Company Registration No. 05212388

| ALPHA RETURNS GROUP PLC

Annual Report and Financial Statements

For the year ended 31 December 2016

Company information

Company registration number:	05212388 - incorporated in England and Wales
Registered office:	27/28 Eastcastle Street London W1W 8DH
Directors:	Chan Cheong Yee - Executive Director Christopher Neo - Executive Director Tsang Fung Chu - Non-Executive Director Nigel Brent Fitzpatrick - Non-Executive Director (appointed: 11 January 2017)
Secretary	Cargil Management Services Limited
Executive office:	16/F First Asia Tower 8 Fiu Yiu Kok Street Tsuen Wan Hong Kong
Nominated Adviser:	ZAI Corporate Finance Limited 4th Floor, New Liverpool House 15 Eldon Street London EC2M 7LD
Broker:	Peterhouse Corporate Finance Limited 3rd Floor, New Liverpool House 15 Eldon Street London EC2M 7LD
Registrar:	Computershare Investor Services Plc PO Box 82 The Pavilions Bridgwater Road Bristol BS99 7NH
Solicitors:	DMH Stallard LLP 6 New Street Square New Fetter Lane London EC4A 3BF
Independent Auditor:	Welbeck Associates Statutory Auditor Chartered Accountants 30 Percy Street London W1T 2DB
Website:	http://www.alpharet.com

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Chairman's Statement

I am pleased to announce the results for the year 2016 for Alpha Returns. We made good progress in the year with the completion of the disposal of Riche Bright Securities Limited ("RBSL"). The Company now has significant investable cash balances and continues to explore new investment opportunities in the Asia Pacific region.

The year under review was remembered for UK's historic Brexit vote and the election of President Trump in the US. In Asia, we watched these political developments with interest. Closer to home, China's economy continued to undergo a momentous transformation from an export-driven manufacturer to a consumer-oriented economy.

Despite the deceleration in growth within the Asia Pacific Region ("APAC"), the region still remains the growth engine of the global economy with broadly positive outlook for the next few years. The IMF is projecting China to grow at 6.6% in 2017 (2016: 6.7%) compared to the World growth of 3.5% (2016: 3.1%).

The Company's investment portfolio presently includes a 52.5% interest in Singapore based Telistar, a 30% investment in PRC based Maxlife, and a 6.67% investment in Singapore based New Trend Lifestyle Group plc (AIM: NTLG).

Review of 2016

The figures presented have consolidated the results of our subsidiaries. Whilst the investment in RBSL was realised for a significant gain, the other investments in our portfolio are in growth phase, so any profits generated are ploughed back in to the individual businesses.

The final results for the year ended 31 December 2016 show a consolidated loss on continuing operations after taxation of £660,640 (2015: loss £522,351). After a profit from discontinued operations of £476,097 and foreign currency translation gains of £383,468, the profit after tax and total comprehensive income was £203,498 (2015: loss £473,292). The loss on operations after taxation attributable to the equity holders of the Company (before the gain on translation of foreign subsidiaries) was £420,824 (2015: £574,009). Losses of the parent company were £209,996 (2015: £474,941).

Total assets amounted to £4,551,160 (2015: £5,050,763) with £3,757,225 (2015: £3,049,490) net assets attributable to equity holders of the Company and net cash of £2,149,378 (2015: £394,963). The net cash position for 2015 is after excluding £1,287,573 of cash relating to RBSL following its reclassification as a disposal group (see Note 6 for further details). The Group has benefited from the weakness in sterling as much of our assets are held in foreign currencies.

On 31 March 2016, the Company completed the acquisition of a 30% interest in Oriental Ventures Limited ("OVL") with the issue of 32,142,857 new ordinary shares in addition to the first tranche cash consideration of HK$5.8 million (£450,000) paid in April 2014. OVL is the BVI registered holding company of Shenzhen Maxlife Lifestyle Commerce Co., Ltd. Maxlife continues to operate in the e-commerce space seeking to expand its product and service offerings. However the Board acknowledges that its progress had been slower than expected and therefore made an impairment of £281,250 following a review. Despite this, the Directors remain positive about Maxlife's prospects and continue to work with its management to develop its business.

On 31 May 2016 the Company, through Riche Bright Group Limited ("RBG"), completed the disposal of its shareholding in RBSL for a total cash consideration of HK$33,173,459. RBG subsequently repurchased its own shares from its 30% minority shareholders for cash consideration of HK$9 million, thereby becoming a wholly owned subsidiary available for use as an intermediate bare holding company for future investments in accordance with the Company's investing policy.

On 31 August 2016, the Company acquired a 6.67% interest in New Trend Lifestyle Group Plc (AIM: NTLG) for £100,000. The investment in NTLG had a market value of £187,500 at year end.

On 13 December 2016 the Company terminated its conditional 50% investment in Jesoft International Limited and received HK$928,125 (£94,200) as repayment of the initial consideration of 17,394,054 ARGP ordinary shares issued

Chairman's Statement

to the vendor. This compares to the book value of the conditional investment of £295,700 and the market value of those shares of £69,600 at the time of termination.

During the year, Eric Leung resigned to focus on other business commitments and Tony Drury retired following the AGM. We thank the both of them for their contributions to the Company.

As an investment company the Directors are not involved in the day-to-day operations of its investee companies. The Company's Investing Policy is set out in full in the Strategic Report and on the Company's website at http://alpharet.com/rule26.

2017

On 3 January 2017, the Board granted options over a total of 15,000,000 ordinary shares, representing 2.16 per cent of the Company's current issued ordinary share capital at an exercise price of 0.5 pence per share accordance with the terms of the Company's share option scheme.

At the start of 2017 we were pleased to welcome Brent Fitzpatrick to the Board as a Non-executive Director. Brent has considerable quoted company experience and brings a wealth of valuable experience to the Board.

Outlook

The Company has held most of its cash proceeds from the sale of RBSL to year end and continues to hold significant investable cash balances. The Directors now seek new investment opportunities and look to revise the Company's Investing Policy at the next Annual General Meeting.

Finally, I would like to take this opportunity to thank shareholders for their continued support for the Company. We look forward to update on developments in the near future.

Quattro Chan
Interim Chairman

Dated 30 June 2017

Strategic Report

The Directors present their results and report for Alpha Returns Group plc (the “Company”) for the year ended 31 December 2016, which has been prepared in accordance with the requirements of section 414A of the Companies Act 2006 (the “Act”). The purpose of this report is to inform Shareholders and provide them with sufficient information to enable them to assess the extent to which the Directors have performed their duty to promote the success of the Company in accordance with section 172 of the Act.

The Company’s independent Auditor is required to report on whether information given in the Strategic report is consistent with the Financial Statements. The independent Auditor’s report can be found on page 11.

BUSINESS REVIEW

During the year the Directors divested the investment in Riche Bright Securities Limited (“RBSL”) and focussed their attention to develop the Company’s other investments. The Group closed the year with cash balances of £2,149,378 (2015: £394,963 excluding cash held by RBSL), an investment portfolio of £1,686,348 (2015: £1,686,348) and equity shareholders’ funds of £3,757,225 (2015: £3,049,490).

In March 2016, the Company completed the 30% investment in Oriental Ventures Limited, the BVI registered holding company of Shenzhen Maxlife Lifestyle Commerce Co., Ltd. (“Maxlife”). Maxlife is a Shenzhen based company that operates e-commerce platforms targeting mid-to-high end consumers in the PRC.

In May 2016, the Company through Riche Bright Group Limited (“RBG”) completed the disposal of the entire equity interest of Riche Bright Securities Limited. In June 2016, RBG repurchased its own shares from its 30% minority shareholders with proceeds from the disposal, thereby becoming a wholly owned subsidiary of the Company.

In August 2016, the Company made a 6.67% investment in AIM-listed New Trend Lifestyle Group Plc.

In December 2016, the Company terminated the conditional 50% investment in Jesoft International Limited and received a cash repayment in lieu of the consideration shares issued to the vendor.

KEY PERFORMANCE INDICATORS

The Directors measure the performance of the Company and wider Group of investments using the following indicators:

GROUP STATISTICS	**31 December 2016**	31 December 2015	**Change %**
Net asset value attributable to equity holders	**£3,757,225**	£3,049,490	**23.2%**
Net asset value per share attributable to equity holders	**0.55p**	0.46p	**19.6%**
Closing share price	**0.40p**	0.60p	**(33.33%)**
Cash	**£2,149,378**	£394,963*	**444.2%**

*The net cash position for 2015 is after reclassifying £1,287,573 of cash and cash equivalents relating to the disposal group. See Note 6 for further details.

Strategic Report

INVESTING POLICY

With its Asia-centric focus, Alpha Returns Group Plc will actively seek to acquire and consolidate holdings in companies operating in high-growth Asian economies, with the intention to create and sustain long-term value. The Company may invest in any business sector within its targeted geographic focus.

The Directors see Asia-Pacific as having considerable growth potential for the foreseeable future and many of its prospects they have identified are in the region. The Directors will focus on investments and opportunities which would generally have some or all of the following characteristics, namely:

- a majority of their revenue derived from the Asia-Pacific region, and strongly positioned to benefit from the region's growth;
- a trading history which reflects past profitability or potential for significant capital growth going forward; and
- where all or part of the consideration could be satisfied by the issuance of new Ordinary Shares or other securities in the Company. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate.

It is anticipated that the main driver of success for the Company will be its focus, during the investment screening process, on the management involved in the potential investee companies and the potential value creation that the team of people is capable of realising. The Company will identify and assess potential investment targets and where it believes further investigation is required, intends to appoint appropriately qualified advisers to assist in the due diligence process.

The Company intends to be an active investor, and the Directors will seek representation on the board of the investee company where they feel that an investee company would benefit from their skill and expertise.

The Company intends to deliver shareholder returns principally through capital growth rather than capital distribution via dividends.

FUTURE DEVELOPMENTS

As explained in the Chairman's Statement the Company has made good progress with its investments in the Asia-Pacific region, and with the completion of the disposal of RBSL in 2016, the Company is now well positioned to explore new investment opportunities in the region.

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES

The management of the business and the nature of the Company's strategy are subject to a number of risks. The key risk facing Alpha Returns shareholders is that the value of the investments falls and that future returns to shareholder are therefore lower than they could have been. As the Company has 2 key investments at present any deterioration in trading of Telistar or Maxlife and a consequential fall in investment value is the biggest single risk faced. Similarly performance in excess of expectations on the 2 key investments is the single biggest upside adjustment factor that the Company faces.

The Group operates a system of internal control and risk management in order to provide assurance that the Board is managing risk whilst achieving its business objectives. No system can fully eliminate risk and, therefore, the understanding of operational risk is central to the management process.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's policy in respect of financial instruments and its risk profile is set out in Note 15 to the financial statements.

Strategic Report

ASSESSMENT OF BUSINESS RISK

The Board regularly reviews operating and strategic risks. The Group's operating procedures include a system for reporting financial and non-financial information to the Board including:

- reports from management with a review of the business at each Board meeting, focusing on any new decisions/risks arising;
- reports on the performance of investments;
- reports on selection criteria of new investments;
- discussion with senior personnel; and
- consideration of reports prepared by third parties.

Christopher Neo
Executive Director
Dated 30 June 2017

Report of the directors

The directors present their report together with financial statements for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activity of Alpha Returns Group plc as the parent company of the Group is that of an investment company with the main focus being on high-growth prospects in the Asia-Pacific region.

RESULTS AND DIVIDENDS

The consolidated statement of comprehensive income for the year is set out on page 13.

The directors do not propose the payment of a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objectives and policies are detailed in note 15.

DIRECTORS

The directors who served during the period and their beneficial interests in the shares of the Company as at 31 December 2015 (or date of appointment if later) and 31 December 2016 (or date of resignation if earlier) were as follows:

	31 December 2016		31 December 2015	
	Shares	Options	Shares	Options
C Y Chan	-	5,000,000	-	5,000,000
C Neo	12,760,000	5,000,000	12,760,000	5,000,000
A C Drury (retired 22 July 2016)	-	-	-	-
H K Leung (resigned 30 April 2016)	-	-	-	-
F C Tsang	-	-	-	-

There is a qualifying third party indemnity provision in force for the benefit of the Directors and officers of the Company.

GOING CONCERN

The Directors have a reasonable expectation that the Group has adequate resources to continue in operation or existence for the foreseeable future thus we continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In the case of each of the persons who are directors of the Company at the time this report was approved:

- So far as each director is aware there is no relevant audit information of which the Company's auditors are unaware: and
- Each of the directors has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Report of the directors

CORPORATE GOVERNANCE

Although not required by the AIM rules issued by the London Stock Exchange to adopt any particular Corporate Governance Code, the directors recognise the benefits of good governance and endeavour to adopt procedures appropriate to the Group's size and circumstances. In this regard, the directors have considered, but not formally adopted, the Quoted Companies' Alliance Corporate Governance Code with regard to small and medium sized quoted companies.

Audit Committee

The audit committee comprises two directors, F C Tsang and N B Fitzpatrick and is chaired by F C Tsang. The committee is primarily responsible for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on and for reviewing reports from the auditors relating to accounting and internal controls.

The Board as a whole considers the appointment of external auditors, including their independence, specifically including the nature and scope of non-audit services provided.

AIM Compliance Committee

The AIM compliance committee reports on compliance with the AIM Rules. It comprises three directors, C Y Chan, C Neo and is chaired by N B Fitzpatrick and is responsible for establishing that procedures, resources and controls are in place to ensure AIM Rule compliance within the company is operating effectively from time to time.

Remuneration Committee

The remuneration committee comprises two directors, N B Fitzpatrick and F C Tsang. F C Tsang chairs the committee. The committee is responsible for determination of the terms, conditions and remuneration of the executive directors.

Nominations Committee

The nominations committee comprises two directors, C Neo and is chaired by C Y Chan. The committee leads the process for identifying and making recommendations to the Board on candidates for appointment as Directors and Company Secretary.

Going Concern

The directors have considered the position of the Group and have a reasonable expectation that the Group will continue in operational existence for the foreseeable future and have therefore used the going concern basis in preparing the financial statements. See note 1 of the financial statements for further detail.

Internal Controls

The Directors acknowledge they are responsible for the Group's system of internal control and for reviewing the effectiveness of these systems. Although they are an investment company they will not be involved in the day-to-day operations of the investment entities. However, they will be involved in the risk management process and ensuring implementation of systems of internal control which are designed to manage, rather than eliminate, the risk of the Group failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Directors feel the Group has well established procedures which are considered adequate given the size of the business.

Report of the directors

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and have also elected to prepare the Company financial statements in accordance with IFRS as adopted by the EU. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each person who was a director at the time this report was approved:

- so far as that Director is aware there is no relevant audit information of which the Company's auditor is unaware: and
- that Director has taken all steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the directors

SUBSTANTIAL SHAREHOLDINGS

At 28 June 2016 the Company had been notified of the following substantial shareholdings (over 3%):

Shareholders	Number of Ordinary Shares	Percentage of Issued Shares Held
Sze Thye Group Ltd	185,520,003	26.74%
Wong Xin Yan	33,316,202	4.80%
Add-Plus Electronic Pte Ltd	21,260,504	3.06%

At 28 June 2016 the Company is also aware of the following nominee shareholdings amounting to 3% or more:

Nominees	Number of Ordinary Shares	Percentage of Issued Shares Held
W B Nominees Limited	113,561,772	16.40%
*JIM Nominees Limited a/c JARVIS	63,355,343	9.15%
Securities Services Nominees Limited a/c 2832040	50,063,665	7.22%

*Note - the JIM Nominees account includes 28,000,000 (4.04%) beneficially owned by Sze Thye Group Limited and 12,760,000 (1.84%) beneficially owned by Christopher Neo.

DIRECTORS BIOGRAPHIES

Chan Cheong Yee ("Quattro") (Executive Director and Interim Chairman)

Mr. Chan is currently the sales director and responsible officer of China Everbright Securities (HK) Limited and has been in the financial and investment field for over 20 years. He is experienced in dealing in securities, fund management, corporate management, corporate finance and managing listed investment companies under Chapter 21 of the Listing Rules of the Stock Exchange of Hong Kong. Mr. Chan is also an executive director of China Trend Holdings Limited, China Investment and Finance Group Limited, China Investment Development Limited, Capital VC Limited, China New Economy Fund Limited, China Innovation Investment Limited, and Bingo Group Holdings Limited, all companies listed on the Hong Kong Stock Exchange.

Mr. Chan is directly involved in identifying investment opportunities, conducting due diligence, performing valuation, monitoring performance of investment portfolios and providing investment and divestment recommendations. He obtained a Bachelor of Science degree from the College of Business Administration of The University of South Florida in the United States of America.

Christopher Neo (Executive Director)

Christopher is an executive director of Alpha Returns Group plc since 2013. Christopher is directly involved with the investment decisions of Alpha Returns and takes an active role to help realize values of our investee companies. In addition, Christopher is an investment manager of Creative Asset Management Limited and he is licensed by HKSFC to conduct type 9 (asset management) activities in Hong Kong.

Christopher has many years of investment and business experience in a diverse range of industries across several countries in the Asia Pacific region, including China, Singapore, Malaysia and Indonesia. Prior to becoming an investment manager, Christopher was a commodities trader specialising in the physical trade of coal and iron ore. Christopher graduated from the University of London with a Bachelor of Science degree in Banking and Finance.

Report of the directors

DIRECTORS BIOGRAPHIES (continued)

Tsang Fung Chu ("Ellen") (Independent Non-Executive Director)
Ms. Tsang is a Fellow of both the Hong Kong Institute of Certified Public Accountants (HKICPA) and of the Association of Chartered Certified Accountants (ACCA) and has a Bachelor's degree in Social Science from the University of Hong Kong. She has broad experience in the finance and accounting fields and co-founded C & T Associates Ltd. which provides professional services to various kinds of PRC companies and investors and has acted as reporting accountant for various very substantial transactions for Hong Kong listed companies. She has also served as independent non-executive director of companies listed on the Hong Kong Stock Exchange. She has served as honorary auditor for several non-governmental and non-profit making organisations and has held a number of government and public appointments.

Nigel Brent Fitzpatrick (Independent Non-Executive Director)
Mr. Fitzpatrick has over 20 years' experience as a corporate finance consultant and brings with him considerable quoted company experience, with current directorships including Acorn Growth plc, Lombard Capital plc, Powerhouse Energy Group plc and Vela Technologies plc. He has been instrumental in advising a number of companies on their acquisitions, funding and subsequent flotations. Mr. Fitzpatrick was Chairman of Global Marine Energy plc, an AIM traded oil services company. He is also currently Chairman of RiskAlliance Group Limited and Aboyne-Clyde Rubber Estates of Ceylon Limited. He is a member of the Audit Committee Institute. In the Queen's Birthday Honours List 2012, Mr. Fitzpatrick was awarded an MBE for services to education.

POST YEAR END EVENTS

There are no material events after the balance sheet date other than those detailed in Note 21.

AUDITORS

A resolution to re-appoint Welbeck Associates, as auditors will be put to the members at the annual general meeting.

BY ORDER OF THE BOARD
Christopher Neo
Director
Dated 30 June 2017

Independent auditors' report to the members of Alpha Returns Group plc

We have audited the financial statements of Alpha Returns Group plc for the year ended 31 December 2016 which comprise the Group income statement, the Group statement of comprehensive income, the Group and Parent Company statements of changes in equity, the Group and Parent Company statements of financial position, the Group and Parent Company statements of cash flows, and the related notes. The financial reporting framework that has been applied in the preparation of the group and parent company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the statement of directors' responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2016 and of the Group's loss for the year then ended;
- the Group and Parent Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006, and as regards the group financial statements, Article 4 of the IAS Regulation

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements. In light of our knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in either the Strategic report or Report of the directors.

Independent auditor's report (continued)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Jonathan Bradley Hoare (Senior Statutory Auditor)
For and on behalf of Welbeck Associates
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date: 30 June 2017

Consolidated statement of comprehensive income

	Note	12 months to Dec 2016 £	12 months to Dec 2015 £
Continuing operations			
Revenue		2,691,071	2,256,770
Cost of sales		(1,759,809)	(1,388,507)
		931,262	868,263
Administration costs		(1,307,943)	(1,251,988)
Share based payments	17	(6,242)	(134,000)
Other income		88,924	28,880
Other losses	14	(201,499)	(37,000)
Operating loss		(495,498)	(525,845)
Finance cost		(26)	(1)
Finance income		1,144	6
Investment income		58	6,515
Gain on foreign exchange		38,710	3,167
Impairment loss		(193,750)	-
Loss on continuing operations before taxation	2	(649,362)	(516,158)
Taxation	5	(11,278)	(6,193)
Loss on continuing operations after taxation		(660,640)	(522,351)
Profit from operations reclassified as held for sale	7	-	5,258
Profit from discontinued operations	7	476,097	-
Loss on operations after taxation		(184,543)	(517,093)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Gain on translation of foreign subsidiaries		383,468	35,526
Available for sale financial assets		4,573	8,275
Other comprehensive income for the year		388,041	43,801
Profit/(loss) after taxation and total comprehensive income/(expense)		203,498	(473,292)

Consolidated statement of comprehensive income

	Note	12 months to Dec 2016 £	12 months to Dec 2015 £
Profit attributable to:			
Equity holders of the company		(420,824)	(574,009)
Non- controlling interests		236,281	56,916
		(184,543)	(517,093)
Total comprehensive income attributable to:			
Equity holders of the company		567,419	30,380
Non- controlling interests		(179,378)	13,421
		388,041	43,801
Basic and diluted profit/(loss) per share	7		
Basic and diluted - continuing operations		(0.10p)	(0.09p)
Basic and diluted - operations reclassified as held for sale		0.07p	0.00p
Total basic and diluted loss per share		(0.03p)	(0.09p)

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent company profit and loss account. The loss for the parent company for the year was £209,996 (2015: 474,941).

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

Consolidated statement of financial position

	Note	31 December 2016	31 December 2015
		£	£
Assets			
Non-Current Assets			
Property, plant and equipment	8	86,793	107,477
Intangible assets	9	638,780	638,780
Investments - Available for sale	14	856,008	790,883
		1,581,581	1,537,140
Current Assets			
Assets of disposal group classified as held for sale	6	-	2,498,400
Trade and other receivables	11	820,201	620,260
Cash and cash equivalents	12	2,149,378	394,963
		2,969,579	3,513,623
Total Assets		4,551,160	5,050,763
Liabilities			
Liabilities of disposal group classified as held for sale	6	-	107,926
Trade and other payables	13	503,681	720,402
Total Liabilities		503,681	828,328
Net Assets		4,047,479	4,222,435
Equity			
Share capital	16	1,354,839	1,351,624
Share premium	16	7,516,009	7,069,224
Revaluation reserve		12,848	8,275
Share option reserve		268,000	261,758
Foreign currency translation reserve		33,571	109,975
Profit and loss account		(5,428,042)	(5,751,366)
Attributable to equity shareholders of the company		3,757,225	3,049,490
Non-controlling interests		290,254	1,172,945
Total equity		4,047,479	4,222,435

The financial statements were approved by the Board of Directors on 30 June 2017.

C Neo
Director

Company registration number: 05212388

The accompanying accounting policies and notes form an integral part of these financial statements

Company statement of financial position

	Note	31 December 2016 £	31 December 2015 £
Fixed assets			
Investments	10	1,686,348	1,686,348
Current assets			
Trade and other receivables	11	2,005,932	1,759,706
Cash and cash equivalents	12	7,130	7,130
		2,013,062	1,766,836
Total Assets		3,699,410	3,453,184
Current liabilities			
Trade and other payables	13	68,365	68,385
Total liabilities		68,365	68,385
Net assets		3,631,045	3,384,799
Capital and reserves			
Called up share capital	16	1,354,839	1,351,624
Share premium	16	7,516,009	7,069,224
Share option reserve		268,000	261,758
Profit and loss account		(5,507,803)	(5,297,807)
Equity shareholders' funds		3,631,045	3,384,799

The financial statements were approved by the Board of Directors on 30 June 2017.

C Neo
Director

Company registration number: 05212388

The accompanying accounting policies and notes form an integral part of these financial statements

Consolidated statement of changes in equity

	Share capital £	Share premium £	Share option reserve £	Revaluation reserve £	Foreign currency reserve £	Profit and loss account £	Total equity £	Non-controlling interest £	Total £
Balance at 1 January 2015	1,348,580	6,525,522	127,758	-	87,870	(5,242,994)	2,846,736	1,421,708	4,268,444
Shares issued in year	3,044	543,702	-	-	-	-	546,746	-	546,746
Share based payment charge	-	-	134,000	-	-	-	134,000	-	134,000
Acquisitions during the year	-	-	-	-	-	65,637	65,637	(319,100)	(253,463)
Loss for the year and total comprehensive expense	-	-	-	8,275	22,105	(574,009)	(543,629)	70,337	(473,292)
Balance at 31 December 2015	1,351,624	7,069,224	261,758	8,275	109,975	(5,751,366)	3,049,490	1,172,945	4,222,435
Shares issued in year	3,215	446,785	-	-	-	-	450,000	-	450,000
Share based payment charge	-	-	6,242	-	-	-	6,242	-	6,242
Change in minority interest	-	-	-	-	(639,250)	744,148	104,898	(939,594)	(834,696)
Loss for the year and total comprehensive expense	-	-	-	4,573	562,846	(420,824)	146,595	56,903	203,498
Balance at 31 December 2016	1,354,839	7,516,009	268,000	12,848	33,571	(5,428,042)	3,757,225	290,254	4,047,479

Company statement of changes in equity

	Share capital £	Share premium £	Merger reserve £	Profit and loss account £	Total equity £
Balance at 1 January 2015	1,348,580	6,525,523	127,758	(4,822,866)	3,178,995
Shares issued in year	3,044	543,701	-	-	546,745
Share based payment charge	-	-	134,000	-	134,000
Loss for the year and total comprehensive expense	-	-	-	(474,941)	(474,941)
Balance at 31 December 2015	1,351,624	7,069,224	261,758	(5,297,807)	3,384,799
Shares issued in year	3,215	446,785	-	-	450,000
Share based payment charge	-	-	6,242	-	6,242
Loss for the year and total comprehensive expense	-	-	-	(209,996)	(209,996)
Balance at 31 December 2016	1,354,839	7,516,009	268,000	(5,507,803)	3,631,045

Consolidated statement of cash flows

	12 months to Dec 2016 £	12 months to Dec 2015 £
Cash flows from operating activities		
Loss after taxation	(184,543)	(435,100)
Adjustments for:		
Depreciation and amortisation	52,430	20,451
(Profit)/Loss on disposal of investments	(495,170)	37,000
Profit/(Loss) on sale of property, plant and equipment	(3,478)	3,854
Share based payments	6,242	134,000
Impairment provision	193,750	-
Dividend income	(58)	(88,383)
Increase/(decrease) in trade and other receivables	(309,841)	951,826
Increase in trade and other payables	(27,317)	(815,618)
Foreign exchange differences	(76,892)	(24,982)
Interest received	(111)	-
Taxation	16,646	43,293
Income tax paid	(43,870)	(14,844)
Net cash used in operating activities	(872,212)	(188,503)
Cash flows from investing activities		
Purchase of investments, net of cash acquired	(550,000)	(75,617)
Disposal of subsidiary	3,366,820	-
Purchase of property, plant and equipment	(16,286)	(80,576)
Disposal of property, plant and equipment	5,738	102,221
Investment income	58	-
Interest income	111	-
Net cash generated from/ (used in) investing activities	2,806,441	(53,972)
Cash flows from financing activities		
Net proceeds from issue of share capital	450,000	-
Share buy back	(858,663)	-
Net cash used in financing activities	(408,663)	-
Net increase/(decrease) in cash and cash equivalents	1,525,566	(242,475)
Cash and cash equivalents at beginning of period	394,963	1,848,183
Cash and cash equivalents in disposal group	-	(1,287,573)
Effect of foreign exchange rate changes on cash and cash equivalents	228,849	76,828
Cash and cash equivalents at end of period	2,149,378	394,963

Company statement of cash flows

	12 months to 31 December 2016 £	12 months to 31 December 2015 £
Cash flows from operating activities		
Loss after taxation	(209,996)	(474,941)
Adjustments for:		
Loss on disposal of investment	-	87,000
Share based payment	6,242	134,000
Increase in trade and other receivables	(268)	(1,147,224)
Decrease in trade and other payables	(19)	(2,015)
(Increase)/decrease in amounts due from related parties	(245,959)	1,403,180
Net cash used in operating activities	(450,000)	-
Cash flows from investing activities		
Purchase of investments	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Net proceeds from issue of share capital	450,000	-
Net cash generated from financing activities	450,000	-
Net increase/(decrease) increase in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of period	7,130	7,130
Cash and cash equivalents at end of period	7,130	7,130

Principal accounting policies

BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to IFRS.

As in prior periods, the Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

These consolidated financial statements have been prepared under the historical cost convention.

The presentational currency of the Group is £GBP. The functional currency of the entities within the Group is HKD$.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In certain circumstances, where fair value cannot be readily established, the Group is required to make judgements over carrying value impairment, and evaluate the size of any impairment required.

Fair value of financial instruments

The Group holds investments that have been designated as held for trading on initial recognition. Where practicable the Group determines the fair value of these financial instruments that are not quoted (Level 3), using the most recent bid price at which a transaction has been carried out. These techniques are significantly affected by certain key assumptions, such as market liquidity. Other valuation methodologies such as discounted cash flow analysis assess estimates of future cash flows and it is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

Share based payments

The estimate of share based payments costs requires management to select an appropriate valuation model and make decisions about various inputs into the model including the volatility of its own share price, the probable life of the options and the risk free interest rate.

Going concern

The reasons for the directors considering that it is appropriate to adopt the going concern basis in the preparation of these financial statements are set out in note 1.

Principal accounting policies

STATEMENT OF COMPLIANCE

The financial statements comply with IFRS as adopted by the European Union. A number of new and revised Standards and Interpretations have been adopted in the current period by the Group for the first time and do not have a material impact on the group.

The following new standards and amendments to standards and interpretations have been issued but are not yet effective and not early adopted. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

		Effective date (periods beginning on or after)
IFRS 9	Financial Instruments - Incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition.	1 January 2018
IFRS 12	Disclosure of interests in other entities - Amendments regarding annual improvements.	1 January 2017
IFRS 15	Revenue from contracts with customers	1 January 2018
IFRS 16	Leases - Amendments as the result of the first comprehensive review.	1 January 2017
IAS 7	Statement of cashflows - Amendments as result of the Disclosure initiative.	1 January 2017
IAS 12	Income taxes - Amendments regarding the recognition of deferred tax assets for unrealised losses.	1 January 2017

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and not early adopted. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

BASIS OF CONSOLIDATION

The Group's consolidated financial statements incorporate the financial statements of the parent company and all of its subsidiary investments drawn up to 31 December 2016. Although the Company is an investment company which focuses on self-sustainable investment targets, and thus the Board of Directors are not involved in the day-to-day operations of its subsidiary undertakings, it is still required to consolidate the results of the subsidiaries under IFRS through the ability to exercise control through voting rights. Subsidiaries are thus entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from its activities.

Unrealised gains on transactions between the Group and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiaries are dealt with by the acquisition method. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition the assets and liabilities of the subsidiary are included in the consolidated statement of financial position at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of the fair value of the consideration transferred over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Acquisition costs are expensed as incurred.

REVENUE

Revenue is measured by reference to the fair value of consideration received or receivable by the Group for goods supplied and services provided, excluding VAT or applicable sales tax, and trade discounts. Revenue is recognised upon the performance of services or transfer of risk to the customer.

Principal accounting policies

Sale of goods
Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods which is generally when a software licence is delivered.
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold which is generally when the licence key is delivered,
- it is probable that the economic benefits associated with the transaction will flow to the entity, and
- the amount of revenue and the costs associated with the transaction can be measured reliably.

Support services
Related ancillary services such as support and maintenance and system hosting are recognised over the period of the contract. Content development sales are recognised on a work performed basis. Where training or support services are invoiced but not supplied by the period end, the value of these services is recorded in current liabilities as deferred income.

The outcome of the transaction is deemed to be able to be estimated reliably when all the following conditions are satisfied:

- the stage of completion of the transaction at the reporting date can be measured reliably and is estimated by reference to the period of the contract,
- it is probable that the economic benefits associated with the transaction will flow to the entity, and
- the amount of revenue and costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Commission
Commission income from the securities and brokerage business is recognised when services are rendered.

Interest Income
Interest income in respect of the securities and brokerage business is recognised using the effective rate of interest.

SEGMENTAL REPORTING

The Group is organised around business class and the results are reported to the Chief Operating Decision Maker according to this class. There is one continuing class of business, being the investment in the Asia-Pacific region.

Given that there is only one continuing class of business, operating with the Asia-Pacific no further segmental information has been provided.

GOODWILL

Goodwill, representing the excess of the fair value of the consideration transferred over the fair value of the Group's share of the identifiable net assets acquired, is capitalised and reviewed annually for impairment. Goodwill is carried at cost less accumulated impairment losses.

INTANGIBLE ASSETS

Distribution rights are initially recognised at cost, then amortised to the statement of comprehensive income over their estimated economic life.

Software development costs relate to expenditure on the development of certain new products and service projects where the outcome of those projects is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalised and amortised over the expected sales life of the software, being generally a period not longer than five years commencing in the year the sales of the product were first made.

Principal accounting policies

INTANGIBLE ASSETS (CONTINUED)

Development costs incurred on specific projects are capitalised when all the following conditions are satisfied:

- completion of the intangible asset is technically feasible so that it will be available for use or sale
- the Group intends to complete the intangible asset and use or sell it
- the Group has the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Development costs not meeting the criteria for capitalisation are expensed as incurred.

The Stock Exchange of Hong Kong (“SEHK”) requires all Exchange Participants (“EPs”) to hold at least one Trading Right (“TR”) of the respective exchanges. All new trading rights are issued by the Exchanges for a fee of HK$500,000. This right is held in the name of RBSL and has been separately capitalised. The Directors carry out impairment reviews on an annual basis on the fair value of the right and whether any indicators of impairment have arisen.

ASSETS ACQUIRED AS PART OF A BUSINESS COMBINATION

In accordance with IFRS 3 Business Combinations revised, an intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group. Where an intangible asset might be separable, but only together with a related tangible or intangible asset, the group of assets is recognised as a single asset separately from goodwill.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost, net of depreciation and any provision for impairment.

Disposals

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment by equal annual instalments where it reflects the basis of consumption of the asset over their estimated useful economic lives. The rates/periods generally applicable are:

Fixtures, fittings and equipment	3-10 years straight line
Leasehold improvements	3 years straight line
Motor Vehicles	5 years straight line

Material residual value estimates are updated to current value as required, but at least annually.

Principal accounting policies

IMPAIRMENT TESTING OF GOODWILL, OTHER INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows.

Goodwill, cash-generating units that include goodwill, and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units to which goodwill has been allocated are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula.

LEASES

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease costs are charged to the statement of comprehensive income on a straight line basis over the lease term.

TAXATION

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Principal accounting policies

FINANCIAL ASSETS

All financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are recognised at fair value plus transaction costs.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables and cash and cash equivalents are classified as loans and receivables. Loans and receivables are measured subsequent to initial recognition at amortised cost using the effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the statement of comprehensive income.

Provision against trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Investments held at fair value through profit or loss

All investments are determined upon initial recognition as held at fair value through profit or loss were designated as investments held for trading. Investment transactions are accounted for on a trade date basis. Assets are de-recognised at the trade date of the disposal. Assets are sold at their fair value, which comprises the proceeds of sale less any transaction cost. The fair value of the financial instruments in the balance sheet is based on the quoted bid price at the balance sheet date, with no deduction for any estimated future selling cost. Unquoted investments are valued by the directors using primary valuation techniques such as recent transactions, last price and net asset value. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the consolidated statement of comprehensive income as “Net gains on investments”. Investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

Available for sale investments

Investments classified as available for sale are those that are neither classified as held for trading nor designated at fair value through profit or loss.

After initial measurement, available for sale investments are subsequently measured at fair value with unrealised gains or losses recognised in Other comprehensive income and credited in the Revaluation reserve until the investment is derecognised, at which time, the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the Revaluation reserve to the statement of profit or loss in finance costs.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

A financial asset is de-recognised only where the contractual rights to the cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for de-recognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Group retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset hat is transferred qualifies for de-recognition if the Group transfers substantially all the risks and rewards of ownership of the asset, or if the Group neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

Principal accounting policies

FINANCIAL LIABILITIES

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities categorised as at fair value through profit or loss are recorded initially at fair value and all transaction costs are recognised immediately in the income statement. All other financial liabilities are recorded initially at fair value, net of direct issue costs.

Financial liabilities categorised as at fair value through profit or loss are re-measured at each reporting date at fair value, with changes in fair value being recognised in the income statement. All other financial liabilities are recorded at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance cost in the income statement. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the income statement on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

A financial liability is de-recognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

EQUITY

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- “Shares option reserve” represents the fair value of the employee equity settled share option scheme as accrued at the balance sheet date.
- "Profit and loss account" represents retained profits and losses.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the statement of comprehensive income in the period in which they arise.

SHARE-BASED PAYMENT

For equity-settled share options, the services received from employees are measured by reference to the fair value of the share options. The fair value is calculated at grant date and recognised in the statement of comprehensive income, together with a corresponding credit to "other reserves", on a straight-line basis over the vesting period, based on the best available estimate of the number of options that are expected eventually to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting. Vesting conditions, other than market conditions, are not taken into account when estimating the fair value.

IFRS 2 has been applied, in accordance with IFRS 1, to equity-settled share options granted on or after 7 November 2002 and not vested at 1 April 2006.

Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium. At the year-end date all options previously granted were deemed to have lapsed.

Notes to the group financial statements

1 GOING CONCERN

The financial statements have been prepared on the going concern basis.

In determining the appropriate basis of preparation of the financial statements, the Directors have considered whether the Group can continue in operational existence for the foreseeable future. At 31 December 2016 although the Group had adequate cash, the Company had cash resources of only £7,130 (2015: £7,130) along with net assets of £3,631,045 (2015: £3,384,799). The directors have prepared cash flow forecasts through to December 2017, which show that the Group will have sufficient available cash resources to provide for its future requirements. In preparing their forecasts they have given due regard to the risks and uncertainties affecting the business as set out in the Strategic Report and the liquidity risk disclosed in note 15, and they have made the following key assumptions:

- that additional funds will be raised; and
- that no new investment will be undertaken by the Group unless sufficient additional funding is in place.

After making enquiries, the Directors have formed a judgement that there is a reasonable expectation that the Company can secure further adequate resources when needed, to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements.

2 LOSS BEFORE TAXATION

Loss on continuing operations before taxation is stated after charging:

	Year to Dec 2016 £	Year to Dec 2015 £
Depreciation of plant, property and equipment		
- owned by the group	**52,430**	49,031
Auditors' remuneration:		
Fees payable to the Group's auditors for the audit of the Company's annual accounts	**10,000**	10,000
Fees payable to the Group's auditors for other services:		
- The audit of the Company's subsidiaries, pursuant to legislation	**15,000**	15,000
- Taxation services	**1,500**	1,500
Operating lease rentals		
- other operating leases of the group	**44,576**	56,472

3 DIRECTORS AND EMPLOYEES

Staff costs for the Group during the period were as follows:

	Year to 31 December 2016 £	Year to 31 December 2015 £
Wages and salaries	**587,745**	319,322
Share based payment charge	**2,340**	50,250
Social security costs	**53,726**	9,423
	643,811	378,995

Notes to the group financial statements

3 DIRECTORS AND EMPLOYEES (continued)

The average number of employees (including directors) of the Company during the period was as follows:

	Year to 31 December 2016 Number	Year to 31 December 2015 Number
Administration	4	5

4 DIRECTORS

Key management are considered to be the Directors. Remuneration in respect of directors is disclosed as follows.

Name	Fees £	Share based payment charge £	Total 2016 £	Total 2015 £
C Y Chan	19,672	780	20,452	36,422
C Neo	20,984	780	21,764	28,225
H K Leung (resigned 30 April 2016)	2,623	-	2,623	7,869
A C Drury (retired on 22 July 2016)	23,570	-	23,570	30,000
F C Tsang	7,869	-	7,869	7,869
	74,718	1,560	76,278	110,385

There were no pension contributions made or payable during the year and no cash or non-cash benefits were paid or payable.

5 TAXATION

No provision has been made for corporation tax due to Group trading losses being available for relief against the future profits of the Group at 31 December 2016. No deferred tax has been recognised in respect of the losses as recoverability is uncertain.

Analysis of the charge for the period;

	Year to Dec 2016 £	Year to Dec 2015 £
Current tax	11,278	6,193

The tax assessed for the period differs from that calculated at the standard rate of corporation tax in the UK. The difference is explained below:

Notes to the group financial statements

5 TAXATION (continued)

	Year to Dec 2016 £	Year to Dec 2015 £
Loss on continuing activities before taxation	(649,362)	(517,093)
Loss on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 20% (Dec 2015: 20%)	(129,872)	(103,419)
Effects of:		
Expenses not deductible for tax purposes	3,833	2,257
Excess of depreciation and amortisation over capital allowances	11,552	12,984
Unutilised tax losses carried forward	114,487	88,178
UK Tax charge for the period	-	-

The current tax charge of £11,278 (2015: £6,193) relates to the Singapore and Malaysia corporation tax on the profits on the Telistar Group.

6 ASSETS RECLASSIFIED AS HELD FOR SALE

During 2015 the Group announced the conditional sale by its 70 per cent owned joint venture investment vehicle Riche Bright Group Limited of Riche Bright Securities Limited ("RBSL"). On 31 May 2016 the Group announced the completion of the disposal of RBSL.

The results of the activities related to Riche Bright Securities Limited are as follows:

	2016 £	2015 £
Revenue	19,052	686,664
Administrative expenses	(250,955)	(708,375)
Other income	11,331	64,070
Tax expense	-	(37,101)
Net profit/(loss) attributable to activities associated with assets held for sale	(220,572)	5,258

The assets and liabilities related to RBSL have been presented as held for sale, in 2015, following the agreement dated 30 October 2015 to sell RBSL. The completion date is 31 May 2016.

Group

	2016 £	2015 £
Operating cash flows	201,424	(116,473)
Investing cash flows	(1,984)	(100,003)
Financing cash flows	-	(84,383)
Total cash flows	199,440	(300,859)

Notes to the group financial statements

6 ASSETS RECLASSIFIED AS HELD FOR SALE (continued)

Assets of disposal group classified as held for sale:

	2016	2015
	£	£
Property, plant and equipment	7,731	9,402
Intangible assets	44,216	43,579
Investments	17,687	17,431
Cash and cash equivalents	1,502,673	1,287,573
Other current assets	630,254	502,788
Total assets	2,202,561	1,860,773

Liabilities of disposal group classified as held for sale:

	2016	2015
	£	£
Trade and other payables	103,103	105,816
Other current liabilities	396,188	2,110
Total liabilities	499,291	107,926

The profit on disposal is calculated as follows:

	£
Consideration	3,161,906
Original cost of investment	(2,465,237)
Profit on disposal	696,669

The profit on disposal together with the net loss attributable to discontinued operations gives a profit from discontinued operations of £476,058.

7 PROFIT/(LOSS) PER SHARE

	2016	2015
	£	£
Profit/(loss) attributable to equity holders of the Group:		
Loss from continuing operations	(660,640)	(579,267)
Profit from discontinuing operations	476,097	5,258
Loss for the period attributable to equity holders of the Group	(184,543)	(574,009)
Weighted average number of ordinary shares in issue for basic and fully diluted earnings	685,394,277	654,029,897
Earnings per share attributable to equity holders of the Group:		
Basic and diluted loss per share from continuing operations	(0.10p)	(0.09p)
Basic and diluted profit per share from discontinuing operations	0.07p	0.00p
Basic and diluted loss per share for the period	(0.03p)	(0.09p)

For the current year and for the prior period the loss attributable to ordinary shareholders and the weighted average number of ordinary shares for the purpose of calculating the diluted earnings per share are identical to those used for the basic loss per share. This is because the exercise of share options and warrants would have the effect of reducing the loss per share and is therefore not dilutive under the terms of IAS 33.

Notes to the group financial statements

8 PROPERTY, PLANT AND EQUIPMENT

2015

	Furniture, fittings and equipment £	Leasehold improvements £	Motor Vehicles £	Total £
Cost				
As at 1 January 2015	248,886	16,772	58,362	324,020
Purchases during the year	77,444	3,846	50,110	131,400
Disposal in period	(13,074)	(7,569)	(61,359)	(82,002)
Impairment	(658)	-	-	(658)
Foreign exchange adjustment	6,055	324	2,997	9,376
Disposal group classified as held for sale	(186,123)	(9,527)	-	(195,650)
At 31 December 2015	132,530	3,846	50,110	186,486
Depreciation				
As at 1 January 2015	204,031	14,201	973	219,205
Depreciation charge for the year	49,490	1,282	11,897	62,669
Disposal in period	(7,376)	(5,046)	(11,249)	(23,671)
Impairment	(658)	-	-	(658)
Foreign exchange adjustment	7,290	371	50	7,711
Disposal group classified as held for sale	(176,720)	(9,527)	-	(186,247)
At 31 December 2015	76,057	1,281	1,671	79,009
Net Book Value as at 31 December 2015	56,473	2,565	48,439	107,477

2016

	Furniture, fittings and equipment £	Leasehold improvements £	Motor Vehicles £	Total £
Cost				
As at 1 January 2016	132,530	3,846	50,110	186,486
Purchases during the year	14,301	-	-	14,301
Disposal in period	(4,727)	-	-	(4,727)
Foreign exchange adjustment	16,202	473	9,929	26,604
At 31 December 2016	158,306	4,319	60,039	222,664
Depreciation				
As at 1 January 2016	76,057	1,281	1,671	79,009
Depreciation charge for the year	36,268	1,440	12,008	49,716
Disposal in period	(2,669)	-	-	(2,669)
Foreign exchange adjustment	9,327	158	330	9,815
At 31 December 2016	118,983	2,879	14,009	135,871
Net Book Value as at 31 December 2016	39,323	1,440	46,030	86,793

The Directors consider the carrying amount of property, plant and equipment to be a reasonable approximation of fair value.

Notes to the group financial statements

9 INTANGIBLE ASSETS

	Stock exchange trading rights £	Goodwill £	Total £
Cost			
As at 1 January 2015	41,450	1,276,407	1,317,857
Reclassified to the Disposal group	(41,450)	(637,627)	(679,077)
As at 1 January 2016	-	**638,780**	**638,780**
Foreign exchange adjustment	2,766	-	2,766
Disposal in period	(2,766)	-	(2,766)
At 31 December 2016	-	**638,780**	**638,780**
Accumulated amortisation and impairment			
At 1 January 2015, 2016 and 31 December 2016	-	-	-
Net Book Value as at 31 December 2016	-	**638,780**	**638,780**
Net Book Value as at 31 December 2015	-	638,780	638,780

The stock exchange trading rights were related to Riche Bright Securities Limited. Following the disposal the Group no longer retains these trading rights.

The Directors consider the carrying amount of intangible assets to be a reasonable approximation of fair value.

10 INVESTMENTS IN SUBSIDIARIES

The Company investments in subsidiaries and associated undertaking were as follows:

	Company	
	2016 £	2015 £
As at 1 January	**1,686,348**	2,919,130
Purchases during the year	-	257,398
Disposals during the year	-	(1,490,180)
At 31 December	**1,686,348**	1,686,348

The Group's principal subsidiary undertakings during the year were as follows:

Principal subsidiaries	**Country of Incorporation**	**Percentage of ordinary shares held**	**Principal activity**
AVVA Group Limited	BVI	100%	Dormant
Alpha Returns Hong Kong Limited	Hong Kong	100%	Dormant
ARGP Investments Limited	BVI	100%	Investment holding company
Riche Bright Group Limited*	BVI	100%	Investment holding company
Riche Bright Limited**	Republic of Vanuatu	100%	Dormant
Riche Bright Investments Limited**	Hong Kong	100%	Investment holding company
Telistar Solutions Pte Limited***	Singapore	52.5%	IT Solutions
Telistar Solutions SDN BHD****	Malaysia	47.25%	IT Solutions

*On 30 June 2016, Riche Bright Group Limited bought the 30% minority shares increasing the company's holding from 70% to 100%.
**100% owned by Riche Bright Group Limited.
***Investment held indirectly through ARGP Investments Limited.
****90% owned by Telistar Solutions Pte. Limited.

Notes to the group financial statements

11 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Trade receivables	**510,370**	442,881	**-**	-
Amounts owed by group undertakings	**-**	-	**1,999,064**	1,753,106
Other receivables	**121,893**	72,126	**5,037**	5,037
Prepayments and accrued income	**187,938**	105,253	**1,831**	1,563
	820,201	620,260	**2,005,932**	1,759,706

No receivables were past due or provided for at the year-end or at the previous year end.

The Directors consider the carrying amount of trade and other receivables a reasonable approximation of their fair value. All of the Group's trade and other receivables have been reviewed for indicators of impairment.

12 CASH AND CASH EQUIVALENTS

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Cash at Bank	**2,149,378**	394,963	**7,130**	7,130

The Directors consider that the carrying value of cash and cash equivalents represents their fair value.

13 TRADE AND OTHER PAYABLES

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Current				
Trade payables	**192,261**	21,944	**11,122**	11,123
Trade payables - factored	**165,714**	63,221	**-**	-
Taxes and social security	**7,430**	57,421	**-**	-
Other payables	**57,868**	420,652	**-**	19
Accruals and deferred income	**80,408**	157,164	**57,243**	57,243
	503,681	720,402	**68,365**	68,385

All trade and other payables are short term. The Directors consider the carrying amount of trade and other payables to be a reasonable approximation of fair value.

Notes to the group financial statements

14 INVESTMENTS - AVAILABLE FOR SALE

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
At 1 January - fair value	**790,883**	583,721	**-**	-
Acquisitions	**550,000**	301,894	**-**	-
Disposal	**(295,699)**	(16,580)	**-**	-
Movement in fair value of investments	**92,074**	-	**-**	-
Impairment	**(281,250)**	(78,152)	**-**	-
At 31 December - fair value	**856,008**	790,883	**-**	-
Categorised as:				
Level 1 - quoted investments	**210,824**	18,750	**-**	-
Level 3 - Unquoted investments	**645,184**	772,133	**-**	-

The table of investments sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 - valued using quoted prices in active markets for identical assets.

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the company are explained in the accounting policy note, “Investments held for trading”.

LEVEL 3 FINANCIAL ASSETS

Reconciliation of Level 3 fair value measurement of financial assets:

	2016	2015
	£	£
Brought forward	**772,133**	513,434
Purchases	**450,000**	295,699
Disposal*	**(295,699)**	-
Impairment	**(281,250)**	(37,000)
Carried forward	**645,184**	772,133

Included above are amounts of £476,434 and £295,699 that relate to the initial investments by the Company in Oriental Ventures Limited and Jesoft International Limited, respectively.

On 5 April 2016 the Company issued 32,142,857 new ordinary shares of 0.01p at 1.4p each as settlement for the second and final tranche consideration for the acquisition of 30 per cent. interest in Oriental Ventures Limited which amounted to £450,000. The Group recognised an impairment provision against the value of the investment in Oriental Ventures Limited during the year of £281,250.

*On 20 December 2016 the Company terminated the sales and purchase agreement of shares of Jesoft International Limited. This resulted in a loss on disposal of £201,499 to the Group.

Level 3 valuation techniques used by the Group are explained on page 38 (Fair value of financial instruments). All Level 3 investments are included at cost given the difficulty in obtaining a reasonable fair value for each of the investments.

Notes to the group financial statements

15 FINANCIAL INSTRUMENTS

The Group's financial instruments comprise borrowings, cash and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from its financial instruments are interest rate, liquidity, foreign currency and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below together with a sensitivity analysis. These policies have remained unchanged from previous years.

Foreign currency risk
The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Group entities.

Interest rate risk
The Group finances its operations through a mixture of loans and equity capital. The Group does not enter into any interest rate derivative transactions to manage interest rate risk. The Group had no interest bearing loans at the year-end or the prior period end and hence no interest rate exposure.

Liquidity risk
The Group seeks to manage financial risk by ensuring liquidity is available to meet foreseeable needs and by investing cash assets safely and profitably.

As at 31 December 2016 the Group's liabilities have contractual maturities which are summarised below:

31 December 2016	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	later than 5 years
	£	£	£	£
Other loans	-	-	-	-
Trade and other payables	421,436	-	-	-
	421,436	-	-	-

This compares to the maturity of the Group's financial liabilities in the previous reporting period as follows:

31 December 2015	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	later than 5 years
	£	£	£	£
Other loans	-	-	-	-
Trade and other payables	561,139	-	-	-
	561,139	-	-	-

Credit risk
The Group's exposure to credit risk is limited to the carrying amounts of financial assets recognised at the balance sheet date, as follows:

	2016	2015
	£	£
Trade and other receivables	632,263	515,007
Cash and cash equivalents	2,149,378	394,963
	2,781,641	909,970

Notes to the group financial statements

15 FINANCIAL INSTRUMENTS (continued)

The key management of the subsidiaries continuously monitor defaults of customers and other counterparties, identified either individually, or by group, and incorporates this information into its credit controls. Where available at reasonable cost external credit ratings and/or reports on customers and other counter parties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

None of the Group's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any counterparties having similar characteristics. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Financial instruments measured at fair value

The fair value hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair values of the financial assets and liabilities. The fair value hierarchy has the following levels; Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs). No financial assets or liabilities are measured at fair value in the statement of financial position.

Categories of financial instruments

The carrying amounts of the Group's financial assets and liabilities as recognised at the balance sheet date of the reporting periods under review may also be categorised as follows:

	2016 £	2015 £
Financial assets:		
Investments - Available for sale	856,008	790,883
Cash and bank balances	2,149,378	394,963
Loans and receivables	632,263	72,126
	3,637,649	1,257,972
Financial liabilities at amortised cost:		
Trade and other payables	496,250	563,238
	496,250	563,238

Notes to the group financial statements

15 FINANCIAL INSTRUMENTS (continued)

Capital management policies and procedures

The Group's management objectives are:

- To ensure the Group's ability to continue as a going concern, and
- To provide an adequate return to shareholders

by pricing services commensurately with the levels of risk.

The Group monitors capital on the basis of the carrying amount of equity, less cash and cash equivalents as presented on the face of the balance sheet. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets or reduce debt.

16 SHARE CAPITAL

The issued share capital of the Company is shown below:

	Number of shares		Share Capital			Share
	Ordinary	Deferred	Ordinary	Deferred	Total	Premium
			£	£	£	£
Ordinary shares of 0.01p	661,594,511	-	66,160	-	66,160	7069,224
Deferred shares of 0.45p	-	166,313,349	-	748,410	748,410	-
Deferred shares of 24.99p	-	2,149,077	-	537,054	537,054	-
At 31 December 2015	**661,594,511**	**168,462,426**	**66,160**	**1,285,464**	**1,351,624**	**7,069,224**
Issue of shares 5 April 2016	**32,142,857**	**-**	**3,215**	**-**	**3,215**	**446,785**
At 31 December 2016	**693,737,368**	**168,462,426**	**69,375**	**1,285,464**	**1,354,839**	**7,516,009**

The Company has one class of ordinary shares which carry no right of fixed income.

On 5 April 2016 the Company issued 32,142,857 new ordinary shares of 0.01p each as settlement for the second and final tranche consideration for the acquisition of 30 per cent. interest in Oriental Ventures Limited.

The deferred shares carry no right to payment of dividend or on a return of capital.

17 EQUITY- SETTLED SHARE BASED PAYMENTS

During 2014 the Company issued options over 40,000,000 ordinary shares with an exercise price of 2.2p per share.

The share options are exercisable between 17 January 2016 and 17 January 2021.

At the date of grant, the options were valued using the Black- Scholes option pricing model. The fair value per option granted and the assumptions used in the calculation were as follows:

Notes to the group financial statements

17 EQUITY- SETTLED SHARE BASED PAYMENTS (continued)

Date of grant	17 January 2014
Expected volatility	136%
Expected life	3 years
Risk- free interest rate	1.36%
Expected dividend yield	-
Fair value of option	£0.0067

The charge to the income statement for share passed payments for the year ended 31 December 2016 was £6,242 (2015: £134,000).

Movements in the number of options outstanding and their related weighted average exercise prices are as follows:

	Number of options	Weighted average exercise price per share
At 1 January 2016	40,000,000	2.2
Granted	-	-
Forfeited	-	-
Exercised	-	-
Expired	-	-
At 31 December 2016	40,000,000	2.2

At 31 December 2016 all options are exercisable (2015: none).

The weighted average remaining contractual life of options as at 31 December 2016 was 4.05 years (2015: 5.05 years).

18 RELATED PARTY TRANSACTIONS

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not required to be disclosed. The remuneration of the Directors, who are key management personnel of the Group, is set out in note 4.

During the year an amount of £118,033 (2015: £108,197) was paid to GAEA Resources Limited for management and administration fees for the Company. GAEA is connected to Sze Thye Group Limited, a substantial shareholder of the Company. An amount of £nil (2015: £nil) was due as at the year end.

During the year a payment of £nil (2015: £4,145) was paid to C&T Associates CPA Limited for audit services. Ellen Tsang, a Director, is a partner of C&T Associates CPA Limited. An amount of £nil (2015: £nil) was due as at the year end.

Under a share repurchase agreement dated 30 June 2017, Riche Bright Group Limited ("RBG") repurchased for cancellation a total of 300,000 shares, representing 30% RBG's then issued share capital, for a total consideration of HK$9 million. Included in the sellers was Miss Tong Shyn Leng with 13 per cent of RBG's then issued share capital who is a related party to the transaction as she was a significant shareholder of RBG.

19 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At the balance sheet date, the Group had no known contingent liabilities and capital commitments other than those shown in the financial statements.

Notes to the group financial statements

20 OPERATING LEASES

At 31 December the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	Group	
	2016	2015
Land & buildings:	**£**	£
Less than one year	**44,576**	56,472
Between one and five years	**-**	-
More than five years	**-**	-
	44,576	56,472

21 POST YEAR END EVENTS

On 3 January 2017 the Company granted options over a total 15,000,000 ordinary shares, representing 2.16 per cent. of the Company's current issued ordinary share capital at an exercise price of 0.5p per share in accordance with the terms of the share option scheme. Share option details are as follows:

	No. of options	Exercise price	Exercise dates
Christopher Neo	3,000,000	0.5p	3/1/2019 - 3/1/2024
Chan Cheong Yee (Quattro)	1,000,000	0.5p	3/1/2019 - 3/1/2024
Tsang Fung Chu (Ellen)	1,000,000	0.5p	3/1/2019 - 3/1/2024
Group employees (including employees of Telistar Solutions Pte Ltd) and consultants to the Company	10,000,000	0.5p	3/1/2019 - 3/1/2024
Total	15,000,000		

22 ULTIMATE CONTROLLING PARTY

There was no single controlling party.