

AAT GLOBAL LIMITED

FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2016

Sky Best CPA Limited

Certified Public Accountants (Practising)

天佳會計師事務所有限公司

AAT GLOBAL LIMITED

FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

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(Expressed in Hong Kong Dollars)

**AAT GLOBAL LIMITED
DIRECTORS' REPORT**

The Directors present their report and the annual financial statements of the Company for the financial year ended 31 March 2016.

Directors

The names of persons who were the directors of the Company during the year beginning with the end of the financial year and ending on the date of this report are as follow:

Agarwal Kamlesh
Principal Management Limited

Principal activities

The Company's principal activities are set out in note 1(b) to financial statements.

Permitted indemnity provision

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more directors of the Company.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the Company.

Business review

The Company is a wholly owned subsidiary of another body corporate. Accordingly, the Company is exempted from preparing a business review.

Directors' interests

At no time during the financial year or at the end of the financial year was the Company, its parent company or a fellow subsidiary a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

In the opinion of the Directors, no directors or shadow directors, if any, had material interests in those significant transactions, arrangements or contracts in relation to the Company's business entered into by the Company, its parent company or a fellow subsidiary in the financial year or subsisted at any time in the financial year.

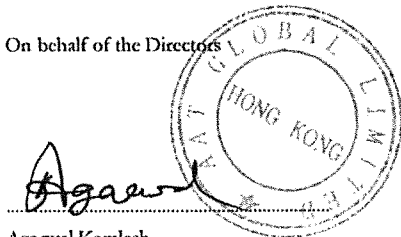
Recommended dividends

The Directors do not recommend the payment of dividend for the financial year.

Approval of directors' report

This report was approved by the Directors on 19 MAY 2016.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Agarwal', is written over a circular stamp. The stamp contains the text 'AAT GLOBAL LIMITED' around the top edge and 'HONG KONG' in the center.

Agarwal Kamlesh
Director



Sky Best CPA Limited

Certified Public Accountants (Practising)

天佳會計師事務所有限公司

**AUDITORS' REPORT TO THE MEMBERS OF
AAT GLOBAL LIMITED**

(Incorporated in Hong Kong with Limited Liability)

We have audited the financial statements of AAT Global Limited set out on pages 3 to 16, which comprise the statement of financial position as at 31st March 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") for Private Entities and the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

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

Opinion

In our opinion the financial statements give a true and fair view of the financial position of the Company as at 31st March 2016 and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRS") for Private Entities and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Sky Best CPA Limited

Certified Public Accountants (Practising)

JIU Pui Hong

Practising Certificate number [P02259]

19 MAY 2016

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Suite 703, 7/F., Empress Plaza, 17-19 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong

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AAT GLOBAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH 2016

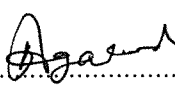
		2016	2015
	Note	HK\$	HK\$
Turnover	(4)	44,555,628	78,470,547
Cost of Sales		<u>(40,476,392)</u>	<u>(76,793,998)</u>
Gross Profit		4,079,236	1,676,549
	(4)	2,201,534	2,193,316
Other Revenue			
Expenses		(3,827,192)	(1,450,715)
Finance Costs	(5)	<u>(3,062,601)</u>	<u>(2,892,917)</u>
Loss before tax	(6)	(609,023)	(473,767)
Income Tax Expense		<u>-</u>	<u>-</u>
Loss for the Year		<u><u>(609,023)</u></u>	<u><u>(473,767)</u></u>

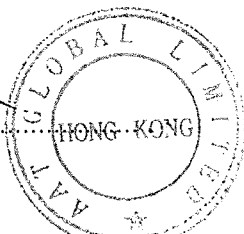
The notes on pages 7 to 16 form an integral part of these Financial Statements.

AAT GLOBAL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2016

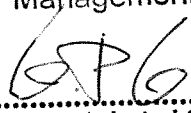
	Note	2016 HK\$	2015 HK\$
Non-current Assets			
Investment in Subsidiary	(15)	111,116,754	111,053,468
		<u>111,116,754</u>	<u>111,053,468</u>
Current Assets			
Inventories	(11)	-	2,730,195
Receivables from Holding company	(17)	509,068	509,068
Trade and Other Receivable	(13)	39,167,805	39,079,663
Cash & Cash Equivalents	(10)	9,431,877	592,127
		<u>49,108,750</u>	<u>42,911,053</u>
Total Assets		<u>160,225,504</u>	<u>153,964,521</u>
EQUITY & LIABILITIES			
Capital Reserve			
Share Capital	(16)	70,783,680	70,783,680
Retained Earnings		<u>(5,789,693)</u>	<u>(5,180,669)</u>
Total Equity		<u>64,993,987</u>	<u>65,603,011</u>
Non-Current Liabilities			
Amount due to Holding Company	(14), (17)	40,807,449	39,086,921
Bank Borrowings	(12), (18)	10,618,103	21,227,698
		<u>51,425,552</u>	<u>60,314,619</u>
Current Liabilities			
Trade and Other Payable	(14)	20,535,790	4,786,022
Bank Borrowings	(12), (18)	23,270,174	23,260,869
		<u>43,805,964</u>	<u>28,046,891</u>
Total Liabilities		<u>95,231,517</u>	<u>88,361,510</u>
Total Equity & Liabilities		<u>160,225,504</u>	<u>153,964,521</u>

On behalf of the Directors


 Director



For and on behalf of
Principal Management Limited



 Authorized Signature(s)

 Director

The notes on pages 7 to 16 form an integral part of these Financial Statements.

AAT GLOBAL LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2016

	2016 HK\$	2015 HK\$
Cash flows from operating activities		
(Loss) / Profit before taxation	(609,023)	(473,767)
Interest Income	(2,201,534)	(2,193,316)
Interest Expenses	3,019,539	2,846,837
	208,982	179,754
Change in inventories	2,730,195	(2,730,195)
Change in accounts receivable	(6,218,724)	(1,289,786)
Change in sundry debtors	-	4,052,710
Change in advance to subsidiary	5,839,275	4,760,730
Change in other advances	291,306	292,220
Change in trade creditors	8,210,146	2,299,724
Change in interest payable	47,440	72,885
Change in accruals	480	-
Cash (used in) / generated from operation	11,109,100	7,638,042
Interest paid	(3,019,539)	(2,846,837)
Income tax paid	-	-
Net Cash (used in) / from operating activities	<u>8,089,561</u>	<u>4,791,205</u>
Cash flows from investing activities		
Change in Loan to subsidiary	(63,286)	(2,311,272)
Interest received	2,201,534	2,193,316
Net Cash (used in) / from investing activities	<u>2,138,249</u>	<u>(117,956)</u>
Cash flows from financing activities		
Repayment of Loan	(10,600,290)	(2,672,011)
Change in advance from ultimate holding Company	7,491,702	(4,454,871)
Change in received from/amount due to holding Company (net)	1,720,528	1,466,989
Net Cash (used in) / from financing activities	<u>(1,388,060)</u>	<u>(5,659,893)</u>
Net changes in cash and cash equivalents	8,839,750	(986,644)
Cash and cash equivalents at beginning of Year	592,127	1,578,771
Cash and cash equivalents at end of Year (Note A)	<u>9,431,877</u>	<u>592,127</u>
A. Components of cash and cash equivalents		
Cash and bank balances	9,431,877	592,127
Cash and cash equivalents reported in statement of cash flows and in statement of financial position	<u>9,431,877</u>	<u>592,127</u>

The notes on pages 7 to 16 form an integral part of these Financial Statements.

AAT GLOBAL LIMITED
STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2016

	2016	2015
	<u>HK\$</u>	<u>HK\$</u>
Share Capital		
Balance at beginning of year	70,783,680	70,783,680
Issue of shares	<u>-</u>	<u>-</u>
Balance at end of year	<u>70,783,680</u>	<u>70,783,680</u>
Retained Earnings		
Balance at beginning of year	(5,180,669)	(4,706,902)
(Loss) / Profit for the year	(609,023)	(473,767)
Transferred to proposed final dividend	<u>-</u>	<u>-</u>
Balance at end of year	<u>(5,789,692)</u>	<u>(5,180,669)</u>
Total Equity	<u><u>64,993,987</u></u>	<u><u>65,603,011</u></u>

The notes on pages 7 to 16 form an integral part of these Financial Statements.

AAT GLOBAL LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

1. GENERAL INFORMATION

(a) Definition

In these reporting documents, the following terms shall have the following meanings:

The Company	AAT Global Limited
The Directors	all of the directors of the Company
Hong Kong Companies Ordinance	Hong Kong Companies Ordinance (Cap. 622) which came into operation on 3rd March 2014
Predecessor Companies Ordinance	Predecessor Hong Kong Companies Ordinance (Cap. 32) as in force from time to time before the commencement date of the Hong Kong Companies Ordinance
HKICPA	Hong Kong Institute of Certified Public Accountants
HKFRS for PE	Hong Kong Financial Reporting Standard for Private Entities issued by HKICPA
Cash equivalents	short-term, highly liquid investments those are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value
Fair value	amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction
Related company	a company in which one or more related parties have beneficial interests thereon or are in a position to exercise significant influence

(b) Corporate Information

The Company is a company incorporated in Hong Kong under Predecessor Companies Ordinance with limited liability. At the date of issue of these financial statements, the registered office of the Company is located at 18/F., Wanchai Central Building, 89 Lockhart Road, Wanchai, Hong Kong.

The principal activities of the company are engaged in trading and investment in subsidiary.

(c) Presentation currency and level of rounding

Unless stated otherwise, all currency figures in these financial statements are presented in Hong Kong Dollars (HK\$) rounded to the nearest one dollar.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These financial statements comply with all applicable sections of HKFRS for PE and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

AAT GLOBAL LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2016

2. BASIS OF PREPARATION (CONTINUED)

(b) Reporting exemption

The Company falls within reporting exemption for the reporting period under section 359(1) of the Hong Kong Companies Ordinance. Nevertheless, the Directors resolved not to take advantage of the reporting exemption and these financial statements comply with HKFRS for PE. The Directors have acknowledged that, to achieve fair presentation of the financial statements, it may be necessary for management to provide disclosures beyond those specifically required by HKFRS for PE.

(c) Basis of Measurement

The measurement bases used in preparing these financial statements are set out in note 3 to financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements present financial information of the Company. The followings are the specific accounting policies that are necessary for a proper understanding of the financial statements.

(a) Revenue

Revenue consists of turnover and other revenue but excludes the reversal of impairment. Turnover comprises revenue generated from the principal activities of the Company. Other revenue includes exchange gain (net of exchange loss), gain on disposal of capital assets and reversal of provisions.

Revenue is recognised as income when it is probable that the economic benefits associated with transaction will flow to the Company and when the amount of revenue as well as costs incurred for the transaction can be measured reliably. Revenue is measured at fair value of the consideration received or receivable and is shown net of discounts, rebates, returns and sales-related taxes on the following bases.

Sale of goods is recognised when the goods are delivered and the significant risks and rewards of ownership have been passed to the buyer and the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

Interest income is recognised using the effective interest method on a time proportion basis taking into account the principal outstanding and the interest applicable.

(b) Employee Benefits

Salaries, annual bonuses, paid annual leave and other leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are measured at their present values.

(c) Borrowing Costs

Borrowing costs include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance charges in respect of finance leases and exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are recognised as an expense in the year in which they are incurred.

AAT GLOBAL LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Income Tax

Income tax comprises current tax and deferred tax.

Current tax is measured based on estimated taxable profit for the year.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases using in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, except to the extent that the deferred tax liabilities arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of an asset or liability in a transaction that affects neither accounting profit nor taxable profit or tax loss. The measurement of deferred tax liabilities associated with an investment property measured at fair value shall not exceed the amount of tax that would be payable on its sales to an unrelated market participant at fair value at the end of reporting period. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of an asset and liability in a transaction that affects neither the accounting profit nor the taxable profit or tax loss.

The net carrying amount of deferred tax assets is reviewed at the end of each reporting period and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Current and deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method.

(f) Impairment of non-current assets other than financial assets

At the end of each reporting period, non-current assets other than financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is any indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is less than the carrying amount, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss. If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Foreign currency transactions

The functional currency of the Company is Hong Kong Dollar. Foreign currency transactions are translated into the functional currency at the approximate rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the end of reporting period are translated at the approximate rates of exchange ruling at that date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated using the exchange rates at that date when the fair value was determined. Exchange differences arising on the settlement or translation of foreign currency monetary items are recognised in profit or loss. However, exchange differences relating to a gain or loss on a non-monetary item that is recognised in other comprehensive income is recognised in other comprehensive income too.

(h) Inventories

Inventories are measured at initial recognition at cost and subsequently measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined on first-in, first-out basis and comprises all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. At the end of each reporting period, inventories are assessed for impairment and the carrying amount is reduced to its selling price less costs to complete and sell with impairment loss recognised immediately in profit or loss. When the inventories are sold, the carrying amount of inventories is recognised as an expense in the year in which the related revenue is recognised.

(i) Trade and other receivables

Trade and other receivables are measured at initial recognition at transaction price (including transaction costs) and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

(j) Components of cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are also included as a component of cash and cash equivalents for the statement of cash flows.

(k) Trade and other payables

Trade and other payables are measured at initial recognition at the transaction price (including transaction costs) and subsequently measured at amortised cost using the effective interest method.

AAT GLOBAL LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Borrowings

Borrowings are measured at initial recognition at the transaction price and are subsequently measured at amortised cost. All borrowings are classified as current liabilities unless the Company has a pre-defined repayment schedule or an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Interest expense is recognised on the basis of the effective interest method and is recognised in profit or loss.

When the borrowing agreement contains clause that gives the lender unconditional right to demand repayment at any time disregarding the pre-defined repayment schedule, the borrowing is classified as a current liability in the statement of financial position irrespective of the probability that the lender will invoke the clause without cause.

4. REVENUE

	2016	2015
	HK\$	HK\$
Included in turnover		
Sales	44,555,628	78,470,547
	<u>44,555,628</u>	<u>78,470,547</u>
Included in other revenue and other net gain		
Bank Interest Income	2,201,534	2,193,316
	<u>46,757,162</u>	<u>80,663,863</u>

5. FINANCE COST

	2016	2015
	HK\$	HK\$
Bank Charges	42,852	46,080
Interest Paid	3,019,749	2,846,837
	<u>3,062,601</u>	<u>2,892,917</u>

6. (LOSS) / PROFIT BEFORE TAX

The following items have been recognised as expenses / (income) in determining (loss) / profit before tax :

	2016	2015
	HK\$	HK\$
Cost of inventories recognised as expense	40,476,392	76,793,998
Auditor's Remuneration	18,960	18,000
Guarantees Fee	826,867	826,536
Exchange Loss	2,296,538	194,906
Legal and Professional Fee	-	367,255

AAT GLOBAL LIMITED
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST MARCH 2016

7. DIRECTORS' REMUNERATION, LOANS AND OTHER MATERIAL INTERESTS

Remuneration of the directors (including former directors and shadow directors) of the Company disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follow:

	2016	2015
	HK\$	HK\$
Emoluments (including benefit in kind)		
Acting as directors	-	-
Provision on management services	-	-
	<u>-</u>	<u>-</u>

8. AUDITOR'S REMUNERATION

Auditor's remuneration and expenses for the year disclosed pursuant to Part 2 of Schedule 4 of the Hong Kong Companies Ordinance are as follow

	2016	2015
	HK\$	HK\$
Auditor's Remuneration	18,960	18,000
Auditor's Expenses	-	-
	<u>18,960</u>	<u>18,000</u>

9. INCOME TAX EXPENSE

No provision for Hong Kong Profit tax has been made as in the opinion of the directors the income of the company is wholly derived from source outside Hong Kong.

No provision for deferred liabilities has been made as the effect of all temporary difference is immaterial.

No deferred tax assets were recognised as their realisation was remote.

10. CASH AND CASH EQUIVALENTS

	2016	2015
	HK\$	HK\$
Cash at Bank and in Hand	9,431,877	592,127
Deposit with Banks	-	-
Cash and Cash Equivalents in the Statement of Financial Position	<u>9,431,877</u>	<u>592,127</u>
Bank Overdraft	-	-
Cash and Cash Equivalents in the Statement of Cash Flow	<u>9,431,877</u>	<u>592,127</u>

AAT GLOBAL LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

11. INVENTORIES

	2016	2015
	HK\$	HK\$
Finished Goods	-	2,730,195
	<u>-</u>	<u>2,730,195</u>

12. FINANCIAL INSTRUMENTS

	2016	2015
	HK\$	HK\$
Bank Borrowings		
Repayable within one year	23,270,174	23,260,869
Repayable beyond one year	10,618,103	21,227,698
	<u>33,888,277</u>	<u>44,488,567</u>

13. TRADE AND OTHER RECEIVABLES

	Note	Related parties HK\$	Third parties HK\$	Total HK\$
2016				
Accounts Receivable		-	7,508,510	7,508,510
Advance to Subsidiary		31,373,654	-	31,373,654
Prepaid Interest		-	285,641	285,641
		<u>31,373,654</u>	<u>7,794,151</u>	<u>39,167,805</u>

	Note	Related parties HK\$	Third parties HK\$	Total HK\$
2015				
Accounts Receivable		-	1,289,786	1,289,786
Advance to Subsidiary		37,212,929	-	37,212,929
Prepaid Interest		-	576,948	576,948
		<u>37,212,929</u>	<u>1,866,734</u>	<u>39,079,663</u>

AAT GLOBAL LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

14. TRADE AND OTHER PAYABLE

	Note	Related parties HK\$	Third parties HK\$	Total HK\$
2016				
Trade Payables		-	9,472,796	9,472,796
Interest Payable		-	128,821	128,821
Advance received from ultimate holding company		9,878,619	-	9,878,619
Guarantee fee payable to ultimate holding company		1,037,074	-	1,037,074
Accrued Expense		-	18,480	18,480
Amount due to holding company		<u>40,807,449</u>	<u>-</u>	<u>40,807,449</u>
		51,723,143	9,620,097	61,343,240
Current Liabilities		<u>(10,915,694)</u>	<u>(9,620,097)</u>	<u>(20,535,790)</u>
Non-current Liabilities		<u>40,807,449</u>	<u>-</u>	<u>40,807,449</u>

	Note	Related parties HK\$	Third parties HK\$	Total HK\$
2015				
Trade Payables		826,536	1,473,188	2,299,724
Interest Payable		-	81,381	81,381
Advance received from ultimate holding company		2,386,917	-	2,386,917
Amount due to ultimate holding company		-	-	-
Accrued Expense		-	18,000	18,000
Amount due to holding company		<u>39,086,921</u>	<u>-</u>	<u>39,086,921</u>
		42,300,374	1,572,569	43,872,943
Current Liabilities		<u>(3,213,453)</u>	<u>(1,572,569)</u>	<u>(4,786,022)</u>
Non-current Liabilities		<u>39,086,921</u>	<u>-</u>	<u>39,086,921</u>

15. INVESTMENT IN A SUBSIDIARY

The detail of the subsidiary is as follow..

	2016 HK\$	2015 HK\$
Unlisted equity securities, at cost	54,027,238.00	54,027,238.00
Addition	-	-
Add: Due from subsidiary (Loan)	<u>57,089,516.00</u>	<u>57,026,230.00</u>
At 31 March	<u>111,116,754.00</u>	<u>111,053,468.00</u>
Advances to the subsidiary	<u>31,373,654.00</u>	<u>37,212,929.00</u>
	<u>142,490,408.00</u>	<u>148,266,397.00</u>

AAT GLOBAL LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

15. INVESTMENT IN A SUBSIDIARY (Con't)

Details of the company's subsidiary as at the statement of financial position date are as follows:

Company Subsidiary undertakings	Country of Registration	Class of Shares held	Percentage held	Nature of Business
Shandong Dawn Himadri Chemical Industry Limited	PRC	Ordinary	94%	Chemical Industry Manufacturing

16. SHARE CAPITAL

	2016		2015	
	No. of shares	HK\$	No. of shares	HK\$
Issued and fully paid				
Ordinary share without par value	70,783,680	70,783,680	70,783,680	70,783,680

17. RELATED PARTY DISCLOSURES

	2016	2015
	HK\$	HK\$
Related parties transactions		
Directors and other key management personnel		
Total remuneration	-	-
Quarter Expense	-	-
Movement of director current account	-	-
Movement of shareholder current account	-	-
	2016	2015
	HK\$	HK\$
Related companies		
Goods sold to ultimate holding companies	35,687,133	72,918,795
Goods purchased from subsidiary	16,662,021	79,267,121
	2016	2015
	HK\$	HK\$
Amounts due from related parties		
Directors	-	-
Shareholders	509,068	509,068
Close family members of related parties	-	-
Related companies	88,463,170	94,239,159
	88,972,238	94,748,227

AAT GLOBAL LIMITED
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST MARCH 2016

17. RELATED PARTY DISCLOSURES (Con't)

Name of Borrower	2016	2015	Greatest	Provision
	HKS	HKS	outstanding	HKS
Equal Commodal Private Limited	509,068.14	509,068.14	509,068	-
Shandong Dawn Himadri Chemical Industry Limited	88,463,170	94,239,159	94,239,159	-
			2016	2015
			HKS	HKS
Amounts due to related parties				
Directors			-	-
Shareholders			40,807,449	39,086,921
Close family members of related parties			-	-
Related companies			1,037,074	826,536
			41,844,524	39,913,457

The amount due to holding company is unsecured bearing interest rate of 6 months Libor + 350 basis point. The Loan is repayable after 7 years from date of first drawal in 12 quarterly instalments.

The amount due from a subsidiary include HK\$57,089,516 towards loan which is unsecured, bearing interest rate of 4% per annum and is repayable after 4 years from final disbursement and HK\$ 31,373,654 towards advances which is interest free.

18. BANK LOAN, SECURED

The amount due to bank which is secured by documentary credit from Ultimate Holding Company includes:

- (a) Working Capital Loan from HSBC Hong Kong bearing interest at the rate of 2.1031%.
- (b) Term Loan from HSBC Hong Kong bearing interest at the rate of 3.1213%. This is repayable after 2 years from first drawdown in 9 quarterly instalement.

19. APPROVAL OF FINANCIAL STATEMENTS

The statement of financial position was approved and the financial statements were authorised for issue by the Directors on 19 MAY 2016

AAT GLOBAL LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2016

(for management purposes only)

	2016	2015
	HK\$	HK\$
Revenue	44,555,628	78,470,547
Cost of Sales		
Opening Inventories	2,730,195	-
Purchase	37,746,197	79,524,193
Closing Inventories	-	(2,730,195)
	40,476,392	76,793,998
Gross Profit	4,079,236	1,676,549
Other Revenue and Net Gain		
Interest Income	2,201,534	2,193,316
	2,201,534	2,193,316
	6,280,770	3,869,865
Operating Expenses	(6,889,793)	(4,343,632)
Net Loss for the Year	(609,023)	(473,767)

AAT GLOBAL LIMITED
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2016

(for management purposes only)

	2016	2015
	HK\$	HK\$
Administration Expenses		
Audit Fee	18,960	18,000
Commission Paid	397,103	-
Exchange Difference	2,296,538	194,906
Carriage Outward	287,724	44,018
Guarantees Fees	826,867	826,536
Legal & Professional Fee	-	367,255
	<u>3,827,192</u>	<u>1,450,715</u>
Finance Costs		
Bank Charges	42,852	46,080
Interest paid	3,019,749	2,846,837
	<u>3,062,601</u>	<u>2,892,917</u>
Total Operating Expenses	<u><u>6,889,793</u></u>	<u><u>4,343,632</u></u>