ASIA WEALTH GROUP HOLDINGS LIMITED

Consolidated Financial Statements
For the year ended 28 February 2021

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ASIA WEALTH GROUP HOLDINGS LIMITED

Parent Company Directory
At 28 February 2021

BOARD OF DIRECTORS

Richard Cayne
Peter Upperton
John Paul Formichella *(appointed 4 November 2020)*

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P.O. Box 71
Road Town, Tortola VG 1110
British Virgin Islands

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LEGAL COUNSEL

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BANKER

HSBC Bank Plc
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London SW1Y 5EZ
United Kingdom

REGISTRAR

Computershare Investor Services (BVI) Limited
Craigmuir Chambers
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British Virgin Islands

DEPOSITARY

Computershare Investor Services PLC
The Pavilions
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ASIA WEALTH GROUP HOLDINGS LIMITED

Opinion

We have audited the consolidated financial statements of Asia Wealth Group Holdings Limited (the "Parent Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 28 February 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 37.

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 28 February 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the British Virgin Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Change in Valuation of Investment Property

The Group voluntarily changed its accounting policy in measuring investment property under International Accounting Standards ("IAS") 40, "Investment Property" ("IAS 40") from the cost model to the fair value model. The Directors and Management believe that the fair value method of accounting would provide reliable and more relevant information about the effects of transactions, other events or conditions on the Group's financial position and financial performance.

Management has obtained an independent valuation of the investment property based on valuation techniques used by the independent property valuators. The methods and assumptions used in the valuation of the investment property are complex and judgmental in nature, utilising market and/or economic conditions. Uncertainties may arise as a result of estimates used and the fair value may be significantly different to that recognised on the consolidated statement of financial position since small changes to the assumptions used in the valuation may materially affect the valuation.

In addition, as a result and in accordance with IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors", the measurement requirements using the fair value model have been applied retrospectively. The retrospective application of the change in accounting policy is also susceptible to errors as these are significant, complex and unusual.

Our audit procedures to address the valuation of investment property and retrospective application of the change in accounting policy, which were considered to be a significant risk, included the:

- Review of relevant accounting standards and disclosure requirements relating to the application of the change in accounting policy in measuring the investment property from the cost model to the fair value model;
- Evaluation of the external, independent and qualified appraiser's valuation report for the determination of fair value of the investment property; in particular if the methods and assumptions used in determining fair value are reasonable and appropriate;
- Review the prior period adjustments and resulting restatement of consolidated financial statements related to the application of the change in accounting policy; and
- Evaluate the presentation and disclosure of these transactions within the consolidated financial statements.

Refer also to notes 2(b), 2(c), 2(f), 3 and 16 of the accompanying consolidated financial statements of the Group.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly (BVI) Limited

Chartered Accountants
Tortola, British Virgin Islands
21 July 2021

ASIA WEALTH GROUP HOLDINGS LIMITED

Consolidated Statement of Financial Position
At 28 February 2021
Expressed in U.S. Dollars

	Note(s)	2021	2020 Restated	At 1 March 2019 Restated
Non-current assets				
Fixed assets	4	3,022	4,942	13,538
Investment property	3,5,16	702,962	667,417	670,676
		705,984	672,359	684,214
Current assets				
Cash and cash equivalents		1,166,750	672,014	1,083,880
Trade receivables (net of allowance for doubtful accounts of $8,572 (2020: $8,572))		126,200	180,452	158,027
Financial assets at fair value through profit or loss	6	240,994	228,979	230,302
Due from director	8	507,574	—	—
Loans and other receivables	7	27,507	663,015	617,397
Prepaid tax		255	1,190	1,285
Prepayments and other assets		127,247	101,331	94,469
		2,196,527	1,846,981	2,185,360
Total assets		$ 2,902,511	$ 2,519,340	$ 2,869,574
Equity				
Share capital	9	913,496	913,496	913,496
Treasury shares	9	(318,162)	(318,162)	(318,162)
Consolidation reserve		405,997	405,997	405,997
Translation reserve	16	49,844	27,653	29,325
Retained earnings	16	558,061	364,554	416,014
Total equity		1,609,236	1,393,538	1,446,670
Non-current liabilities				
Liabilities under finance lease agreements		—	—	1,556
Current liabilities				
Trade payables		1,235,197	1,001,732	1,315,298
Due to director	8	—	4,342	3,114
Liabilities under finance lease agreements		—	—	7,779
Tax payable		140	1,072	879
Other payables and accrued expenses	8	57,938	118,656	94,278
		1,293,275	1,125,802	1,421,348
Total liabilities		1,293,275	1,125,802	1,422,904
Total equity and liabilities		$ 2,902,511	$ 2,519,340	$ 2,869,574

ASIA WEALTH GROUP HOLDINGS LIMITED

Consolidated Statement of Comprehensive Income
For the year ended 28 February 2021
Expressed in U.S. Dollars

	Note(s)	2021	2020 Restated
Revenue			
Commission income		1,925,849	1,434,392
Rental income	5	5,426	32,803
		1,931,275	1,467,195
Expenses			
Commission expense		1,042,701	747,948
Directors' fees	8	305,400	304,096
Professional fees	8	259,660	267,816
Loan write off	7	128,313	—
Wages and salaries		44,306	53,405
Office expense		41,082	41,978
Travel and entertainment		17,589	77,488
Rent		17,019	17,853
Impairment losses		13,025	8,088
Marketing		7,283	10,641
Depreciation	4,16	4,377	11,917
Other expenses		53,519	42,427
		1,934,274	1,583,657
Net loss from operations		(2,999)	(116,462)
Other income/(expenses)			
Foreign currency exchange gain/(loss)		70,160	(8,387)
Net gain/(loss) in financial asset at fair value through profit or loss	6	12,015	(1,323)
Other income		115,111	76,831
		197,286	67,121
Net income/(loss) before finance costs		194,287	(49,341)
Finance costs			
Interest expense		—	632
Net income/(loss) before taxation		194,287	(49,973)
Taxation	10	780	1,487
Total comprehensive income/(loss)		$ 193,507	$ (51,460)
Total comprehensive income/(loss) attributable to equity holders of the Parent Company		$ 193,507	$ (51,460)
Earnings per share attributable to the equity holders of the Parent Company:			
Basic earnings per share	11	$ 0.01742	$ (0.00463)
Diluted earnings per share	11	$ 0.01742	$ (0.00463)

ASIA WEALTH GROUP HOLDINGS LIMITED

Consolidated Statement of Changes in Equity
For the year ended 28 February 2021
Expressed in U.S. Dollars

	2021						
	Attributable to Equity Holders of the Parent Company						
	Share Capital						
	Number	US$	Treasury Shares	Consolidation Reserve	Translation Reserve	Retained Earnings	Equity
Balances at beginning of year, as restated	11,433,433	913,496	(318,162)	405,997	27,653	364,554	1,393,538
Translation differences	—	—	—	—	22,191	—	22,191
Total comprehensive income	—	—	—	—	—	193,507	193,507
Balances at end of year, as reported	11,433,433	$ 913,496	$ (318,162)	$ 405,997	$ 49,844	$ 558,061	$ 1,609,236

	2020 - Restated						
	Attributable to Equity Holders of the Parent Company						
	Share Capital						
	Number	US$	Treasury Shares	Consolidation Reserve	Translation Reserve	Retained Earnings	Equity
Balances at beginning of year, as restated	11,433,433	913,496	(318,162)	405,997	29,325	416,014	1,446,670
Translation differences	—	—	—	—	(1,672)	—	(1,672)
Total comprehensive loss	—	—	—	—	—	(51,460)	(51,460)
Balances at end of year, as restated	11,433,433	$ 913,496	$ (318,162)	$ 405,997	$ 27,653	$ 364,554	$ 1,393,538

ASIA WEALTH GROUP HOLDINGS LIMITED

Consolidated Statement of Cash Flows
For the year ended 28 February 2021
Expressed in U.S. Dollars

	2021	2020 Restated
Operating activities		
Total comprehensive income/(loss)	193,507	(51,460)
Adjustments for:		
Loan write off	128,313	—
Impairment losses	13,025	8,088
Depreciation	4,377	11,917
Foreign currency exchange (gain)/loss	(70,160)	8,387
Operating income/(loss) before changes in operating assets and liabilities	269,062	(23,068)
Changes in operating assets and liabilities:		
Decrease/(increase) in trade receivables	41,227	(30,513)
Increase in loans and other receivables	(379)	(45,618)
(Increase)/decrease in financial assets at fair value through profit or loss	(12,015)	1,323
Decrease in prepaid tax	935	95
Increase in prepayments and other assets	(25,916)	(6,862)
Increase/(decrease) in trade payables	233,465	(313,566)
Decrease in liabilities under finance lease agreements	—	(9,335)
(Decrease)/increase in tax payable	(932)	193
(Decrease)/increase in other payables and accrued expenses	(60,718)	24,378
Cash flows from/(used in) operating activities	444,729	(402,973)
Investing activities		
Acquisition of fixed assets	(2,457)	(3,321)
Cash flows used in investing activities	(2,457)	(3,321)
Financing activities		
Net advances from related party	(4,342)	1,228
Cash flows (used in)/from financing activities	(4,342)	1,228
Net increase/(decrease) in cash and cash equivalents	437,930	(405,066)
Effects of exchange rate fluctuations on cash and cash equivalents	56,806	(6,800)
Cash and cash equivalents at beginning of year	672,014	1,083,880
Cash and cash equivalents at end of year	$ 1,166,750	$ 672,014

Cash and cash equivalents comprise cash at banks.

Expressed in U.S. Dollars

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 21 July 2021.

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 28 February 2021 and 29 February 2020:

	Incorporation Date	**Country of Incorporation**	**Functional Currency**	**Ownership Interest**	
				2021	**2020**
Meyer Asset Management Ltd. ("Meyer BVI")	2000	British Virgin Islands	U.S. 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.

Therefore 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 has accounted for them as wholly owned subsidiaries.

2) SIGNIFICANT ACCOUNTING POLICIES

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

2) **SIGNIFICANT ACCOUNTING 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 except for financial assets at fair value through profit or loss and investment property measured at fair value.

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

The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year, except for the Group's voluntary change in accounting policy in measuring investment property using the fair value model under International Accounting Standard (IAS) 40, "Investment Property" ("IAS 40"). See note 3 for an explanation of the impact.

There are no new, revised or amended IFRSs or IFRS IC interpretations that are effective for the first time for the financial period beginning 1 March 2020 that would be expected to have a material impact on the Group's consolidated financial statements.

c) **Use of estimates**

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

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

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

c) **Use of estimates** (Cont'd)

Global pandemic

The global pandemic relating to an outbreak of Corona Virus Disease 2019 ("COVID-19") has cast additional uncertainty on the assumptions used by management in making its judgments and estimates. Governments around the world have reacted with significant monetary and fiscal intervention designed to stabilise economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Group in future periods.

Given the full extent of the impact COVID-19 will have on the global economy is unclear, the Group's businesses are highly uncertain and difficult to predict at this time. Accordingly, there is a higher level of uncertainty with respect to management's judgments and estimates.

Impairment of receivables

Provision for doubtful accounts is maintained at a level considered adequate to provide for potentially uncollectible receivables. The level of allowance for doubtful accounts is based on ageing of the accounts receivable, past collection trends and other factors that may affect collectability including knowledge of individual customer circumstances, customer credit-worthiness and current economic trends. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the agreement.

Determination of fair value of investment property

The Group obtains independent valuations for its investment property at least annually. At the end of each reporting period, the Directors update their assessment of the fair value, taking into account the most recent independent valuations. The Directors determine a property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Directors consider information from a variety of sources including:

- current prices in an active market for properties of a different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

Judgments on going concern

A key assumption in the preparation of the consolidated financial statements is that the Group will continue as a going concern. The going concern assumption assumes that the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

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

d) **Principles of consolidation**

Subsidiaries

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries for the year ended 28 February 2021. Details of the Group are set out in note 1.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity 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 Group. They are deconsolidated from the date that control ceases.

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.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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.

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

d) **Principles of consolidation** (Cont'd)

Acquisitions (Cont'd)

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.

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**

Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Depreciation is charged to the consolidated statement of comprehensive income on a straight line basis over the estimated useful lives of the fixed assets.

The annual rates of depreciation in use are as follows:

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

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

e) **Fixed assets** (Cont'd)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

f) **Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

During the year, the Group voluntarily changed its accounting policy in measuring investment property using the fair value model and has restated comparative information.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the consolidated statement of comprehensive income in the year in which they arise, including the corresponding tax effect, if any.

Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as at the reporting date by professional independent appraisers who hold recognised and relevant professional qualifications and have recent experience in the location and category of investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed.

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

f) **Investment property** (Cont'd)

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset would result in either gains or losses at the retirement or disposal of investment property.

Investment property comprises condominium units.

Accounting policies applied up to 29 February 2020

Until 29 February 2020, the Group initially measured its investment property at cost and subsequently at cost less any accumulated depreciation and impairment losses (refer to accounting policy (k)), if any, with any change therein recognised in the consolidated statement of comprehensive income.

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 its intended use and capitalised borrowing costs.

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 was stated at cost less accumulated depreciation. Depreciation was 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 was 5%.

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

g) **Cash and cash equivalents**

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

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

g) **Cash and cash equivalents** (Cont'd)

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as 'cash and cash equivalents'.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

h) **Other financial instruments**

i) **Classification**

The Group classifies its financial assets and liabilities at initial recognition into the following categories:

- those to be measured subsequently at fair value, either through profit or loss or other comprehensive income; and
- those to be measured at amortised cost.

Financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss ("FVPL"):

- debt investments that do not qualify for measurement at either amortised cost or financial assets at fair value through other comprehensive income ("FVOCI");
- equity investments that are held for trading, and
- equity investments for which the Group has not elected to recognise fair value gains and losses through other comprehensive income.

A financial asset is considered to be held for trading if:

- it is acquired or incurred principally for the purpose of selling or repurchasing in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Financial instruments at amortised cost

Financial assets and liabilities at amortised cost comprise debt instruments. A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

h) **Other financial instruments** (Cont'd)

ii) **Recognition, derecognition and measurement**

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Group commits to purchase or sell the instrument.

Financial assets and financial liabilities at fair value are initially recognised at fair value. Transaction costs are expensed as incurred in the consolidated statement of comprehensive income.

Financial assets and liabilities are derecognised when the rights to receive cash flows from the financial assets and liabilities have expired or the Group has transferred substantially all risks and rewards of ownership.

Debt instruments
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The following are the measurement categories into which the Group classifies its debt instruments:

- *Amortised cost*
  Assets and liabilities that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in financial income using the effective interest rate 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.

- *Fair value through profit or loss*
  Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments and other investment funds
The Group subsequently measures all equity instruments and other investment funds at fair value.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gains/(losses) in the consolidated statement of comprehensive income. Impairment losses and reversal of impairment losses on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

iii) **Fair value estimation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

h) **Other financial instruments** (Cont'd)

iii) **Fair value estimation** (Cont'd)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. Valuation techniques used include the use of comparable recent arm's length transactions and market price provided by the underlying entity as a result of its independent appraiser's valuation based on market inputs. Investments in non-exchange traded investment funds are recorded at the net asset value per share as reported by the respective administrators of such funds.

For assets and liabilities that are measured at fair value on a recurring basis, the Group identifies transfers between levels in the hierarchy by re-assessing the categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole), and deems transfers to have occurred at the beginning of each reporting period.

iv) **Impairment**

The Group applies the general approach permitted by IFRS 9, "Financial Instruments" ("IFRS 9"), which requires expected credit losses ("ECL") to be recognised based on the full three-stage model 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.

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

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, are written off against the provision when there is no expectation of recovering additional cash.

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

i) **Equity**

Share capital represents the nominal value of shares that have been issued. 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 represent the cumulative balance of periodic net income/loss, dividend distributions and prior period adjustments, if any.

Other components of equity include the following:

- consolidation reserve – comprises differences in the valuation bases and post-acquisition reserves of investment in subsidiaries.
- translation reserve – comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into the reporting currency.

j) **Income 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.

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

k) **Impairment**

The Group's assets 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 carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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.

l) **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 there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

m) **Foreign currency transactions**

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the functional currency of the primary economic environment in which the entity operates.

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

Foreign currency transactions are converted into U.S. Dollars using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

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

m) **Foreign currency transactions** (Cont'd)

Transactions and balances (Cont'd)

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and,
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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.

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

n) **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.

o) **Segment reporting**

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

p) **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.

q) **Amended and newly issued accounting standards not yet adopted**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 March 2020, and have not been adopted early in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

3) **CHANGE IN ACCOUNTING POLICY AND DISCLOSURES**

As discussed in notes 2(b) and 2(f), the Group voluntarily changed its accounting policy in measuring investment property under IAS 40 from the cost model to the fair value model.

Under IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" ("IAS 8"), an entity is permitted to change an accounting policy only if the change:

- is required by an IFRS; or
- results in the consolidated financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the Group's consolidated financial position, financial performance or cash flows.

Expressed in U.S. Dollars

3) CHANGE IN ACCOUNTING POLICY AND DISCLOSURES (Cont'd)

The Directors and Management believe that the fair value method of accounting would provide reliable and more relevant information about the effects of transactions, other events or conditions on the Group's financial position and financial performance.

The nature and the impact of the change are described below:

Measurement

IAS 40 requires an entity that chooses the fair value model to measure all of its investment property at fair value, except when the fair value cannot be reliably measured. A gain or loss arising from a change in the fair value of investment property shall be recognised in profit or loss for the period in which it arises.

When measuring the fair value of investment property in accordance with IFRS 13, "Fair Value Measurement" ("IFRS 13"), an entity shall ensure that the fair value reflects, among other things, rental income from current leases and other assumptions that market participants would use when pricing investment property under current market conditions. In determining the carrying amount of investment property under the fair value model, an entity does not double-count assets or liabilities that are recognised as separate assets or liabilities.

An entity that has measured an investment property at fair value shall continue to measure the property at fair value until disposal (or until the property becomes owner-occupied property or the entity begins to develop the property for subsequent sale in the ordinary course of business) even if comparable market transactions become less frequent or market prices become less readily available.

Impact of change in measurement

In accordance with IAS 8, the measurement requirements using the fair value model have been applied retrospectively. Adjustments were made on the opening balance of retained earnings for the earliest prior period presented and the other comparative amounts disclosed for each prior period are presented as if the new accounting policy had always been applied.

The total impact on the Group's retained earnings as at 1 March 2020 and 2019 is as follows:

	2020	**2019**
Closing retained earnings – 29/28 February	51,204	123,861
Revaluation surplus on investment property	240,619	240,619
Reversal of accumulated depreciation on investment property	72,731	51,534
Opening restated retained earnings – 1 March	$364,554	$416,014

Refer also to note 16.

Expressed in U.S. Dollars

4) FIXED ASSETS

	Leasehold improvements	Office equipment	Vehicles	Total
Cost:				
At 29 February 2020	20,281	41,123	55,392	116,796
Additions	—	2,457	—	2,457
At 28 February 2021	20,281	43,580	55,392	119,253
Depreciation:				
At 29 February 2020	20,281	36,295	55,278	111,854
Charge for the year	—	4,263	114	4,377
At 28 February 2021	20,281	40,558	55,392	116,231
Net book value:				
At 28 February 2021	$ —	$ 3,022	$ —	$ 3,022
At 29 February 2020	$ —	$ 4,828	$ 114	$ 4,942

As at 28 February 2021, the Group had fixed assets with a net book value of $nil (2020: $114) under a finance lease agreement which was fully paid in the year 2020.

5) INVESTMENT PROPERTY

	2021	2020 Restated
Balance at beginning of year	667,417	670,676
Effects of translations	35,545	(3,259)
Balance at end of year	$702,962	$667,417

Investment property comprises condominium units at The Prime 11 Condominium in Bangkok, Thailand. As at 28 February 2021, it had a fair value of THB 21,000,000 (2020: THB 21,000,000). Rental income arising from the investment property during the year amounted to $5,426 (2020: $32,803).

6) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021	2020
Investment in Phillip Investment Fund	$240,994	$228,979

The investment in Phillip Investment Fund in Singapore comprises 310,608.32 (2020: 310,608.32) units in Phillip Money Market Fund. The amount of investment recognised in the consolidated statement of financial position is $240,994 (2020: $228,979), net of unrealised gain of $12,015 (2020: net of unrealised loss of $1,323).

Expressed in U.S. Dollars

7) LOANS AND OTHER RECEIVABLES

On 8 February 2019, Meyer BVI entered into a Loan Agreement with MVT Development Ltd. amounting to THB 16,000,000. The loan earnt interest at a rate of 15% per annum. The loan was secured and was guaranteed with a property in Bangkok, Thailand.

The loan was due on 8 February 2020. However, MVT Development Ltd. was not able to repay the loan on the due date. On 30 September 2020, MVT Development Ltd. offered THB 15,500,000 as repayment in full including any interest outstanding. The Directors accepted the lower cash offer, and as such the money is in a separate bank account held on behalf of Meyer BVI by a Director. The lower cash offer resulted in a loan write off of $128,313.

Interest income during the year amounted to $43,453 (2020: $77,914), of which $nil was outstanding as at year end (2020: $63,379).

8) RELATED PARTY TRANSACTIONS

The Group was charged $42,880 (2020: $38,139) in accounting fees by Administration Outsourcing Co., Ltd, a company related by way of common directorship, of which $3,558 (2020: $2,653) remained outstanding as at year end.

During the year, the Group incurred directors' fees, inclusive of school fees and accommodation allowance, amounting to $305,400 (2020: $304,096), of which $20,000 was prepaid as at year end (2020: $20,000 outstanding payable).

As at 28 February 2021, due from director amounted to $507,574 (2020: due to director of $4,342). The amounts are unsecured, interest-free and repayable on demand.

9) SHARE CAPITAL AND TREASURY SHARES

Share capital

Authorised

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

	2021	**2020**
Issued and fully paid		
11,433,433 (2020: 11,433,433) shares of no par value per share.	$913,496	$913,496

Each share of 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.

Expressed in U.S. Dollars

9) **SHARE CAPITAL AND TREASURY SHARES** (Cont'd)

Treasury Shares

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 Financial Advisers Pte Ltd ("Ray Alliance"), investment in private equity of the Parent Company in the prior years.

The following was 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.

Treasury shares recognised by the Group for the return of the Parent Company's shares amounted to $318,162 (2020: $318,162).

10) **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 0-15% (2020: 0-15%) on profit before tax.

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

	2021	**2020**
Meyer Thailand	$780	$1,487

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

The Group's total income tax differs from the amount determined by multiplying net income before taxation by the weighted average tax rate of 0.40% (2020 - Restated: 2.98%) as follows:

Expressed in U.S. Dollars

10) **TAXATION** (Cont'd)

	2021	**2020 Restated**
Net income/(loss) before taxation	$194,287	$(49,973)
Tax calculated at weighted average tax rate	766	(1,429)
Expenses not deductible for tax purposes	9	173
Meyer BVI net profit not subject to tax	(1,627)	(4,656)
Parent Company's net loss not subject to tax	857	6,812
Other differences	775	587
	$ 780	$ 1,487

11) **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.

	2021	**2020 Restated**
Earnings attributable to equity holders of the Parent Company	$193,507	$(51,460)
Weighted average number of shares in issue	11,433,433	11,433,433
Adjusted for weighted average number of:		
- treasury shares	(322,000)	(322,000)
Weighted average number of shares in issue and for basic earnings for share	11,111,433	11,111,433
Basic earnings per share	$0.01742	$(0.00463)

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 28 February 2021 and 29 February 2020, the Parent Company had no share warrants or 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.

Expressed in U.S. Dollars

11) **EARNINGS PER SHARE** (Cont'd)

b) **Diluted** (Cont'd)

	2021	**2020**
Earnings attributable to equity holders of the Parent Company	$193,507	$(51,460)
Weighted average number of shares in issue and for diluted earnings per share	11,111,433	11,111,433
Diluted earnings per share	$0.01742	$(0.00463)

12) **SEGMENTAL INFORMATION**

The Group has two 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, assets and liabilities were as follows:

Revenue

	2021			**2020**		
	Total segment revenue	Inter-segment revenue	Revenue from external customers	Total segment revenue	Inter-segment revenue	Revenue from external customers
BVI	1,912,475	—	1,912,475	1,434,201	—	1,434,201
Thailand	213,238	(194,438)	18,800	265,697	(232,703)	32,994
Total	$2,125,713	$(194,438)	$1,931,275	$1,699,898	$(232,703)	$1,467,195

The revenue between segments is carried out at arm's length. Revenues from two customers of the BVI segment represent approximately 44% (2020: 42%) of the Group's total revenues.

Expressed in U.S. Dollars

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

Other profit and loss disclosures

	2021			**2020 - Restated**		
	Commission expense	Depreciation	Income tax	Commission expense	Depreciation	Income tax
BVI	1,038,990	1,465	—	744,209	904	—
Thailand	3,711	2,912	780	3,739	11,013	1,487
Total	$1,042,701	$4,377	$780	$747,948	$11,917	$1,487

Assets

	2021		**2020 - Restated**	
	Total assets	Additions to non-current assets	Total assets	Additions to non-current assets
BVI	2,088,860	948	1,714,485	2,060
Thailand	813,651	1,509	804,855	1,261
Total	$2,902,511	$2,457	$2,519,340	$3,321

Intersegment assets amounting to $992,349 (2020: $1,006,522) were already eliminated in the total assets per segment above.

Liabilities

	2021	**2020**
BVI	1,271,909	1,054,960
Thailand	21,366	70,842
Total	$1,293,275	$1,125,802

Intersegment liabilities amounting to $864,353 (2020: $881,979) were already eliminated in the total liabilities per segment above.

13) **FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS**

Financial assets of the Group include cash and cash equivalents, trade receivables, financial assets at fair value through profit or loss, due from director and loans and other receivables. Financial liabilities include trade payables, due to director and other payables and accrued expenses. Accounting policies for financial instruments are set out in note 2.

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.

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

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 is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors which includes 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:

	2021		**2020 - Restated**	
	Fair value	**% of net assets**	**Fair value**	**% of net assets**
Assets				
Japanese Yen	884,259	54.95	378,295	27.15
Thailand Baht	539,126	33.50	504,541	36.21
Singaporean Dollar	240,994	14.98	228,979	16.43
Euro	26,221	1.63	141,930	10.18
United Kingdom Pound	23,310	1.45	50,901	3.65
	$1,713,910	106.51	$1,304,646	93.62

Expressed in U.S. Dollars

13) **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 2021 and 29 February 2020. 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.

	2021		**2020 - Restated**	
	Possible shift in rate	**Possible shift in amount**	**Possible shift in rate**	**Possible shift in amount**
Thailand Baht	3.66%	19,748	2.32%	11,716
Japanese Yen	1.81%	16,017	2.58%	9,770
Euro	4.83%	1,266	1.49%	2,116
Singaporean Dollar	3.40%	8,194	1.20%	2,741
United Kingdom Pound	5.14%	1,198	3.04%	1,548
		$46,423		$27,891

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 28 February 2021 and 29 February 2020, the Group's financial assets exposed to credit risk amounted to the following:

	2021	**2020**
Cash and cash equivalents	1,166,750	672,014
Trade receivables (net of allowance for doubtful accounts of $8,572 (2020: $8,572)	126,200	180,452
Financial assets at fair value through profit or loss	240,994	228,979
Due from director	507,574	—
Loans and other receivables	27,507	663,015
	$2,069,025	$1,744,460

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.

Expressed in U.S. Dollars

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

b) **Credit risk** (Cont'd)

i) Risk management (Cont'd)

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

The Group'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 $35,455 (2020: $83,718) as at year end, which represents 22% (2020: 44%) 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 become limited.

The ageing of the Group's gross trade receivables as at year end is as follows:

	2021	**2020**
1 to 90 days	127,272	185,126
Over 90 days	7,500	3,898
	$134,772	$189,024

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.

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.

Expressed in U.S. Dollars

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

b) **Credit risk** (Cont'd)

iii) Impairment of financial assets (Cont'd)

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 2021 or 1 March 2020, 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 2021 and 29 February 2020 were determined as follows:

	Balance at 28 February 2021	Expected Credit Loss Rate	Loss Allowance at 28 February 2021
Trade receivables	$134,772	6.36%	$8,572

	Balance at 29 February 2020	Expected Credit Loss Rate	Loss Allowance at 29 February 2020
Trade receivables	$189,024	4.53%	$8,572

The closing loss allowances for trade receivables as at 28 February 2021 and 29 February 2020 reconcile to the opening loss allowances as follows:

	2021	2020
Opening balance	8,572	7,090
Increase in loss allowance	—	1,482
Closing balance	$8,572	$8,572

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.

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

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

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.

14) **FAIR VALUE INFORMATION**

The fair value of assets and liabilities in active markets is based on quoted market prices on the reporting date.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value hierarchy has the following levels:

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

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

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

Financial assets and financial liabilities

The Group's financial assets at fair value through profit or loss comprise an investment in a fund.

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 amounts due from/to director approximates its fair value, since such amounts are repayable on demand.

Expressed in U.S. Dollars

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

Financial assets and financial liabilities (Cont'd)

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2 and for the Group includes the investment in fund. 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 shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy at 28 February 2021 and 29 February 2020. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	2021	**2020**
Financial assets – Level 2		
Financial assets at fair value through profit or loss	$240,994	$228,979

The Group did not hold any investments under the Levels 1 and 3 hierarchies as at 28 February 2021 and 29 February 2020.

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

Non-financial assets

As discussed in note 2(c), the Group obtains independent valuations for its investment property at least annually. At the end of each reporting period, the Directors update their assessment of the fair value, taking into account the most recent independent valuations. The Directors determine a property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties.

The Group engages an external, independent and qualified appraiser to determine the fair value of investment property at least annually at the end of each reporting period. As at 28 February 2021 and 29 February 2020, the fair value of investment property has been determined by American Appraisal (Thailand) Ltd. The last independent valuation report of the investment property was dated 15 June 2021.

The fair value estimates for investment property are included in Level 2 and have been derived using the sales comparison approach. The key inputs under this approach are the price per square metre from recent sales and listings of comparable properties in the area (location and size). Adjustments were made for the differences between the Group's investment property and the recent sales and listings of properties regarded as comparable.

Expressed in U.S. Dollars

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

Non-financial assets (Cont'd)

The following table shows the carrying amounts and fair values of non-financial assets, including their levels in the fair value hierarchy at 28 February 2021 and 29 February 2020:

	2021	**2020**
Non-financial assets – Level 2		
Investment property	$702,962	$667,417

The Group did not hold any non-financial assets measured at fair value under the Levels 1 and 3 hierarchies as at 28 February 2021 and 29 February 2020.

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

15) **CAPITAL RISK MANAGEMENT**

The Group's objectives when managing capital are:

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

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

16) **RESTATEMENT DUE TO VOLUNTARY CHANGE IN ACCOUNTING POLICY**

As discussed in notes 2(b), 2(f) and 3, the Group voluntarily changed its accounting policy in measuring investment property under IAS 40 from the cost model to the fair value model. In accordance with IAS 8, the Group accounted for the change in accounting policy retrospectively and this change, when applied consistently to 2021 and 2020, had the following impact on the Group's consolidated financial statements:

Consolidated Statement of Financial Position

	2021	**2020**
Investment property		
Balance at 1 March, as restated/previously reported	667,417	355,236
Prior period adjustment	—	313,350
Effects of translation	35,545	(1,169)
Balance at 28/29 February, as restated	$702,962	$667,417

Expressed in U.S. Dollars

16) **RESTATEMENT DUE TO VOLUNTARY CHANGE IN ACCOUNTING POLICY** (Cont'd)

Consolidated Statement of Financial Position (Cont'd)

	2021	**2020**
Translation reserve		
Balance at 1 March, as restated/previously reported	27,653	28,822
Transactions during the year	22,191	—
Prior period adjustment	—	(1,169)
Balance at 28/29 February, as restated	$49,844	$27,653
Retained earnings		
Balance at 1 March, as restated/previously reported	364,554	51,204
Transactions during the year	193,507	—
Prior period adjustment	—	313,350
Balance at 28/29 February, as restated	$558,061	$364,554

Consolidated Statement of Comprehensive Income

	2021	**2020**
Depreciation expense		
Balance for the year ended 28/29 February, as reported	4,377	33,114
Prior period adjustment	—	(21,197)
Balance for the year ended 28/29 February, as reported/restated	$4,377	$11,917