FOR IMMEDIATE RELEASE 31 October 2019

Asia Wealth Group Holdings Limited
("Asia Wealth" or the "Company")

UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 31 AUGUST 2019

The Board is pleased to report the unaudited interim results of Asia Wealth Group Holdings Limited ("Accounts") for the period from 1 March 2019 to 31 August 2019. These Accounts have been prepared under IFRS and will shortly be available via the Company's website, www.asiawealthgroup.com.

Chairman's Statement

Financial Highlights

The highlights for the six months ended 31 August 2019 include:

- Consolidated revenue of US$797,329 (2018: US$1,240,960)
- Gross profit for Meyer Group of US$326,518 (representing a gross margin of 42%) (2018: US$541,350 and 44%)
- Cash at bank and on hand of US$0.7m at 31 August 2019 (2018:$1.4m).

The Group reports a loss after tax of US$0.037 million on sales of US$0.797 million for the six months ended 31 August 2019. These sales were principally generated by the Company's wholly owned subsidiary, Meyer Asset Management Ltd., BVI. This reduction in profitability was principally caused by revenue decrease.

Cash balance has decreased by US$357,940 and net assets by US$34,344, respectively, since 1st March 2019.

The Board has taken and is continuing to forge new revenue generating relationships, as well as expanding revenue creating opportunities, in both new avenues and existing. We continue to seek alliances and partnerships with firms in the same and new sectors.

Asia Wealth continues to seek investment opportunities in the Asia region and is currently engaged in multiple discussions on various potential acquisitions. The Directors continue to run the business in a cost-effective manner.

The Accounts have not been audited or reviewed by the Company's auditors.

The Directors of the Company accept responsibility for the content of this announcement.

Richard Cayne
Executive Chairman

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EXTRACTS ARE SET OUT BELOW:

ASIA WEALTH GROUP HOLDINGS LIMITED
Consolidated Statement of Financial Position

At 31 August 2019

Expressed in U.S. Dollars

	Note		31-Aug-19		31-Aug-18
Non-current assets					
Fixed assets	4		10,233		18,591
Investment property	5		377,809		373,981
			388,042		392,572
Current assets					
Cash and cash equivalents			725,940		1,387,633
Trade receivables			227,525		201,902
Financial assets at fair value through profit or loss	6		230,302		318,162
Loans and other receivables	7		647,426		94,970
Prepayments and other assets			85,063		97,047
			1,916,256		2,099,714
Total assets		$	2,304,298	$	2,492,286
Equity					
Share capital	10		913,496		913,496
Treasury Shares	10		(318,162)		-
Consolidation reserve			405,997		405,997
Translation reserve			32,209		25,839
Retained earnings/(accumulated deficit)			86,633		(70,068)
Total equity			1,120,173		1,275,264
Non-current liabilities					
Liabilities under finance lease agreements	13		-		4,485
Current liabilities					
Trade payables			1,064,832		1,136,351
Due to related parties			3,419		1,177
Liabilities under finance lease agreements	13		4,796		8,970
Other payables and accrued expenses			111,078		66,039
			1,184,125		1,212,537
Total liabilities			1,184,125		1,217,022
Total equity and liabilities		$	2,304,298	$	2,492,286

ASIA WEALTH GROUP HOLDINGS LIMITED
Consolidated Statement of Comprehensive Income

For the half year ended 31 August 2019

Expressed in U.S. Dollars

	Note		Mar – Aug 2019		Mar – Aug 2018
Revenue					
Commission income			780,283		1,221,908
Rental income			16,736		15,651
Other income			310		3,401
Revenue			797,329		1,240,960
Expenses					
Commission expense			455,983		685,743
Professional fees	8		144,529		141,863
Directors' fees	8		152,245		146,607
Impairment expense			-		5,372
Travel and entertainment			40,788		33,625
Office expenses			29,467		24,795
Wages and salaries			32,977		29,691
Depreciation	4, 5		17,776		16,575
Rent			9,109		8,518
Marketing expenses			2,830		4,029
Other expenses			5,594		5,778
Bank charges			-		-
Sundry expenses			-		-
			891,298		1,102,596
Net profit/(loss) from operations			(93,969)		138,364
Other income/(expenses)					
Foreign exchange gain/(loss)			18,402		(72,477)
Interest Income			38,799		199
			57,201		(72,278)
Net profit/(loss) before finance cost			(36,768)		66,086
Finance cost					
Interest expense			(460)		(424)
Net profit/(loss) before taxation			(37,228)		65,662
Taxation	14		-		-
Total comprehensive income (loss)		$	(37,228)	$	65,662

ASIA WEALTH GROUP HOLDINGS LIMITED
Consolidated Statement of Changes in Equity

For the half year ended 31 August 2019

Expressed in U.S. Dollars

31-Aug-19

	Share Capital		Treasury Shares	Consolidation Reserve	Translation Reserve	Retained Earnings	Equity
	Number	**US$**					
Balances at beginning of 1 Mar 2019	11,433,433	913,496	(318,162)	405,997	29,325	123,861	1,154,517
Translation differences	-	-		-	2,884	-	2,884
Total comprehensive income	-	-		-	-	(37,228)	(37,228)
Balances at end of 31 Aug 2019	11,433,433	913,496	(318,162)	405,997	32,209	86,633	1,120,173

31-Aug-18

	Share Capital		Treasury Shares	Consolidation Reserve	Translation Reserve	Retained Earnings	Equity
	Number	**US$**					
Balances at beginning of 1 Mar 2018	11,433,433	913,496		405,997	28,725	(135,730)	1,212,488
Translation differences	-	-		-	(2,886)	-	(2,886)
Total comprehensive income	-	-		-	-	65,662	65,662
Balances at end of 31 Aug 2018	11,433,433	913,496		405,997	25,839	(70,068)	1,275,264

ASIA WEALTH GROUP HOLDINGS LIMITED
Consolidated Statement of Cash Flows

For the half year ended 31 August 2019

Expressed in U.S. Dollars

		Mar – Aug 2019		Mar – Aug 2018
Operating activities				
Total comprehensive income/(Loss)		(37,228)		65,662
Add back Depreciation		18,941		16,575
Receivables		(69,498)		26,675
Loan and Other Receivable		(24,408)		327
Prepayments and other assets		5,070		5,475
Payables		(250,466)		(58,241)
Liabilities Under Finance Lease Agreements		(4,539)		(5,230)
Deferred Revenue		(14,890)		(108)
Other Payables and Accrued Expenses		30,811		(19,977)
Cash flows from operating activities		(346,207)		31,158
Investing activities				
Acquisition of fixed assets		(15,636)		(10,036)
Investments		714		26,362
Change in equity		2,884		(2,886)
Cash flows from investing activities		(12,038)		13,440
Financing activities				
Net advances from related party		305		(3,620)
Cash flows from financing activities		305		(3,620)
Net increase/(decrease) in cash and cash equivalents		(357,940)		40,978
Cash and cash equivalents at beginning of year		1,083,880		1,346,655
Cash and cash equivalents at end of period	$	725,940	$	1,387,633

Cash and cash equivalents comprise cash at bank.

1) GENERAL INFORMATION

Asia Wealth Group Holdings Limited (the "Parent Company") was incorporated in the British Virgin Islands on 7 October 2010 under the BVI Business Companies Act, 2004. The liability of the shareholders is limited by shares. The Parent Company maintains its registered office in the British Virgin Islands. The consolidated financial statements were authorised for issue by the Board of Directors on 31 October 2019.

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

The Parent Company's shares were listed on the PLUS Stock Exchange based in London, United Kingdom. In June 2012, ICAP Plc, an interdealer broker based in London, United Kingdom, bought PLUS Stock Exchange and rebranded and relaunched it as ICAP Securities & Derivatives Exchange ("ISDX"). On 30 December 2016, ISDX was renamed NEX Exchange. The Parent Company's shares were automatically admitted to NEX Exchange.

The Parent Company has the following subsidiaries as at 31 August 2019 and 2018:

	Incorporation Date	Country of Incorporation	Functional Currency	Ownership Interest 2019	Ownership Interest 2018
Meyer Asset Management Ltd. ("Meyer BVI")	2000	British Virgin Islands	US Dollars	100.00%	100.00%
Meyer International Limited ("Meyer Thailand")	2010	Thailand	Thailand Baht	49.00%	49.00%
Prime RE Limited ("Prime RE")	2016	Thailand	Thailand Baht	49.00%	49.00%

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

On 23 September 2016, Meyer Thailand acquired 51.00% of Prime RE.

On 20 October 2016, 51.00% of Meyer Thailand, owned beneficially via a trust agreement in favour of Meyer BVI, was acquired by Prime RE.

The Parent Company is the indirect owner of 51.00% of the outstanding shares of Prime RE and Meyer Thailand, and accordingly the Parent Company intends to account for them as wholly owned subsidiaries.

2) SIGNIFICANTACCOUNTING POLICIES

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

2) **SIGNIFICANTACCOUNTING POLICIES** (Cont'd)

a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and interpretations issued by the IFRS Interpretations Committee ("IFRS IC") applicable to companies reporting under IFRSs. The financial statements comply with IFRSs as issued by the International Accounting Standards Board ("IASB").

b) Basis of preparation

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

The Group's financial records and statements are maintained and presented in U.S. Dollars, rounded to the nearest dollar.

The accounting policies have been applied consistently by the Group and are consistent with those used in the previous year, except for IFRS 9, "Financial Instruments" ("IFRS 9"). See note 3 for an explanation of the impact.

c) Use of estimates

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

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

d) Investment in subsidiaries

Basis of consolidation

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries for the six month ended 31 August 2019. Details of the Group are set out in note 1.

Subsidiaries are enterprises controlled by the Parent Company. Control is achieved when the Parent Company is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Parent Company. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included or excluded in the consolidated financial statements from the date the Parent Company gains control or until the date the Parent Company ceases to control the subsidiary.

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

d) Investment in subsidiaries (Cont'd)

Basis of consolidation (Cont'd)

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

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

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

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

Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies used in line with those used by the Parent Company.

All intra-group transactions, balances, income and expenses are eliminated in consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Acquisitions

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

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

Acquisition-related costs are expensed as incurred.

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

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

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

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

d) Investment in subsidiaries (Cont'd)

Acquisitions (Cont'd)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

e) Fixed assets

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

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

The annual rates of depreciation in use are as follows:

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

f) Investment property

Investment property is property held either to earn rental income or capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses (refer to accounting policy (p)), if any, with any change therein recognised in the consolidated statement of comprehensive income.

Investment property comprises condominium units.

Cost includes expenditure that is directly attributable to the acquisition of investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

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

f) Investment property (Cont'd)

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the consolidated statement of comprehensive income. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of property changes such that it is reclassified as fixed assets, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Depreciable investment property is stated at cost less accumulated depreciation. Depreciation is charged to the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of the investment property.

The annual rate of depreciation in use for condominium units is 5%.

Subsequent expenditure incurred is capitalised only when it increases the future economic benefits embodied in that property. All other expenditure is recognised in the consolidated statement of comprehensive income when it is incurred.

g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash includes current deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and bank overdrafts.

h) Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit or loss or other if;

i) its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
ii) it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
iii) at initial recognition, it is irrevocably designated as measured at fair value through profit or loss when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Group recognises financial assets measured at FVTPL when it becomes a party to the contractual provisions of an instrument and comprise investment in fund and investment in private equity

Financial assets measured at FVTPL are recorded in the consolidated statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Subsequent to initial recognition, all financial assets measured at FVTPL are measured at fair value. Gains and losses arising from changes in the fair value are presented in the consolidated statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise.

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

i) Financial assets at amortised cost

Financial assets at amortised cost comprise cash and cash equivalents, trade receivables and loans and other receivables. Financial assets are recognised initially at fair value plus transaction costs that are directly attributable to its acquisition. These financial assets are held for collection of contractual cash flows representing solely payments of principal and interest, if any, and therefore are measured subsequently at amortised cost using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the consolidated statement of comprehensive income.

Regular way purchases and sales are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

From 1 March 2018, the Group applied the general approach permitted by IFRS 9, which requires expected credit losses ("ECL") to be recognised based on the full three-stage model.

The Group's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group considers a receivable in default when contractual payments are over 365 days past due. However, in certain cases, the Group may also consider a receivable to be in default when internal and external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A receivable is written off when there is no reasonable expectation of recovering the contractual cash flows.

Receivables for which an impairment provision was recognised, were written off against the provision, when there was no expectation of recovering additional cash.

Impairment losses are presented as a separate line item in the consolidated statement of comprehensive income.

See note 17(b).

j) Financial liabilities at amortised cost

Financial liabilities are non-derivative contractual obligations to deliver cash or another financial asset to another entity and comprise trade payables, due to director and other payables and accrued expenses.

These financial liabilities are initially recognised at fair value on the date the Group becomes a party to the contractual provisions of an instrument and are subsequently measured at amortised cost using the effective interest method.

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

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

k) Accounting policies applied up to 28 February 2018

The Group has applied IFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Loans and receivables and other financial liabilities

Until 28 February 2018, the Group classified its financial assets and financial liabilities at amortised cost as loans and receivables and other financial liabilities, respectively.

The initial recognition, subsequent measurement and derecognition of these financial instruments did not change on adoption of IFRS 9.

The Group primarily used the specific identification method to determine if the receivable was impaired. The carrying amount of the receivable was reduced through the use of an allowance account, and the amount of the loss was recognised in the consolidated statement of comprehensive income.

The Group determined its allowance by considering a number of factors, including the length of time trade receivables were past due, the Group's previous loss history, the customer's current ability to pay its obligation to the Group, and the condition of the general economy and the industry as a whole. The Group wrote off accounts receivable when they became uncollectible. Actual bad debts, when determined, reduced the allowance, the adequacy of which management then reassessed. The Group wrote off accounts after a determination by management that the amounts at issue were no longer likely to be collected, following the exercise of reasonable collection efforts and upon management's determination that the costs of pursuing the collection outweighed the likelihood of recovery.

Available-for-sale ("AFS") investments

Until 28 February 2018, the Group classified its financial assets measured at FVTPL as AFS investments.

AFS investments are carried at fair value. Gains and losses arising from changes in the fair value are recognised as other comprehensive income. When securities classified as AFS are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are included in the consolidated statement of comprehensive income as gains and losses from investment securities.

AFS are presented as non-current assets unless they mature, or the Group intends to dispose of them within twelve (12) months from the end of the reporting period.

l) Associates

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

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

m) Share capital, treasury shares and retained earnings/accumulated deficit

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

Where any group company purchases the Parent Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Group as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Group.

Retained earnings/accumulated deficit represent the cumulative balance of periodic net income/loss, dividend distributions and prior period adjustments.

n) Share-based payment

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

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

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

o) Foreign currency

Functional and presentation currency

The subsidiaries' functional currencies are disclosed in note 1 to the financial statements. The consolidated financial statements are presented in U.S. Dollars, rounded off to the nearest dollar.

Transactions and balances

Transactions in foreign currencies are converted at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency closing exchange rate ruling at the reporting date. Foreign currency exchange differences arising on conversion or translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in the consolidated statements of income and comprehensive income. Non- monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the foreign currency exchange rates ruling at the dates that the values were determined. Foreign currency exchange differences relating to investments are included in net realised/unrealised gain/(loss) on investments. All other foreign currency exchange differences relating to monetary items, including cash and cash equivalents, are presented in the consolidated statements of income and comprehensive income.

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

o) Foreign currency (Cont'd)

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into U.S. Dollars at the exchange rates ruling at the reporting date. The income and expenses of foreign operations are translated into U.S. Dollars at the average rate. The net differences arising from translation and remeasurement of foreign operations are recognised as other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit and loss when the foreign operation is disposed of.

None of the foreign operations has the currency of a hyperinflationary economy.

Translation reserve

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

p) Leases

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

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

q) Impairment

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

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

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

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

r) Revenue and expense recognition

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

Rental income arising from operating leases on investment property is recognised in the consolidated statement of comprehensive income on a straight line basis over the term of the lease.

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

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

s) Offsetting

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

t) Segment reporting

The Group's operating businesses are organised and managed separately according to geographical area, with each segment representing a strategic business unit that serves a different market. Financial information on business segments is presented in note 16 of the consolidated financial statements.

u) Taxation

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

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

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

v) Related parties

Related parties are individuals and entities where the individual or entity has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

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

w) Amended and newly issued accounting standards not yet adopted

A number of new standards, amendments to existing standards and interpretations are effective for annual periods beginning after 1 March 2018 and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group; however, IFRS 16, "Leases", effective for annual periods beginning on or after 1 January 2019, may result in additional disclosures for the Group upon implementation.

3) **CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

The Group applied for the first time, IFRS 9 effective 1 January 2018. IFRS 9 replaces IAS 39 and introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is not applicable to items that have already been derecognised at 1 March 2018, the date of initial application.

The nature and the impact of IFRS 9 is described below:

a) Classification and measurement

The Group has assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively. Based on that assessment:

- Financial assets previously classified as loans and receivables, are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost under IFRS 9.

- The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains and losses for financial liabilities designated as at fair value through profit or loss attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income, unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case, all gains and losses on that liability, including the effect of changes in credit risk, should be presented in profit or loss. The Group has not designated financial liabilities at fair value through profit or loss. Therefore, this requirement has not had an impact on the Group.

b) Impairment

IFRS 9 requires the Group to record expected credit losses on all of its loans and trade receivables, either on a 12-month or lifetime basis. These financial assets at amortised cost have no financing component and have maturities of less than 12 months. The Group applied the general approach by recognising a provision based on the three stages that reflect the potential variation in credit quality of these financial assets.

Impact of adoption of IFRS 9

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on 1 March 2018. However, the Group has chosen to take advantage of the option not to restate comparatives. Therefore, the 2018 figures are presented and measured under IAS 39. The reclassifications and the adjustments arising from the new impairment rules are therefore not reflected in the consolidated statement of financial position as at 28 February 2018, but are recognised in the opening consolidated statement of financial position on 1 March 2018.

3) **CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES** (Cont'd)

Impact of adoption of IFRS 9 (Cont'd)

The total impact on the Group's retained earnings as at 1 March 2018 and 28 February 2018 is as follows:

	1 March 2018	28 February 2018
Restated retained earnings		
Increase in provision for commission receivable	(7,179)	—
Adjustment to retained earnings from adoption of IFRS 9	(7,179)	—
Restated retained earnings	$(142,909)	$(135,730)

The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Group's financial assets and financial liabilities as at 1 March 2018:

Account	IAS 39 classification	IAS 39 measurement	IFRS 9 classification	IFRS 9 measurement
Financial assets				
Cash and cash equivalents	Loans and receivables	1,346,655	Amortised cost	1,346,655
Trade receivables	Loans and receivables	228,577	Amortised cost	221,398
Loans and other receivables	Loans and receivables	92,168	Amortised cost	92,168
Financial assets at fair value through profit or loss	AFS investment	318,162	FAFVTPL	318,162
Financial liabilities				
Trade payables	Other financial liabilities	1,194,592	Amortised cost	1,194,592
Due to related parties	Other financial liabilities	4,797	Amortised cost	4,797
Other payables and accrued expenses	Other financial liabilities	83,538	Amortised cost	83,538

In line with the characteristics of the Group's financial instruments as well as its approach to their management, the Group neither revoked nor made any new designations on the date of initial application. IFRS 9 has resulted in changes in the carrying amount of the Group's financial instruments due to changes in measurement categories. All financial assets that were classified as loans and receivables and measured at amortised cost continue to be.

The carrying amounts of amortised cost instruments continued to approximate these instruments' fair values on the date of transition after transition to IFRS 9.

4) **FIXED ASSETS**

	Leasehold improvement	Office equipment	Vehicles	Total
Cost:				
At 28 February 2019	20,281	37,802	55,392	113,475
Translation reserve	(244)	(4,549)	(2,410)	(7,203)
Disposal	-	-	-	-
Additions	-	2,994	-	2,994
At 31 August 2019	20,037	36,247	52,982	109,266
Depreciation:				
At 28 February 2019	20,281	33,851	45,805	99,937
Translation reserve	(244)	(4,623)	(2,675)	(7,542)
Disposal	-	-	-	-
Charge for 1 March – 31 August 2019	-	1,296	5,342	6,638
At 31 August 2019	20,037	30,524	48,472	99,033
Net book value:				
At 31 August 2019	$-	$5,723	$4,510	$10,233
At 28 February 2019	$-	$3,951	$9,587	$13,538

As at 31 August 2019, the Group had fixed assets under a finance lease agreement (refer to note 13) with a net book value of $4,342 (2018 : $13,875).

5) **INVESTMENT PROPERTY**

	Condominium units
Cost:	
At 28 February 2019	430,057
Translation reserve	11,843
At 31 August 2019	441,900
Depreciation:	
At 28 February 2019	51,534
Translation reserve	1,419
Charge for 1 March – 31 August 2019	11,138
At 31 August 2019	64,091
Net book value:	
At 31 August 2019	$377,809
At 28 February 2019	$378,523

Investment property comprises condominium units at The Prime 11 Condominium in Bangkok, Thailand.

Rental income arising from the investment properties during the half year amounted to $16,736 (2018: $15,651).

6) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31-Aug-19	31-Aug-18
Investment in fund	230,302	-
Investment in private equity	-	318,162
	$230,302	$318,162

Investment in Phillip Investment Fund

The investment in Phillip Investment Fund in Singapore comprise 310,608.32 (2018: nil) units in Phillip Money Market Fund. The amount of investment recognised in the consolidated statement of financial position is $230,302 (2018: $nil), net of unrealised gain of $2,425 (2018: $nil).

Investment in Ray Alliance Financial Advisers Pte Ltd

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

In June 2016, it came to the attention of the Group that the 45,000 ordinary shares in Ray Alliance owned by the Parent Company had been transferred without any authorisation by the Parent Company to the two other shareholders of Ray Alliance. At that stage it was not known how the transfer was done without the authorisation or consent of the Parent Company. Under the circumstances, the Parent Company considered the unauthorised transfer to be wrongful and entirely without legal basis.

The Parent Company engaged a Singapore law firm and took legal advice on the matter. The Parent Company considered various options including taking legal action against the appropriate parties. Through its solicitors, the Parent Company made a demand to the two other shareholders to immediately transfer back to the Parent Company the said 45,000 ordinary shares in Ray Alliance.

On 26 September 2018, the Parent Company entered into a Settlement Agreement with the appropriate parties and agreed to settle on a full and final basis all claims, disputes and differences with regard to the unauthorised transfer of shares in Ray Alliance.

The following were agreed by the parties under the Settlement Agreement:

a) the Group consented and ratified the transfer of Ray Alliance Shares;
b) return of 322,000 shares of the Parent Company previously issued as consideration for the Ray Alliance shares;
c) payment of SGD 350,000 to the Parent Company for claims on costs and damages.

Other income earned related to the Group's claims amounting to $255,042 (2018: $nil).

Treasury shares recognised by the Group for the return of the Parent Company's shares amounted to $318,162 (2018: $nil).

7) LOAN RECEIVABLE

On 8 February 2019, Meyer BVI entered into a Loan Agreement with MVT Development Ltd. amounting to THB 16,000,000. The loan will be due on 8 February 2020 and earns interest at a rate of 15% per annum.

7) **LOAN RECEIVABLE** (Cont'd)

As at 31 August 2019, loan to MVT Development Ltd. amounted to $515,642 (2018: $nil). The loan is secured and is guaranteed with a property in Bangkok, Thailand.

8) **RELATED PARTY TRANSACTIONS**

During the half year, the Group was charged $19,081 (2018: $19,639) in accounting fees by Administration Outsourcing Co., Ltd, a company related by way of common directorship

During the half year, the Group paid directors' fees, inclusive of school fees and accommodation allowance, amounting to $152,245 (2018: $146,607).

As at 31 August 2019, due to director amounted to $3,419 (2018: $1,177). The amount due is unsecured, interest-free and repayable on demand

9) **INVESTMENT IN ASSOCIATE**

On 21 December 2016, the Group paid $29,382 for a 50.995% interest in Beehive Asia Co., Ltd., a company incorporated in Thailand. The Group had no control over the financial and reporting policies of Beehive and has accordingly accounted for it as an associate.

On 10 November 2017, Beehive Asia Holdings Company Limited exercised its call option to require the Group to sell its interest in Beehive Asia Co., Ltd. In the prior year, the Group received THB 252,117 and a gain on disposal of $7,522 was recognised in the consolidated statement of comprehensive income.

10) **SHARE CAPITAL AND TREASURY SHARE**

Authorised

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

Issued and fully paid:	**31-Aug-19**	**31-Aug-18**
11,433,433 (2018: 11,433,433) shares of no par value per share.	$913,496	$913,496

Each share in the Parent Company confers upon the shareholder:

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

Treasury Shares

As discussed in note 6, the Parent Company acquired treasury shares of 322,000 (2018: nil) amounting to $318,162 (2018: $nil). This resulted from the Settlement Agreement entered into by the Parent Company on 26 September 2018 relating to the unauthorised transfer of Ray Alliance shares.

11) **SHARE-BASED PAYMENTS**

In the prior year, share options of 150,000 with an exercise price of £0.60 were not exercised and, thus expired resulting in a transfer to accumulated deficit of $10,708.

12) **INVESTMENT IN SUBSIDIARY**

As at 28 February 2017, the Group held 68.99% of BTS Property Holdings Limited ("BTS Property"). The acquisition earned the Group goodwill of $11,815 which was impaired and written off in the consolidated statement of comprehensive income in the year ended 2017.

Effective 1 March 2017, the Parent Company, through Meyer Thailand, transferred its ownership of BTS Property but retained title as a nominee shareholder on behalf of the ultimate beneficial owner, and accordingly the Parent Company has not accounted for it as a subsidiary.

13) **LEASES**

	31-Aug-19	**31-Aug-18**
Liabilities under finance lease agreement:		
Less than 1 year	4,796	8,970
1 to 5 years	-	4,485
Total	4,796	13,455
Less: Deferred interest	(324)	(1,086)
	4,472	12,369
Less: Current portion net of short term deferred interest	(4,472)	(8,187)
Net	$-	$4,182

14) **TAXATION**

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

Meyer Thailand, and Prime RE are subject to Thailand graduated statutory income tax at a rate of 0-20% on profit before tax.

The current tax expense included in the consolidated statement of comprehensive income was $nil (2018: $nil).

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

15) **EARNINGS PER SHARE**

a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of shares in issue during the year excluding treasury shares.

15) **EARNINGS PER SHARE** (cont'd)

a) **Basic** (cont'd)

	31-Aug-19	**31-Aug-18**
Earnings/(loss) attributable to equity holders of the Parent Company	$(37,228)	$65,662
Weighted average number of shares in issue	11,433,433	11,433,433
Adjusted for weighted average number of:		
- treasury shares	(322,000)	-
Weighted average number of shares in issue and for basic earnings for share	11,111,433	11,433,433
Basic earnings per share	$(0.00335)	$0.00574

b) **Diluted**

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. As at 31 August 2019 and 2018, the Parent Company had no share warrants and share options as potential dilutive shares. For the share options and warrants, if any, a calculation is done to determine the number of shares that could have been acquired at fair value based on the monetary value of the subscription rights attached to outstanding share options and warrants. The number of shares calculated is compared with the number of shares that would have been issued assuming the exercise of the share options and warrants.

	31-Aug-19	**31-Aug-18**
Earnings/(loss) attributable to equity holders of the Parent Company	$(37,228)	$65,662
Weighted average number of shares in issue and for diluted earnings for share	11,111,433	11,433,433
Diluted earnings per share	$(0.00335)	$0.00574

16) **SEGMENTAL INFORMATION**

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

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

Thailand - where Meyer Thailand is domiciled and provides marketing and economic consulting services to the Group; and where Prime RE is domiciled and provides property rental services

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

16) **SEGMENTAL INFORMATION** (Cont'd)

Revenue

	31-Aug-19			31-Aug-18		
	Total segment revenue	Inter-segment revenue	Revenue from external customers	Total segment revenue	Inter-segment revenue	Revenue from external customers
BVI	780,593	-	780,593	1,225,309	-	1,225,309
Thailand	138,126	(121,390)	16,736	125,988	(110,337)	15,651
Total	$918,719	$(121,390)	$797,329	$1,351,297	$(110,337)	$1,240,960

The revenue between segments is carried out at arm's length. Revenues from two customers of the BVI segment represent approximately 74% (2018: 76%) of the Group's total revenues.

Other profit and loss disclosures

	31-Aug-19			31-Aug-18		
	Commission expense	Depreciation	Income tax	Commission expense	Depreciation	Income tax
BVI	454,075	371	-	683,959	428	-
Thailand	1,908	17,405	-	1,784	16,147	-
Total	$455,983	$17,776	$-	$685,743	$16,575	$-

Assets

	31-Aug-19	31-Aug-18
	Total Assets	Total Assets
BVI	1,795,151	1,981,851
Thailand	509,147	510,435
Total	$2,304,298	$2,492,286

Intersegment assets amounting to $944,653 (2018: $3,436,675) were already eliminated in the total assets per segment above.

Liabilities

	31-Aug-19	31-Aug-18
	Total Liabilities	Total Liabilities
BVI	1,112,543	1,152,427
Thailand	71,582	64,595
Total	$1,184,125	$1,217,022

Intersegment Liabilities amounting to $818,000 (2018: $3,314,360) were already eliminated in the total Liabilities per segment above.

17) **FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS**

Financial assets of the Group include cash and cash equivalents, trade receivables, loans and other receivables and financial assets at fair value through profit or loss. Financial liabilities include trade payables, due to director and other payables and accrued expenses.

The Group has exposure to a variety of financial risks that are associated with these financial instruments. The most important types of financial risk to which the Group is exposed are market risk, credit risk and liquidity risk.

The Group's overall risk management program is established to identify and analyse this risk, to set appropriate risk limits and controls, and to monitor risks and adherence to limits in an effort to minimise potential adverse effects on the Group's financial performance.

a) Market risk

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

Interest rate risk

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

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

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

Currency risk

The Group may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, the Group is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse affect on the value of that portion of the Group's assets or liabilities denominated in currencies other than the U.S. Dollar

The Group’s total net exposure to fluctuations in foreign currency exchange rates at the reporting date stated in U.S. Dollars was as follows:

	2019		2018	
	Fair value	**% of net assets**	**Fair value**	**% of net assets**
Assets				
Thailand Bhat	964,284	83.52	461,897	38.09
Japanese Yen	677,726	58.70	781,264	64.43
Singaporean Dollar	230,302	19.95	—	—
Euro	157,128	13.61	164,903	13.60
United Kingdom Pound	85,309	7.39	106,685	8.80
	$2,114,749	183.17	$1,514,749	124.92

17) **FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS** (Cont'd)

a) Market risk (Cont'd)

Currency risk (Cont'd)

The table below summarises the sensitivity of the net assets to changes in foreign exchange movements at 28 February 2019. The analysis is based on the assumption that the relevant foreign exchange rate increased/decreased against the U.S. Dollar by the percentages disclosed in the table below, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

	2019		2018	
	Possible shift in rate	**Possible shift in amount**	**Possible shift in rate**	**Possible shift in amount**
Thailand Bhat	3.13%	30,160	4.66%	21,524
Japanese Yen	4.00%	27,105	3.06%	23,907
Euro	5.44%	8,541	6.57%	10,834
Singaporean Dollar	2.91%	6,698	—%	—
United Kingdom Pound	6.27%	5,347	5.96%	6,358
		$77,851		$62,623

b) Credit risk

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

As at 31 August 2019 and 2018, the Group's financial assets exposed to credit risk amounted to the following:

	31-Aug-19	**31-Aug-18**
Cash and cash equivalents	725,940	1,387,633
Trade receivables	227,525	201,902
Loans and other receivables	647,426	94,970
Financial assets at fair value through profit or loss	230,302	318,162
	$1,831,193	$2,002,667

i) Risk management

The extent of the Group's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Group's consolidated statement of financial position

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

17) **FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS** (Cont'd)

b) Credit risk (Cont'd)

i) Risk management (Cont'd)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To reduce exposure to credit risk, the Group may perform ongoing credit evaluations on the financial condition of its customers, but generally does not require collateral. The Group has significant exposure to a small number of customers, the two largest owing $156,320 (2018: $107,752) as at 31 August 2019, which represents 67% (2018: 53%) of gross trade receivables. The Group is exposed to credit-related losses in the event of non-performance by these customers. The exposure to credit risk is reduced as these customers have a good working relationship with the Group and management does not expect any significant customer to fail to meet its obligations.

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

The ageing of the Group's trade receivables as at 31 August 2019 and 2018 is as follows:

	31-Aug-19	**31-Aug-18**
1 – 90 days	114,613	145,951
Over 90 days	120,002	55,951
Allowance for doubtful Debts	(7,090)	-
	$227,525	$201,902

ii) Security

For some trade receivables, the Group may obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of their agreement

iii) Impairment of financial assets

The Group applies the IFRS 9 general approach to measuring ECL based on the full three-stage model.

Under IFRS 9's general approach, impairments are recognised in three stages as follows:

Stage 1: Items that have not deteriorated significantly in credit quality since initial recognition. A loss allowance equal to 12-month ECL is recognised and interest income is calculated on the gross carrying amount of the financial asset.

Stage 2: Items that have deteriorated significantly in credit quality since initial recognition but do not have objective evidence of a credit loss event. A loss allowance equal to lifetime ECL is recognised but interest income is still calculated on the gross carrying amount of the asset.

Stage 3: Items that have objective evidence of impairment at the reporting date. A loss allowance equal to lifetime ECL is recognised and interest income is calculated on the net carrying amount.

While cash and cash equivalents and loans and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

17) **FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS** (Cont'd)

b) Credit risk (Cont'd)

iii) Impairment of financial assets (Cont'd)

The Group determined the ECL based on probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions. The assessment also considered borrower specific information.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of revenues over a period of 36 months before 28 February 2019 or 1 March 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 28 February 2019 and 1 March 2018 (on adoption of IFRS 9) was determined as follows:

	Balance at 1 March 2018	**Expected Credit Loss Rate**	**Loss Allowance at 1 March 2018**
Trade receivables	$228,577	3.14%	$7,179

	Balance at 28 February 2019	**Expected Credit Loss Rate**	**Loss Allowance at 28 February 2019**
Trade receivables	$165,117	4.29%	$7,090

The closing loss allowances for trade receivables as at 28 February 2019 reconcile to the opening loss allowances as follows:

	2019	**2018**
28 February – IAS 39	—	—
Restated through retained earnings	7,179	—
Opening loss allowance as at 1 March 2018 - IFRS 9		
	7,179	—
Decrease in loss allowance during the year	(89)	—
	$7,090	$—

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 365 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

17) **FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS** (Cont'd)

b) Credit risk (Cont'd)

iv) Previous accounting policy for impairment of trade receivables

Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The Group considered that there was evidence of impairment if any of the following indicators were present:

- significant financial difficulties of the debtor;
- probability that the debtor would enter bankruptcy or financial reorganisation; and
- default or late payments (more than 365 days overdue).

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational needs as they arise.

All of the Group's financial liabilities are expected to be settled within a year from the reporting date.

18) **FAIR VALUE INFORMATION**

The Group's financial assets at fair value through profit or loss comprise an investment in a fund (2018: an investment in private equity). Investments in private equity that have no active markets and whose fair value cannot be reliably measured are carried at cost, less impairment, if any.

For certain of the Group's financial instruments, not carried at fair value, including cash and cash equivalents, trade receivables, loans and other receivables, trade payables and other payables and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments. The carrying value of the amount due to director approximates its fair value, since such amount is repayable on demand.

The fair value hierarchy has the following levels:

•Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

•Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

•Level 3 inputs are unobservable inputs for the asset or liability.

18) **FAIR VALUE INFORMATION** (Cont'd)

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

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

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

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

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently.

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

	31-Aug-19	**31-Aug-18**
Level 1		
Investment in fund	$230,302	$-

	31-Aug-19	**31-Aug-18**
Level 3		
Investment in private equity	$-	$318,162

The Group did not hold any investments under the Level 2 hierarchies as at 31 August 2019.

Level 3 investments are valued at their acquisition cost since there was no available information to estimate its fair value. Management believes that the values stated as at 28 February 2018 are most representative of fair value.

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

19) **CAPITAL RISK MANAGEMENT**

The Group's objectives when managing capital are:

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

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

20) OTHER MATTERS

On 27 March 2019, in accordance with the Securities and Investment Business Act, 2010, Meyer BVI was granted another Investment Business Licence with the following additional categories to those detailed in note 1:

Category 4: Investment Advice

- Sub-Category A: Investment Advice (Excluding Mutual Funds)
- Sub-Category B: Investment Advice (Mutual Funds)

21) COMPARATIVE INFORMATION

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