comprehensive income and accumulated in the Group's foreign exchange reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign exchange reserve.

On disposal of a foreign operation, the accumulated foreign exchange reserve relating to that operation is reclassified to profit or loss.

2.8 **Plant and equipment**

All items of plant and equipment are initially recognised at cost. The cost includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure on an item of plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other costs of servicing are recognised in profit or loss when incurred.

Plant and equipment are subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Computers	3 years
Furniture and fittings	3 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

2. **Summary of significant accounting policies** (Continued)

2.8 Plant and equipment (Continued)

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.9 Impairment of non-financial assets

At the end of each financial year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.10 Financial instruments

Financial assets and financial liabilities are recognised on the statements of financial position when the Group becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

2. **Summary of significant accounting policies** (Continued)

2.10 **Financial instruments** (Continued)

Financial assets

All financial assets are initially recognised at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially recognised at fair value.

The Group classifies its financial assets as loans and receivables. The classification depends on the nature and purpose for which these financial assets were acquired and is determined at the time of initial recognition.

Loans and receivables

Non-derivative financial assets which have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost, using the effective interest method, less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The Group's loans and receivables in the statements of financial position comprise trade and other receivables (excluding prepayments) and cash and cash equivalents.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each financial year. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amounts of all financial assets are reduced by the impairment loss directly with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the financial assets at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition, any difference between the carrying amount and the sum of proceeds received and amounts previously recognised in other comprehensive income is recognised in profit or loss.

2. **Summary of significant accounting policies** (Continued)

2.10 Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. The Company classifies ordinary shares as equity instruments.

Financial liabilities

The Group classified its financial liabilities as other financial liabilities.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

2.11 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise of cash on hand demand deposits and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.12 Operating leases

Rentals payable under operating leases (net of any incentives received from lessors) are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.13 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

2. **Summary of significant accounting policies** (Continued)

2.13 **Provisions** (Continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

3. **Critical accounting judgments and key sources of estimation uncertainty**

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

These 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.

3.1 **Critical judgements made in applying the entity's accounting policies**

In the process of applying the Group's and the Company's accounting policies, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements except as discussed below.

Evaluation of control over managed hotels

Management has assessed if the management contracts with the hotel owners provide the company control over the hotel operations which would require the hotel operations to be consolidated under IFRS 10. Whilst the management contracts have initial terms of up to 10 years and give the Group key decision making rights in operating the hotels, management is of the view that the management fees, consisting of fixed fees and variable fees, fee are in line with the industry practice and provide a market-based remuneration for the services provided. Consolidation under IFRS 10 is therefore not required.

3. Critical accounting judgments and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of investments in subsidiaries

At the end of each financial year, an assessment is made on whether there is objective evidence that the investments in subsidiaries are impaired. The management's assessment is based on the estimation of the value-in-use of the CGU by forecasting the expected future cash flows for a period up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amount of investments in subsidiaries as at 31 March 2016 was US$287,250 (2015: US$265,000) (Note 10).

Allowance for trade and other receivables

The management establishes allowance for trade and other receivables on a case-by-case basis when they believe that payment of amounts owed is unlikely to occur. In establishing these allowances, the management considers its historical experience and changes to its customers' financial position. If the financial conditions of customers were to deteriorate, resulting in impairment of their abilities to make the required payments, additional allowances may be required. The carrying amount of trade and other receivables (excluding prepayments) for the Group and the Company as at 31 March 2016 was US$481,529 (2015: US$77,005) and US$1,190,661 (2015: US$182,952) respectively.

4. Revenue

Revenue relates to provision of technical support services earned from hotels managed by the Group.

5. Other income

	Group	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
Foreign exchange gain	34,186	7,822
Interest income from bank deposits	519	58
	34,705	7,880

6. Employee benefits expense

	Group	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
Salaries and bonus *	223,678	57,193
Share-based compensation	25,000	-
	248,678	57,193

* Included in these expenses are Director's fees and remuneration as disclosed in Note 17 to the financial statements.

7. Loss before taxation

In addition to the charges and credits disclosed elsewhere in the financial statements, the above includes the following charges.

	Group	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
Professional fees	187,288	99,212
Rental of office	76,012	7,500
Travelling expenses	64,252	9,458
Initial hotel expenses	-	237,316

The Group signed a management contract for Thiri Sandar Hotel (trading as Ostello Bello Bagan) in New Bagan, Myanmar on 28 August 2014. The initial hotel expenses relates to the initial management expenses and hotel improvements.

8. Income tax expense

	Group	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
Current income tax for the financial year/period	-	-
Under provision in prior financial period	10,500	-
Income tax expense	10,500	-

8. Income tax expense (Continued)

Reconciliation of effective income tax rate

Domestic income tax is calculated at 17% (2015: 17%) of the estimated assessable loss for the year/period. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2015: 17%) to loss before income tax as a result of the following differences:

	Group	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
Loss before income tax	(512,787)	(388,969)
Income tax expense/(benefit) at Singapore statutory tax rate	(87,174)	(66,124)
Effect of different income tax rates in other countries	(15,121)	(8,494)
Tax effect of non-allowable expenses	313	1,546
Singapore income tax exemptions and rebates	-	(66)
Deferred tax assets not recognised	101,982	5,365
Under provision in prior financial period	10,500	-
Others	-	67,773
Income tax expense for the year/period	10,500	-

As at the reporting date, subject to the agreement by the relevant tax authority, the Group has approximately unutilised tax losses of US$623,682 (2015: US$31,559), available for offset against its future taxable income. These losses may be carried indefinitely subject to the conditions imposed by law.

Deferred tax assets have not been recognised as it is uncertain that there will be sufficient future taxable profits to realise these future benefits. Accordingly, these deferred tax assets have not been recognised in the financial statements of the Group in accordance with the accounting policy in Note 2.6 to the financial statements.

9. Plant and equipment

	Computers US$	Furniture and fittings US$	Total US$
Group			
2016			
Cost			
At 1 April 2015	-	3,881	3,881
Additions	2,308	9,118	11,426
At 31 March 2016	2,308	12,999	15,307
Accumulated depreciation			
At 1 April 2015	-	527	527
Depreciation charge for the financial year	230	3,006	3,236
At 31 March 2016	230	3,533	3,763
Net carrying amount			
At 31 March 2016	2,078	9,466	11,544
2015			
Cost			
At 1 January 2014	-	-	-
Additions	-	3,881	3,881
At 31 March 2015	-	3,881	3,881
Accumulated depreciation			
At 1 January 2014	-	-	-
Depreciation charge for the financial period	-	527	527
At 31 March 2015	-	527	527
Net carrying amount			
At 31 March 2015	-	3,354	3,354

9. Plant and equipment (Continued)

	Computers	Furniture and fittings	Total
	US$	US$	US$
Company			
Cost			
At 1 January 2014 and 31 March 2015/1 April 2015	-	-	-
Additions	1,709	2,009	3,718
At 31 March 2016	1,709	2,009	3,718
Accumulated depreciation			
At 1 January 2014 and 31 March 2015/1 April 2015	-	-	-
Depreciation charge for the financial year	47	504	551
At 31 March 2016	47	504	551
Net carrying amount			
At 31 March 2015	-	-	-
At 31 March 2016	1,662	1,505	3,167

10. Investment in subsidiaries

	Company	
	2016	2015
	US$	US$
Unquoted equity shares, at cost	287,250	265,000

The particulars of the subsidiaries are as follows:

Held by the Company

Name of Company (Country of incorporation and principal place of business)	Principal activities	Legal interest held by Company		Effective interest held by Company		Proportion of ownership held by non-controlling interests	
		2016	2015	2016	2015	2016	2015
		%	%	%	%	%	%
Myanmar Strategic Energy Pte. Ltd. ("MSE") [1] (Singapore)	Investing and trading in Myanmar-related investment projects and providing consultancy services	100.00	70.80	100.00	70.80	-	29.20

10. **Investment in subsidiaries** (Continued)

Held by the Company (Continued)

Name of Company (Country of incorporation and principal place of business)	Principal activities	Legal interest held by Company		Effective interest held by Company		Proportion of ownership held by non-controlling interests	
		2016	2015	2016	2015	2016	2015
		%	%	%	%	%	%
Myanmar Strategic Leisure Pte. Ltd. ("MSL") [1] (Singapore)	Investing and trading in Myanmar-related investment projects and providing consultancy services	100.00	62.50	100.00	62.50	-	37.50
Orwell Consulting Partners Limited ("Orwell") [2][3] (Myanmar)	Providing consultancy and advisory service and project management for international and national companies and organisation in Myanmar	99.99	99.99	100.00	100.00	-	-

Held through Myanmar Strategic Leisure Pte. Ltd. ("MSL")

Name of Company (Country of incorporation and principal place of business)	Principal activities	Legal interest held by Company		Effective interest held by Company		Proportion of ownership held by non-controlling interests	
		2016	2015	2016	2015	2016	2015
		%	%	%	%	%	%
L Partners Limited ("L Partners") [2][3] (Myanmar)	Providing consultancy, advisory and project management services in the leisure and hospitality sector in Myanmar	99.99	99.99	100.00	100.00	-	-
Kipling Global Hospitality Group Limited ("Kipling") [2][3][4] (Myanmar)	Provision of consultancy and advisory services and project management for international and national companies and organisations in the food and beverage and leisure and hospitality sectors in Myanmar.	74.99	-	75.00	-	25.00	-

[1] Audited by BDO LLP, Singapore.
[2] Audited by BDO Cambodia (Limited), for consolidation purposes and Nyo Nyo Myint and Associates, Myanmar for statutory reporting in Myanmar.
[3] The Director of the Company held 1 ordinary share in trust, representing 0.01% equity interest, due to Myanmar legal requirement to have a minimum of 2 shareholders.
[4] The former Director of the subsidiary company held 25,000 ordinary shares, representing 25% equity interest.

10. **Investment in subsidiaries** (Continued)

Myanmar Strategic Energy Pte Ltd

On 22 September 2014, MSE was incorporated in the Republic of Singapore. The Company had subscribed 40,000 Class B - Voting ordinary shares for a consideration of US1.00 per share.

On 16 November 2014, MSE issued 16,500 Class A - Non-voting ordinary shares to an individual shareholder. Class A shareholders do not possess voting rights but is entitled to distribution of profits and dividends. This resulted in a dilution of ownership interest in MSE to 70.80% without the loss of control.

The Company had on 29 December 2015, acquired 16,500 Class A - Non-voting ordinary shares from its non-controlling interest for a cash consideration of US$5,000 and became a wholly-owned subsidiary company. The carrying value of the net assets of MSE as at date of acquisition was US$24,542 and the carrying value of the additional interest acquired was US$7,167. The difference of US$2,167 between the consideration and the carrying value of the additional interest acquired resulted in a gain on acquisition of non-controlling interests recognised directly in equity reserve.

Myanmar Strategic Leisure Pte Ltd

On 22 September 2014, MSL was incorporated in the Republic of Singapore. The Company had subscribed 25,000 Class B - Voting ordinary shares for a consideration of US1.00 per share.

On 8 December 2014, MSL issued 15,000 Class B - Voting ordinary shares to an individual shareholder. This resulted in a dilution of ownership and voting interest in MSL to 62.50% without the loss of control.

The Company had on 4 January 2016, acquired the 15,000 Class B - Voting ordinary shares from the non-controlling interest for a cash consideration of US$17,250 and became a wholly-owned subsidiary company. Accordingly, L Partners being a subsidiary company held through MSL effectively became a wholly-owned subsidiary company. The carrying value of the net liabilities of MSL and L Partners as at date of acquisition was US$113,893 and the carrying value of the net liabilities acquired was US$42,710. The difference of US$59,960 between the consideration and the carrying value of the net liabilities acquired has been recognised as a premium paid on acquisition of non-controlling interests recognised directly in equity reserve.

The following schedule shows the effects of changes in the Group's ownership interest in MSE and MSL that did not result in loss of control, on the equity attributable to owners of the parent:

	Group	
	2016	2015
	US$	US$
Amount paid on changes in ownership interest in subsidiaries	22,250	-
Non-controlling interest comprising of liabilities acquired	35,543	-
Total amount recognised in equity reserves (Note 15)	57,793	-

10. **Investment in subsidiaries** (Continued)

Orwell Consulting Partners Limited and L Partners Limited

On 7 August 2014 and 11 March 2015, Orwell and L Partners were incorporated in Myanmar with an issued and fully-paid-up share capital of US$200,000 and US$125,000, respectively.

During the financial year, MSL had subscribed 75,000 ordinary shares of L Partners at US$1.00 per share for total cash consideration of US$75,000 for working capital purposes.

Kipling Global Hospitality

On 15 February 2016, Kipling was incorporated in Myanmar with issued and fully-paid-up share capital of US$100,000. Out of the 100,000 ordinary shares issued at US$1.00 per share, 25,000 shares amounting to US$25,000 was transferred to a former Director of Kipling for no consideration and has been accounted for in accordance with FRS102 Share-based Payments.

Non-controlling interest

The Group has the following subsidiary that has non-controlling interest ("NCI") that is material to the Group.

Name of subsidiary	Loss allocated to NCI		Total comprehensive income attributable to NCI		Accumulated NCI	
	2016	2015	2016	2015	2016	2015
	US$	US$	US$	US$	US$	US$
Kipling Global Hospitality Group Limited	(3,256)	-	(3,256)	-	21,744	-

Summarised financial information in respect of the Group's subsidiary that has material NCI is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	Kipling Global Hospitality Group Limited	
	2016	2015
	US$	US$
Assets and liabilities:		
Current assets	127,186	-
Current liabilities	(40,211)	-
Net assets	86,975	-
Expenses	(38,025)	-
Loss for the year, representing total comprehensive income	(38,025)	-
Net cash outflow from operating activities	(43,406)	-
Net cash inflow from investing activities	37,515	-
Net cash inflow from financing activities	100,000	-

11. Trade and other receivables

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
Trade receivables				
Third party	12,000	12,000	12,000	12,000
Other receivables				
Deposits	6,868	-	6,868	-
Prepayments	117,892	10,000	115,036	10,000
Third parties	352,863	65,005	-	-
Related parties	109,798	-	-	-
Subsidiaries	-	-	1,171,793	160,952
Total other receivables	587,421	75,005	1,293,697	170,952
Total trade and other receivables	599,421	87,005	1,305,697	182,952

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
Total trade and other receivables (excluding prepayments)	481,529	77,005	1,190,661	172,952
Add: Cash and cash equivalents (Note 12)	2,289,247	404,694	1,775,779	321,516
Total Loans and receivables	2,770,776	481,699	2,966,440	494,468

Trade receivables are unsecured, non-interest bearing and are generally on 30 (2015: 30) days credit term. They are measured at their original invoice amounts which represent their fair value on initial recognition.

Amount due from subsidiaries are non-trade in nature, unsecured, interest-free and are repayable on demand.

Amount due from related parties relates to advances given to a Director of a subsidiary company for operational expenses and advances to a firm of which the Director of a subsidiary company is a member, which are unsecured, interest-free and repayable on demand.

Receivables that are past due but not impaired

The Group has a trade receivable amounting to US$12,000 (2015: US$12,000) that are past due at the end of the reporting period but not impaired. The receivable is unsecured and the analysis of the aging at the end of the reporting period is as follows:

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
Trade receivables that are past due				
30 - 60 days	-	2,000	-	2,000
61 - 90 days	-	2,000	-	2,000
Over 90 days	12,000	8,000	12,000	8,000
	12,000	12,000	12,000	12,000

11. Trade and other receivables (Continued)

Based on past transactions, the Director believes that no impairment allowance is necessary in respect of trade receivables past due over 90 days as these receivables are due from a customer that has a good track record with the Group and Company.

The Group has no trade receivables (2015: NIL) that are impaired at the end of the reporting period.

The Group's and the Company's trade and other receivables (excluding prepayments) balances are denominated in the following currencies:

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
United States Dollar	474,661	77,005	1,183,793	172,952
Singapore Dollar	6,868	-	6,868	-
	481,529	77,005	1,190,661	172,952

12. Cash and cash equivalents

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
Cash at bank	2,275,397	385,800	1,770,470	316,207
Cash on hand and demand deposits	13,850	18,894	5,309	5,309
	2,289,247	404,694	1,775,779	321,516

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Cash and bank balances are denominated in the following currencies:

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
United States Dollar	1,004,126	248,779	530,022	196,592
Euro	1,167,955	121,551	1,167,955	121,551
Myanmar Kyats	39,364	30,991	-	-
Singapore Dollar	77,802	3,373	77,802	3,373
	2,289,247	404,694	1,775,779	321,516

13. Other payables

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
Immediate holding company	10,018	62,020	6,028	2,020
Third parties	23,860	-	-	-
Accruals	64,065	34,476	24,854	10,856
Total financial liabilities carried at amortised cost	97,943	96,496	30,882	12,876

The amount due to immediate holding company is non-trade in nature, unsecured, interest-free and repayable on demand.

	Group		Company	
	2016	2015	2016	2015
	US$	US$	US$	US$
United States Dollar	64,195	82,798	6,028	5,000
Singapore Dollar	33,748	13,698	24,854	7,876
	97,943	96,496	30,882	12,876

14. Share capital

	Group and Company			
	2016	2015	2016	2015
	Number of shares		US$	US$
Issued and fully paid ordinary shares:				
Class A - Non-voting shares				
At beginning of financial year/period	100,000	-	650,000	-
Shares issued during the financial year/period	448,269	100,000	2,913,749	650,000
At end of the financial year/period	548,269	100,000	3,563,749	650,000
Class B - Voting shares				
At beginning and end of the financial year/period	1,020,000	1,020,000	120,000	120,000
Total share capital	1,568,269	1,120,000	3,683,749	770,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value.

Class A shareholders are entitled to distribution of profits and dividends but do not possess voting rights.

Class B shareholders are entitled to distribution of profits and dividends including the voting rights.

14. Share capital (Continued)

During the financial year, the Company issued the following shares for working capital purposes, as detailed below:

	Group and Company	
	2016 Number of shares	2016 US$
Class A - Non-voting ordinary shares		
Date of issuance:		
- 20 April 2015	100,000	650,000
- 22 July 2015	50,000	325,000
- 29 September 2015	130,769	849,999
- 18 January 2016	32,000	208,000
- 31 March 2016	135,500	880,750
Total shares issued	448,269	2,913,749

In the previous financial period, the Company issued the following shares for working capital purposes, which was paid in cash in United States dollar, as detailed below:

	Group and Company	
	2015 Number of shares	2015 US$
Class A - Non-voting ordinary shares		
Date of issuance:		
- 28 March 2015	100,000	650,000

15. Equity reserves and accumulated losses

The equity reserve represents the effects of changes in ownership interests in subsidiaries when there is no change in control (Note 10).

Accumulated losses represents all other net gains and losses and transactions with owners not recognised elsewhere.

16. Operating lease commitments

As at the end of the financial year, commitments in respect of non-cancellable operating leases in respect of office premises are as follows:

	Group	
	2016 US$	2015 US$
Within one financial year	24,724	-

Leases are negotiated for a term of one year with no option to renew.

17. Significant related party transactions

During the financial year/period, in addition to the information disclosed elsewhere in these financial statements, the Group entered into the following transactions with related parties at rates and terms agreed between the parties:

	Group	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
With immediate holding company:		
- Advances	-	410,000
- Repayments	(60,000)	(350,000)
- Payments on behalf	(7,998)	(291)
With a Director of the subsidiaries:		
- Professional fees	78,000	15,500

Key management personnel remuneration

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company's key management personnel are the Directors of the Company and its subsidiaries.

Key management personnel remuneration is as follows:

	Group	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
Director's fees	90,000	1,500
Director's salaries	110,401	42,500
Share-based compensation	25,000	-
	225,401	44,000

18. Financial instruments, financial risks and capital management

The Group's activities have exposure to credit risks, market risks (including foreign currency risks and interest rates risks) and liquidity risks arising in the ordinary course of business. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Group's management then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

18. Financial instruments, financial risks and capital management (Continued)

There has been no change to the Group's exposure to these financial risks or the manner in which the risks are managed and measured.

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange rates.

18.1 Credit risks

Credit risks refer to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require collaterals.

As at reporting date, the Group has significant credit exposure arising from a third party other receivables amounting to US$352,863 (2015: US$Nil). The Company has significant credit exposure arising from amount due from subsidiaries amounting to US$1,171,793 (2015: US$160,952) which are due from three subsidiary companies. The management is of the opinion that these receivables are fully recoverable.

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for impairment losses, represents the Group's and the Company's maximum exposure to credit risks.

The Group's and the Company's major classes of financial assets are trade and other receivables and cash and cash equivalents.

Cash and cash equivalents are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies.

18.2 Market risks

Foreign currency risks

The Group and the Company are exposed to changes in foreign exchange rates arising from foreign currency transactions and balances and changes in fair values. The Group's and the Company's overall financial risk management programme seeks to minimise potential adverse effects on the financial performance and position of the Group and the Company. The Group's and the Company's overall risk management are determined and carried out by the management. The Group and the Company do not hold or issue derivative financial instruments for speculative purposes.

The Group and the Company are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, Singapore dollar and Myanmar Kyat. The Group and the Company monitor the movement in foreign currency exchange rates closely to minimise the exposure.

18. Financial instruments, financial risks and capital management (Continued)

18.2 Market risks (Continued)

Foreign currency risks (Continued)

The breakdown of the carrying amounts of financial assets and financial liabilities at the reporting date by currency are as follows:

	Group			
	Financial assets		Financial liabilities	
	2016	2015	2016	2015
	US$	US$	US$	US$
United States dollar	1,478,787	325,784	64,195	82,798
Euro	1,167,955	121,551	-	-
Singapore dollar	84,670	3,373	33,748	13,698
Myanmar Kyat	39,364	30,991	-	-
	2,770,776	481,699	97,943	96,496

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 3% (2015: 3%) change in Euro ("EUR") against United States dollar. The sensitivity analysis assumes an instantaneous 3% (2015: 3%) change in the foreign currency exchange rates from the end of the financial year, with all variables held constant.

	Group	
	Profit or loss/Equity	
	1 April 2015 to 31 March 2016	1 January 2014 to 31 March 2015
	US$	US$
EUR		
Strengthened against United States dollar	35,039	3,647
Weakened against United States dollar	(35,039)	(3,647)

Interest rate risks

Interest rate risk arises from the fluctuation of interest rates applicable to interest bearing financial assets and liabilities.

The interest rate sensitivity analysis is not presented as the Group does not have significant exposure to interest bearing financial assets and liabilities.

18. Financial instruments, financial risks and capital management (Continued)

18.3 Liquidity risks

Liquidity risk refers to the risk in which the Group encounters difficulties in meeting its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The Group actively manages its operating cash flows so as to finance the Group's operations. As part of its overall prudent liquidity management, the Group minimises liquidity risk by maintaining sufficient level of cash to meet its working capital requirements.

The financial liabilities are repayable on demand or due within one year from the end of the financial year.

19. Fair value of financial assets and financial liabilities

The carrying amount of cash and cash equivalents, trade and other receivables and other payables, approximate their respective fair values due to the relative short term maturity of these financial instruments.

20. Capital risk management policies and objectives

The Group manages its capital to ensure that the Group is able to continue as a going concern and maintains an optimal capital structure so as to maximise shareholder's value.

The capital structure of the Group consists of equity attributable to the equity holder of the Company comprising issued capital, equity reserves and accumulated losses.

The Group's management reviews the capital structure on an annual basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group's overall strategy remains unchanged from 2015.

The Group is not subject to externally imposed capital requirements for the financial year/period ended 31 March 2016 and 31 March 2015.

21. Comparative figures

The financial statements of the Group and of the Company for 31 March 2016 cover the 12 months period from 1 April 2015 to 31 March 2016. Due to the change in financial year end of the Company from 31 December to 31 March to be coterminous with the financial year end of its immediate holding company, the comparative amounts, together with the notes thereon, cover the 15 months period from 1 January 2014 to 31 March 2015. Therefore, the comparative amounts presented in the financial statements are not entirely comparable.

22. Events subsequent to reporting period

a) On 15 June 2016, the Company issued 236,500 Class A Non-voting ordinary shares amounting to a total consideration of US$1,537,250 for working capital purposes.

b) A wholly owned subsidiary, L Partners Limited, had on 6 April 2016 secured a contract to manage the Royal Luxury Hotel in Nyaung Shwe, Shan State, Republic of the Union of Myanmar for a period of ten years with an option to renew for another ten years.