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QUARTERLY REPORT ▶

iGlobe Platinum Fund II Pte. Ltd.

DECEMBER

2016

Q4

31 December 2016

To iGlobe Platinum II investors,

Dear Investors,

This quarter, the Fund invested in two (2) early stage companies, namely Hippo Analytics (US) and Ministry of Movement (Singapore). Hippo is an online property insurance underwriter which uses machine learning and Artificial Intelligence (AI) to price insurance premium more efficiently. Ministry of Movement aims to capture the shared economy "bus" in the Smart Nation's transportation system.

The Fund's existing 7 portfolio companies have made good progress in 2016. Details of their progress is described in the attachments.

We highlight two cases:

- (a) Unity3D closed its Series C financing of US\$181 million, at post-money valuation of US\$1.5 billion. We enjoyed a 13% upward valuation adjustment over our investment cost.
- (b) NerdWallet has made significant gain in market share penetration and significant revenue growth of 64% over its prior year. There are keen interests in additional investors to pursue in a Secondary common share sale at US\$6/share. With this secondary common share sale, we made a 24% upward valuation adjustment over our investment cost.

As at 31 December 2016, the Fair Value of the Fund was US\$11.2 million vs. Investment Cost of US\$10.3 million.

The Fund has raised US\$27.2 million with a Capital Drawdown of 45% as at 31 December 2016. We continue to focus our efforts on fundraising.

We appreciate your trust and look forward to deepening our mutual relationships.

Yours sincerely,



Cheng Gay TAN

Managing Partner



Robert CHEW

Managing Partner



SooBoon KOH

Managing Partner



Joyce NG

Partner

PORTFOLIO UPDATES



INDUSTRY

Digital Media/
Virtual Reality

FOUNDED

November 2011

HEADQUARTER

Sunnyvale,
California, USA

WWW.MATTERPORT.COM

INVESTMENT OVERVIEW

First Investment Date	June 2015
Current Revenue Stage	Early Growth
Investment Cost	US\$2,999,998
Fair Market Value	US\$2,999,998
Ownership	1.33%
Major Co-Investors	Qualcomm Ventures (<i>Lead</i>), Lux Capital, DCM Capital, GIC
Board Representatives	SooBoon Koh (Observer)
Team	SooBoon Koh/ Joe Zaelit

MATTERPORT, INC.

SECTOR

Solutions for 3D Scanning of Spaces and Objects

BUSINESS

The Company's solutions allow users to create virtual models of any indoor space and access the resulting 3D model from a web browser or iPad. Users can also freely navigate, measure, tag objects and pin notes to anything in the 3D image space.

UPDATES

QUARTER 4 AT 31 DECEMBER 2016

In 2016, the Company achieved 78% YoY growth of its annual revenue. The fastest growing segment, Subscription-as-a-Service (SaaS) now has an annual run rate of US\$6.5 million.

The Company continued to penetrate deeper into real estate and hospitality markets in the U.S. It recently signed up a few new partners including Realtor.com, JLL and Homeaway. The Company has also identified Architecture, Engineering and Construction (AEC) as another vertical to focus on.

Andy Leventhal joined as VP International Sales. Currently, the Company has international presence in UK, and channel partners in Canada and Australia. It will start to look into new markets in South East Asia.

As at 31 December 2016, headcount of the Company stood at 176.

PORTFOLIO UPDATES



INDUSTRY

Fintech/
Digital Media

FOUNDED

2009

HEADQUARTER

San Francisco,
California, USA

WWW.NERDWALLET.COM

INVESTMENT OVERVIEW

First Investment Date	November 2015
Current Revenue Stage	Growth
Investment Cost	US\$3,504,682
Fair Market Value	US\$4,349,862
Ownership	0.49%
Major Co-Investors	IVP RRE Ventures
Board Representatives	SooBoon Koh (Observer)
Team	SooBoon Koh/ Joyce Ng

NERDWALLET, INC.

SECTOR

FinTech / Digital Media

BUSINESS

NerdWallet is a leading US consumer personal finance platform, which focuses on helping people lead better lives through financial education and empowerment. The Company provides consumers clarity around key financial decisions at every stage of their lives.

UPDATES

QUARTER 4 AT 31 DECEMBER 2016

In November 2016, Tapan Baht joined NerdWallet as its Chief Product Officer. Tapan brought with him over 20 years of experience building and scaling innovative consumer products and business globally. Prior to joining NerdWallet, he was holding Executive Roles at Realtor.com, Yahoo's Integrated Consumer Experiences, Adobe and Intuit.

Since the launch of the credit scoring app in August this year, the Company saw rapid growth in its membership registration. At year end, membership registration was close to 200,000.

For the FY ending 31 December 2016, NerdWallet continued to be profitable on revenue growth of 64% over the prior year.

As at 31 December 2016, headcount stood at 450, up from 288 at end of 2015.

PORTRFOOLIO UPDATES



INDUSTRY
Game Engine Platform

FOUNDED
August 2004

HEADQUARTER
San Francisco,
California, USA

[WWW. UNITY3D.COM](http://WWW.UNITY3D.COM)

INVESTMENT OVERVIEW

First Investment Date	September 2015
Current Revenue Stage	Expansion
Investment Cost	US\$1,000,000
Fair Market Value	US\$1,134,224
Ownership	0.074%
Major Co-Investors	DFJ Growth (<i>Lead</i>) CIC, Sequoia Capital
Board Representatives	-
Team	SooBoon Koh/ Joyce Ng

UNITY SOFTWARE, INC.

SECTOR

Game Engine Development Platform

BUSINESS

Unity Software Inc is the ultimate game development platform. Its proprietary solution provides a fully integrated development environment which makes it easier and more cost-effective for content developers to create and deploy 3D content online on multiple platforms. It supports Xbox 360, PS3, PC, iOS, Android, Web, Nintendo, Wii as well as next generation connected TVs.

UPDATES

QUARTER 4
AT 31 DECEMBER 2016

Unity's financial performance for 2016 was ahead of plan.

Net Revenue grew 33% in 2016 over the prior year. Ads business, in particular, experienced strong momentum and consolidated Unity's market leadership. Ads Revenue grew 116% YoY as monthly players grew from 584 million in 2015 to 1.1 billion at year end 2016.

Unity recently announced strategic partnership with Xiaomi. Xiaomi will assist game developers in China's licensing process and allow them to launch their apps on Xiaomi Apps store. This will enable Unity to penetrate the tough China market.

In November, Tony Parisi, a Virtual Reality (VR) pioneer joined Unity as its new Head of AR& VR Strategy. The Company has achieved early success in the VR space. It is witnessing strong adoption of Unity VR in Cinematic and Interactive Entertainment industry.

As at 31 December 2016, headcount stood at 1015, up from 794 in prior year.

PORTFOLIO UPDATES



INDUSTRY	FOUNDED	HEADQUARTER
E-Commerce	April 2010	Mumbai, India

WWW.SHOPYOURWORLD.COM

INVESTMENT OVERVIEW

First Investment Date	February 2016
Current Revenue Stage	Early Growth
Investment Cost	US\$1,720,448
Fair Market Value	US\$1,720,448
Ownership	9.16%
Major Co-Investors	Khattar Holdings (<i>Lead</i>) Wavemaker Labs
Board Representatives	Joyce Ng/ Jeff Lin (Alt)
Team	Joyce Ng/ Jeff Lin

SYW PTE. LTD.

SECTOR

E-Commerce Website Targeting Indian Consumers

BUSINESS

SYW is an e-commerce website for Indian consumers to assist their purchase of international branded goods from the US & UK. The Company offers various products across categories like mobile phones, laptops, fashion accessories, home appliances, movies & games, baby care, toys and health & beauty. SYW serves as a distribution and import partner for foreign retailers with an online interface for the consumer.

UPDATES

QUARTER 4 AT 31 DECEMBER 2016

This quarter, SYW successfully closed a US\$2 million Series A Extension Financing from the existing investors.

SYW continued to achieve moderate growth in revenue, despite negative impact from the Indian government's demonetization initiative launched in November 2016.

From November 2016, the Company's Dubai Fulfilment Center went live. All SYW's goods from the U.S. and China are now shipped to this new center before landing at India. Such a move will result in significant savings in air freight and processing costs.

In this quarter, SYW recruited Rohit Dangi, previously from KPMG (Mumbai, India), to head the Finance Department.

As at 31 December 2016, headcount of the Company stood at 87.

PORTFOLIO UPDATES



INDUSTRY

Gaming Robotics

FOUNDED

May 2013

HEADQUARTER

Bristol, UK

WWW.REACHROBOTICS.COM

INVESTMENT OVERVIEW

First Investment Date	March 2016
Current Revenue Stage	Seed Stage
Investment Cost	US\$350,129
Fair Market Value	US\$350,129
Ownership	5.07%
Major Co-Investors	London VP (<i>Lead</i>) Passion Capital
Board Representatives	SooBoon Koh (Observer)
Team	SooBoon Koh/ Jeff Lin

REACH ROBOTICS, LTD.

SECTOR

Gaming Robotics/ AR

BUSINESS

Reach Robotics develops intelligent gaming robot, the MekaMon™, which lies at the intersection of Augmented Reality, Robotics and Gaming. Players can collect a variety of MekaMons, customise their robots' abilities by purchasing additional accessories, and compete against one another.

UPDATES

QUARTER 4 AT 31 DECEMBER 2016

This quarter, the Company delivered its final engineering prototype for MekaMon robot and conducted a soft launch in the U.S. This soft launch opened up a lot of inbound interests and partnership potentials with the following companies: Wargaming, Bandai, Marvel / Disney, Hasbro and Microsoft.

Reach Robotics' existing investors (i.e. London Venture Partners & iGlobe Partners) agreed to provide a US\$350,000 Bridge Loan financing. iGlobe participated with US\$170,000. Closing of this financing round is expected to be in early 2017.

As at 31 December 2016, headcount of the Company stood at 10.

PORTRFOOLIO UPDATES



INDUSTRY

Interactive Mobile Video Platform

FOUNDED

January 2014

HEADQUARTER

Oslo, Norway

WWW.MOVIAPP.IO

INVESTMENT OVERVIEW

First Investment Date	April 2016
Current Revenue Stage	Seed Stage
Investment Cost	US\$300,000
Fair Market Value	US\$300,000
Ownership	To be determined in the next financing round
Major Co-Investors	David Helgason (<i>founder of Unity</i>) Bogomil Balkansky (<i>VP of Google</i>)
Board Representatives	Robert Chew (Observer)
Team	Robert Chew/ Jeff Lin

MOVI TECH AS

SECTOR

Interactive Mobile Video Platform

BUSINESS

MOVI provides technology and consumer platform for interactive mobile videos, which enable viewers to perform video fast-forward and playback at any speed on their mobiles with simple finger swipe. This enhances video streaming experience on mobile devices.

The Company aims to create analytics-powered ad-rendering based on user playback behaviours and aspires to become the next generation YouTube.

UPDATES

QUARTER 4 AT 31 DECEMBER 2016

In order to reduce the hurdle for mass adoption for its interactive video technology, MOVI developed a pure mobile app-based solution that does not require any additional set up or changes at server end.

The Company started the negotiation with CoolPad, one of the major smartphone manufacturers in China. The negotiation focused on customizing a video app to be pre-installed on new phone models released by CoolPad in 2017. CoolPad's customers will benefit from better video viewing experience delivered by MOVI.

As at 31 December 2016, the headcount of the Company stood at 12.

PORtFOLIO UPDATES



INVESTMENT OVERVIEW

First Investment Date	November 2016
Current Revenue Stage	Seed Stage
Investment Cost	US\$70,348
Fair Market Value	US\$70,348
Ownership	1.64%
Major Co-Investors	Chua Chuen Long Investments Holding Pte. Ltd Ruvento Seed II Pte. Ltd
Board Representatives	Joyce
Team	Joyce/ Tam

MINISTRY OF MOVEMENT PTE. LTD.

SECTOR

Smart Commute & Dynamic Routing Technology

BUSINESS

The Company aspires to be the leading technology shaping smart mobility in Asia, a transportation system reimagined for the future of autonomous vehicles and Smart Cities infrastructure.

SWAT, flagship product of MoM, operates bus service for commuters who needs pick-up on-demand. Its core technology, Dynamic Routing algorithm, allows SWAT's buses to insert people along the way without affecting ETAs of any commuter.

UPDATES

QUARTER 4
AT 31 DECEMBER 2016

The Company was founded by Arthur Chua (Chairman), Shijing Lin (CEO), Nicholas Jachowski (Chief Data Officer) and Jarold Ong (CTO). Its flagship product, SWAT, is an intelligence machine learning algorithm that uses spatiotemporal big data analytics and Internet of Things (IoT) to route vehicles real-time on-demand.

MoM operates a fleet of twenty 13-seater buses, in pilot run from Monday to Friday during peak hours (7am-10am) from Seletar to Central Business District. It aims to capture the market share from on-demand taxis (e.g. Uber, GrabTaxi), and public transports (e.g. MRT, buses) to the Company's dynamically routed buses.

This is a pre-revenue Company with 6 headcounts as at 31 December 2016.

PORTFOLIO UPDATES



INDUSTRY

Data-Driven Online Home Insurance

FOUNDED

November 2016

HEADQUARTER

Singapore

MYHIPPO.COM

INVESTMENT OVERVIEW

First Investment Date	November 2016
Current Revenue Stage	Seed Stage
Investment Cost	US\$250,000
Fair Market Value	US\$250,000
Ownership	0.61%
Major Co-Investors	RPM Capital Horizon Ventures
Board Representatives	-
Team	SooBoon Koh/ Joyce Ng

HIPPO ANALYTICS, INC.

SECTOR

Data-driven online home insurance

BUSINESS

Hippo Analytics is the next-generation insurance provider that uses data analytics to provide a simpler process, smarter coverage, and a completely new approach to help property owners to care for their homes.

UPDATES

QUARTER 4
AT 31 DECEMBER 2016

Hippo Analytics is an online property insurance underwriter which utilizes a rich set of data sources, Natural Language Processing, and advanced image processing to price the risk and insurance premium much faster and more accurately than the existing agency system.

Hippo aims to disrupt the property insurance market as it enjoys some first mover advantage.

As at 31 December, 2016, headcount of the Company stood at 7.

PORTRFOIO UPDATES



INDUSTRY	FOUNDED	HEADQUARTER
Venture Capital Firm	October 2016	China

LVPS.COM

INVESTMENT OVERVIEW

First Investment Date	October 2016
Current Revenue Stage	n.a.
Investment Cost	US\$80,000
Fair Market Value	US\$63,820
Ownership	0.77%
Major Co-Investors	n.a.
Board Representatives	n.a.
Team	SooBoon Koh

LIGHTSPEED CHINA PARTNERS III

SECTOR

Venture Capital

BUSINESS

Lightspeed China Partners III (LCP III) is a venture capital firm primarily focused on early stage technology companies in China with sector focus in Internet/Mobile, Internet Plus and Enterprise/IT. The Fund closed in June 2016 with total capital commitments of US \$260 million.

UPDATES

QUARTER 4 AT 31 DECEMBER 2016

iGlobe Platinum Fund II committed US\$2 million into LCP III, a venture capital firm primarily focused on early stage technology companies in China.

As at 31 December 2016, a capital call of 4% of committed capital (US\$80,000) was made by LCP III. Investment in LCP III allows iGlobe to gain investment access and exposure to the China VC market. To-date, the Fund has invested in two (2) companies in the B-to-C business with investment costs of US\$1.25 million.

The Managing Partners of the Fund are James Mi and Herry Han; supported by a Team of three (3) Associate Partners and five (5) Backend/ Portfolio Monitoring professionals. LCP III has total headcount of 10 people.

James Mi co-founded LCP in 2010, bringing with him 12 years experience in technology investing. He started his career in Intel, joined Google in 2003 and became the first representative of Google in China.

Herry Han joined LCP in 2010 and was previously with McKinsey & Company (China). Herry started his career as an Engineer in Microsoft (China).

SCHEDULE OF INVESTMENTS

YEAR ENDED 31 DECEMBER 2016

NAME OF PORTFOLIO COMPANY	Geographic Classification	Investment Cost	As At 01.01.2016	Additional/New Injection	FV Adjustment	As At 31.12.2016
		\$	\$	\$	\$	\$
NERDWALLET INC.	USA	3,504,682.00	3,504,682.00		845,180.00	4,349,862.00
MATTERPORT INC.	USA	2,999,998.13	2,999,998.13			2,999,998.13
UNITY SOFTWARE INC.	USA	1,000,000.00	1,000,000.00		134,224.00	1,134,224.00
SYW PTE. LTD.	Singapore/India	1,720,448.00	-	1,720,448.00		1,720,448.00
REACH ROBOTICS LTD	UK	350,129.10	-	350,129.10		350,129.10
MOVI TECH AS	USA/ Norway	300,000.00	-	300,000.00		300,000.00
LIGHTSPEED CHINA PARTNERS III	China	80,000.00	-	80,000.00	(16,180.00)	63,820.00
HIPPO ANALYTICS INC.	USA	250,000.00	-	250,000.00		250,000.00
MINISTRY OF MOVEMENT PTE. LTD.	Singapore	70,348.20	-	70,348.20		70,348.20
		10,275,605.43	7,504,680.13	2,770,925.30	963,224.00	11,238,829.43



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iGlobe Platinum Fund II Pte. Ltd.

Registration Number: 201511336D

**Annual Report
Year ended 31 December 2016**

Directors' statement

We are pleased to submit this annual report to the member of the Company together with the audited financial statements for the financial year ended 31 December 2016.

In our opinion:

- (a) the financial statements set out on pages FS1 to FS23 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Philip Yeo Liat Kok
Tan Choon Hoon @ Tan Cheng Gay
Robert Chew
Quek Soo Boon
Chan Jer Luang

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), no director who held office at the end of the financial year (including those held by their spouses and infant children) had interests in shares, debentures, warrants and share options in the Company or of related corporations, either at the beginning or at the end of the financial year.

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

Share options

During the financial year, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

Auditors

Pursuant to an Extraordinary General Meeting dated 20 September 2016, KPMG LLP were appointed as auditors of the Company.

The auditor, KPMG LLP have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



Quek Soo Boon
Director



Chan Jer Luang
Director

31 March 2017



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Independent auditors' report

Member of the Company
iGlobe Platinum Fund II Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of iGlobe Platinum Fund II Pte. Ltd. (the Company), which comprise the statement of financial position as at 31 December 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages FS1 to FS23.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2016 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

International Financial Reporting Standards

As explained in note 2.1 to the financial statements, the Company in addition to applying the Singapore Financial Reporting Standards has also applied the International Financial Reporting Standards. In our opinion the financial statements comply with the International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the financial statements*" section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The financial statements for the period from 28 April 2015 (date of incorporation) to 31 December 2015 were audited by another firm of auditors, whose report dated 31 March 2016 expressed an unqualified opinion on those financial statements.



Other information

Management is responsible for the other information. The other information comprises the Directors' statement.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 SSAs 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 financial statements.



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

- Identify and assess the risks of material misstatement of the 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 controls.
- Obtain understanding of internal controls 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 Company's internal controls.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
31 March 2017

Statement of financial position
As at 31 December 2016

	Note	2016 US\$	2015 US\$
Non-current asset			
Investments	4	<u>11,238,829</u>	<u>7,504,680</u>
Current assets			
Cash and cash equivalents	5	914,859	1,426,370
Other receivables	6	4,570	11,925
		<u>919,429</u>	<u>1,438,295</u>
Total assets		<u>12,158,258</u>	<u>8,942,975</u>
Equity			
Share capital	7	10	10
Non-redeemable preference shares	7	115	64
Other reserves	8	93,958	3,550
Accumulated losses		(197,338)	(343,380)
Total equity		<u>(103,255)</u>	<u>(339,756)</u>
Non-current liability			
Redeemable preference shares	9	<u>11,509,985</u>	<u>6,443,936</u>
Current liabilities			
Other payables	10	751,528	1,144,090
Interest bearing loans	11	—	1,694,705
		<u>751,528</u>	<u>2,838,795</u>
Total liabilities		<u>12,261,513</u>	<u>9,282,731</u>
Total equity and liabilities		<u>12,158,258</u>	<u>8,942,975</u>

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

Statement of comprehensive income
Year ended 31 December 2016

	For period from 28 April 2015 (date of incorporation)	
	Year ended 31 December Note	to 31 December 2016
	2016 US\$	2015 US\$
Unrealised gains on financial instruments classified as fair value through profit or loss	963,224	—
Interest income	69	—
Total revenue	963,293	—
Management fees and other expenses	(723,704)	(218,334)
Interest expense	(93,547)	(125,046)
Profit/(Loss) before income tax	146,042	(343,380)
Income tax expense	—	—
Profit/(Loss) for the year/period	146,042	(343,380)
Other comprehensive income for the year/period, net of income tax	—	—
Total comprehensive income for the year/period	146,042	(343,380)

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

Statement of changes in equity
Year ended 31 December 2016

	Share capital US\$	Non-redeemable preference shares US\$	Other reserve US\$	Accumulated profits US\$	Total US\$
At 28 April 2015 (date of incorporation)	—	—	—	—	—
Total comprehensive income for the period					
Loss for the period	—	—	—	(343,380)	(343,380)
Other comprehensive income	—	—	—	—	—
Total comprehensive income for the period	—	—	—	(343,380)	(343,380)
Transactions with owners of the Company, recognised directly in equity					
Issuance of ordinary shares	10	—	—	—	10
Issuance of preference shares	—	64	—	—	64
Interest on closing premium	—	—	3,550	—	3,550
Total transactions with owners	10	64	3,550	—	3,624
At 31 December 2015	10	64	3,550	(343,380)	(339,756)
At 1 January 2016	10	64	3,550	(343,380)	(339,756)
Total comprehensive income for the year					
Profit for the year	—	—	—	146,042	146,042
Other comprehensive income	—	—	—	—	—
Total comprehensive income for the year	—	—	—	146,042	146,042
Transactions with owners of the Company, recognised directly in equity					
Issuance of preference shares	—	51	—	—	51
Interest on closing premium	—	—	90,408	—	90,408
Total transactions with owners	—	51	90,408	—	90,459
At 31 December 2016	10	115	93,958	(197,338)	(103,255)

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

Statement of cash flows
Year ended 31 December 2016

	For period from 28 April 2015 (date of incorporation)	
	Year ended 31 December 2016	to 31 December 2015
	US\$	US\$
Cash flows from operating activities		
Profit/(Loss) for the year/period	146,042	(343,380)
Adjustments for:		
Interest income	(69)	—
Unrealised gains on financial instruments classified as fair value through profit or loss	(963,224)	—
Interest expense	93,547	125,046
	<hr/>	<hr/>
Changes in working capital:		
Investments in equity securities	(2,770,925)	(7,504,680)
Other receivables	7,355	(11,925)
Trade and other payables	8,243	31,328
Cash used in operating activities	<hr/>	<hr/>
Interest income received	(3,479,031)	(7,703,611)
Interest tax paid	69	—
Net cash used in operating activities	<hr/>	<hr/>
	(3,478,962)	(7,703,611)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	—	10
Proceeds from issuance and additional call on non-redeemable preferred shares and redeemable preferred shares	5,066,100	6,444,000
Closing premium received	90,408	3,550
Interest expense paid	(143,081)	(75,512)
Advance from investors	(351,271)	1,063,228
Interest bearing loans	(1,694,705)	1,694,705
Net cash from financing activities	<hr/>	<hr/>
	2,967,451	9,129,981
Net (decrease)/increase in cash and cash equivalents		
Cash and cash equivalents at beginning of the year/period	(511,511)	1,426,370
Cash and cash equivalents at end of the year/period	<hr/>	<hr/>
	1,426,370	—
	<hr/>	<hr/>
	914,859	1,426,370

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 31 March 2017.

1 Domicile and activities

iGlobe Platinum Fund II Pte. Ltd. (the “Company”) was incorporated on 28 April 2015 as a private limited company and domiciled in the Republic of Singapore. The address of the Company’s registered office is at 11 Biopolis Way Helios #09-03, Singapore 138667.

The principal activities of the Company are those relating to asset management activities involving investments in high growth technology companies.

The investment activities of the Company are managed by iGlobe Partners (II) Pte Ltd (the “Fund Manager”), an entity incorporated in the Republic of Singapore.

The Company will liquidate 8 years after the Initial Closing Date of 4 November 2015 as defined in the Private Placement Memorandum (“PPM”), subject to two additional one-year periods, at the discretion of the Fund Manager, with the approval of the Board of Directors, and subject to the provisions of Article 135 of the Articles of Association of the Company.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (FRSs).

The financial statements of the Company are also properly drawn up in accordance with the International Financial Reporting Standards (IFRSs).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

The financial statements are presented in United States dollars (“US\$”), which is the Company’s functional currency.

The United Stated Dollars in the currency in which the Company’s investments are mainly denominated in, measures its performance and reports its results, as well as the currency in which it receives subscriptions from its investors. This determination also considers the competitive environment, in which the Company is compared to other United Stated private equity funds.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with Singapore FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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 and in any future periods affected.

Information about assumption, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 15.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities

The management has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Singapore FRSs, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.5 Changes in accounting policies

The adoption of new or revised Singapore FRS which became effective during the year did not have a material impact on the financial statements.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Company.

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical costs are translated using the exchange rate at the date of transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for the following differences which are recognised in other comprehensive income arising on the retranslation of:

- available-for-sale equity instruments (except on impairment in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedge is effective.

3.2 Financial instruments

i. Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss and loans and receivables.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein, which takes into account any dividend income, are recognised in profit or loss.

Financial assets designated at fair value through profit or loss comprise unquoted equity investments.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, and other receivables.

Cash and cash equivalents comprise cash balances and bank deposits.

ii. Non-derivative financial liabilities

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise redeemable preference shares and other payables.

iii. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of ordinary shares are recognised as deduction from equity, net of any tax effects.

Preference shares

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Company has two classes of preference shares in issue: Class A redeemable preference shares and Class B non-redeemable preference shares. Each unit of preference shares subscribed by the investors comprise one Class A Redeemable Preference Shares of US\$999.99 and one Class B Non-Redeemable Preference Shares of US\$0.01. Class A redeemable preference shares may be redeemed at the sole discretion of the Company and do not provide investors with the right to share the residual assets of the Company in the event of the Company's liquidation. Upon the winding up of the Company, the holders of the Class A Redeemable Preference Shares will carry the right to return of capital in preference to any return of capital in respect of the Class B Non-Redeemable Preference Shares and the Ordinary Shares. Class B non-redeemable preference shares carry the right *pari passu* with the ordinary shares and the right to share the residual assets of the Company in the event of Company's liquidation. 45% (2015: 30%) of the issued preference shares are called-up and fully paid as at 31 December 2016.

Redeemable preference shares may only be redeemed at the option of the Company. The redeemable preference shares carry no voting right and no right to an equal share in any dividend paid by the Company.

The redeemable and non-redeemable preference shares meet the criteria of a liability and equity instrument, respectively, under FRS 32, Financial instruments: Presentation.

The redeemable preference shares are classified as financial liabilities while non-redeemable preference shares are classified as equity.

3.3 Fair value measurement

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.

When available, the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Company establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Company, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instruments. The Company calibrates valuation techniques and tests them for validity using prices from observable current transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e., the fair value of the consideration given or received. However, in some case, the fair value of a financial instrument on initial recognition may be different to its transaction piece. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in profit or loss on initial recognition of the instrument. In other cases the difference is not recognized in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

3.4 Impairment

i. Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss events has occurred after the initial recognition of the asset, and that the loss events has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loan and receivables

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decreased can be related objectively to an event occurring after the impairment was recognise, then the previously recognised impairment loss is reversed through profit or loss.

3.5 Interest income

Interest income is recognised as it accrues, using the effective interest method.

3.6 Unrealised gains from financial instruments at fair value through profit or loss

Unrealised gains from financial instruments at fair value through profit or loss includes all unrealised fair value changes and foreign exchange differences, but excludes interest and dividend income.

3.7 Fees and other expenses

Fees and other expenses are recognised in the statement of comprehensive income on an accrual basis as the related services are performed.

3.8 Interest-bearing loan

Interest-bearing loan are initially recognised at fair value (net transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowing using the effective interest method.

3.9 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the initial recognition of assets or liabilities that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.10 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.11 New accounting standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

4 Investments

	2016 US\$	2015 US\$
<i>Investments in portfolio companies, at fair value through profit or loss:</i>		
Non-current		
- Equity investments	<u>11,238,829</u>	<u>7,504,680</u>

5 Cash and cash equivalents

	2016 US\$	2015 US\$
Cash at bank	<u>914,859</u>	<u>1,426,370</u>

6 Other receivables

	2016 US\$	2015 US\$
Recoverable expenses	—	8,435
Prepayments	4,515	3,490
Amount due from investor	25	—
Amount due from related party (non-trade)	30	—
	<u>4,570</u>	<u>11,925</u>

Amount due from related party are unsecured, interest-free and repayable on demand. The related party and the Company has common directors.

7 Share capital

	No. of shares			
	Ordinary shares		Non-redeemable preference shares	
	2016	2015	2016	2015
On issue at 1 January/ 28 April 2015	1,000	—	21,480	—
Issued during the year/period	—	1,000	4,098	21,480
On issue at 31 December	<u>1,000</u>	<u>1,000</u>	<u>25,578</u>	<u>21,480</u>

The holders of ordinary shares are entitled to one vote per share at meetings of the Company. All ordinary shares are fully paid, with no par value.

The holders of non-redeemable preference shares have the right to attend and to one vote per share only upon any resolution which varies the rights attached to it or relates to the winding up of the Company.

All above shares rank equally with regard to the Company's residual assets and they are entitled to dividends only after the redeemable preference shares are fully redeemed.

The non-redeemable preference shares were issued at US\$0.01 per share, of which 45% (2015: 30%) had been called-up.

Capital management policy

The Company's objective when managing capital is to ensure a stable and strong base to maximise returns to all investors, and to manage liquidity risk arising from redemptions.

The Company defines "capital" as including all components of equity. The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Company.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

8 Other reserves

Other reserves related to interest charged to certain investors who are admitted to the Company subsequent to the initial closing date of 4 November 2015. Such investors are required to pay an amount equal to their commitments multiplied by the percentage of commitments drawn down by all other investors through such dates plus interest thereon at 6% per annum. This is represented as “interest on closing premium” of US\$93,958 (2015: US\$3,550) on the statement of changes in equity.

9 Redeemable preference shares

Redeemable preference shares transactions for the year/period are as follows:

	2016 No. of shares	2015 No. of shares
Balance as at 1 January/28 April 2015	21,480	—
Issued during the year/period	4,098	21,480
Balance as at 31 December	<u>25,578</u>	<u>21,480</u>

The redeemable preference shares were issued at US\$999.99 per share, of which 45% (2015: 30%) had been called-up.

The redeemable preference shares are redeemable at initial subscription value with no fixed date for redemption. The holders of redeemable preference shares shall not carry a right to receive any dividends and are not entitled to share the residual assets upon the Company’s liquidation.

10 Other payables

	2016 US\$	2015 US\$
Advances from investors	711,957	1,063,228
Amount due to the Fund Manager	24,136	14,405
Accruals for operating expenses	15,435	16,923
Interest payable	—	49,534
	<u>751,528</u>	<u>1,144,090</u>

Amount due to related party are unsecured, interest-free and repayable on demand. The related party and the Company has common directors.

11 Interest bearing loans

In 2015, interest bearing loans of US\$1,694,705 relate to loans extended to the Company for investment purposes at a fixed interest rate of 10% per annum, and repayable on demand.

Included in the interest bearing loans is an amount of US\$207,186 from a related party with common directorship.

12 Related parties

Fund Manager

The Company appointed iGlobe Partners (II) Pte. Ltd., a fund management company incorporated in Singapore, to advise on establishing and implementing the Company's investment objective and strategy, and to identify, evaluate, recommend, assist in implementing investments, monitor the investments and assist in divestments of the investments for the Company as specified in the Fund Management Agreement. Under the Fund Management Agreement dated 19 June 2015, the Fund Manager receives a management fee at 2.5% per annum of the committed capital for the first 5 years and 2% per annum of the committed capital for the remaining years. The management fees charged during the year amounted to US\$682,836 (2015: US\$85,332).

The Fund Manager holds the ordinary shares of the Company.

Shareholding of related party

A party related to the Fund Manager held US\$4,329,957 (2015: US\$3,979,960) redeemable and US\$43 (2015: US\$40) non-redeemable preference shares, of which 45% (2015: 30%) of the subscription amount was fully paid, of the Company as at 31 December 2016. This party is related by way of common directors.

13 Income tax expense

	For period from 28 April 2015 (date of incorporation)	
	Year ended 31 December	to 31 December
	2016	2015
	US\$	US\$
Current tax expense		
Current year/period	—	—
Reconciliation of effective tax rate		
Profit/(loss) before income tax	146,042	(343,380)
Tax using the Singapore tax rate of 17% (2015: 17%)	24,827	(58,375)
Non-taxable income	(24,827)	—
Deferred tax assets not recognised	—	58,375
	—	—

The Company has been granted tax incentives under Section 13H of the Income Tax Act (Chapter 134) as a venture company for a period of ten years commencing from 4 November 2015, subject to the Company satisfying certain terms and conditions. Under the terms of the tax incentives granted, qualifying income derived from approved investments is exempted from income tax in the Republic of Singapore.

14 Financial risk management

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Fund Manager continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board of Directors oversees how the Fund Manager monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Exposure to credit, interest rate and liquidity risks arises in the normal course of the Company's business. The Company follows the written risk management policies and guidelines of the Fund Manager.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Cash and cash equivalents are placed with a financial institution which is regulated. At balance sheet date, these represent the only significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

As at 31 December, the following financial assets were exposed to credit risk:

	2016	2015
	US\$	US\$
Cash and cash equivalents	914,859	1,426,370
Other receivables	4,570	11,925
	<hr/>	<hr/>
	919,429	1,438,295

The financial assets of the Company are neither past due nor impaired.

Liquidity risk

The Fund Manager monitors and maintains a level of cash and cash equivalents deemed adequate by the Fund Manager to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following are the expected contractual undiscounted cash flows of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying amount US\$	Contractual cash flows			
		On demand US\$	Within 1 year US\$	Between 2 to 5 years US\$	More than 5 years US\$
2016					
Redeemable preference shares	11,509,985	—	—	—	(11,509,985)
Other payables (excluding advances from investors)	39,571	—	(39,571)	—	—
	<u>11,549,556</u>	<u>—</u>	<u>(39,571)</u>	<u>—</u>	<u>(11,509,985)</u>
2015					
Redeemable preference shares	6,443,936	—	—	—	(6,443,936)
Other payables (excluding advances from investors)	80,862	—	80,862	—	—
Interest bearing loans	1,694,705	—	1,694,705	—	—
	<u>8,219,503</u>	<u>—</u>	<u>(1,775,567)</u>	<u>—</u>	<u>(6,443,936)</u>

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Company's exposure to changes in interest rates relates primarily to the Company's cash at bank balances.

In 2015, the Company had interest bearing loans payable which bore a fixed interest rate of 10% per annum, and was therefore not exposed to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

As at 31 December 2016 and 31 December 2015, a 100 bp increase or decrease in interest rates would not have a significant effect on the profit for the year.

Currency risk

The Company is not exposed to significant currency risk as the financial assets and liabilities are predominately denominated in United States Dollars.

Other market price risk

Equity price risk arises from the Company's investments fair valued through profit or loss. The Fund Manager monitors the investments within the portfolio on an individual basis and all buy and sell decisions are approved by the Investment Committee of the Fund Manager.

Offsetting financial assets

There are no offsetting positions in the statement of financial position.

Accounting classifications

The table below sets out the classification of the Company's financial assets and financial liabilities:

	Fair value through profit and loss	Loans and receivables	Other financial liabilities within the scope of FRS 39	Total carrying amount
	US\$	US\$	US\$	US\$
2016				
Investment	11,238,829	—	—	11,238,829
Other receivables	—	4,570	—	4,570
Cash and cash equivalents	—	914,859	—	914,859
	11,238,829	919,429	—	12,158,258
Redeemable preference shares	—	—	(11,509,985)	(11,509,985)
Advances from investors	—	—	(711,957)	(711,957)
Amounts due to Fund Manager	—	—	(24,136)	(24,136)
Other financial liabilities	—	—	(15,435)	(15,435)
	—	—	(12,261,513)	(12,261,513)
2015				
Investment	7,504,680	—	—	7,504,680
Other receivables	—	11,925	—	11,925
Cash and cash equivalents	—	1,426,370	—	1,426,370
	7,504,680	1,438,295	—	8,942,975
Redeemable preference shares	—	—	(6,443,936)	(6,443,936)
Interest bearing loans	—	—	(1,694,705)	(1,694,705)
Advances from investors	—	—	(1,063,228)	(1,063,228)
Amounts due to Fund Manager	—	—	(14,405)	(14,405)
Other financial liabilities	—	—	(66,457)	(66,457)
	—	—	(9,282,731)	(9,282,731)

15 Use of estimates and judgements

Key sources of estimation uncertainties

Determining fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in note 3.3. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires judgement on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Redeemable preference shares

The fair values of redeemable preference shares are based on the discounted cash flow model. The discount rate applied to estimated future cash flows are based on what the Company assesses the interest rate it would have offered, as proxy of a willing buyer, for the remaining term and given the current inherent credit risk of the amounts repayable.

Other financial assets and financial liabilities

The carrying amounts of other financial assets and financial liabilities (including other receivables and payables) are assumed to approximate their fair values because of the short period to maturity.

Critical accounting judgements in applying the Company's accounting policies

Fair value hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted market price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All investments made by the Company are classified as Level 3 instrument as their fair value are determined using valuation techniques. When selecting the appropriate technique, each investment is considered individually. Techniques is applied consistently from reporting period to reporting period, except where a change result in better estimate of fair value. The basis for any changes in valuation methodologies is clearly understood and documented. It is expected that there would not be frequent changes in valuation methodologies over the course of the life of an investment.

Valuation techniques include: market approach using market transaction and income approach using discounted cash flow (DCF) method.

The Company has estimated the fair value of the investment in portfolio companies at 31 December 2016 to be US\$11,238,829 (2015: US\$7,504,680) by applying the combination of market comparison and income approach technique. The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee and latest subscription prices for these investments.

The estimate is adjusted for the effect of the non-marketability of the equity securities. The valuation model considers the present value of net cash flows to be generated from the investments, taking into account expected revenue growth rate. The expected net cash flows are discounted using risk-adjusted discount rates.

As management is of the view that these companies are in the initial stage of development, the ultimate fair value of these investments are subject to developments in the economic activities of these companies in subsequent years. The fair value of these investments in the financial statements do not reflect future developments which are uncertain.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurements is categorised:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
2016				
Investment in portfolio companies	—	—	11,238,829	11,238,829
2015				
Investment in portfolio companies	—	—	7,504,680	7,504,680

Financial liabilities not carried at fair value but for which fair values are disclosed

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
2016				
Redeemable preference shares	—	—	7,724,770	7,724,770
2015				
Redeemable preference shares	—	—	4,079,311	4,079,311

The table above excludes financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

For redeemable preference shares, the basis of arriving at fair value is by discounting cash flows using the relevant market interest rates.

Measurement of fair values

(i) Valuation technique and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Investments in portfolio companies

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Combination of market comparison and income approach technique: The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee. The estimate is adjusted for the effect of the non-marketability of the equity securities. The valuation model considers the present value of net cash flows to be generated from the investments, taking into account expected revenue growth rate. The expected net cash flows are discounted using risk-adjusted discount rates.	Forecast annual revenue growth rate (124%) Forecast EBITA margin (62%) Adjusted market multiple (4X) Discount for lack of marketability (35%)	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none">• The annual revenue growth rate was higher (lower);• The EBITA margin was higher (lower);• The adjusted market multiple was higher (lower).• The Discount for lack of marketability was lower (higher)

(ii) There were no transfers between levels in 2016 and 2015.

(iii) Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	2016 US\$	2015 US\$
At 1 January/28 April 2015	7,504,680	–
Unrealised gains on financial instruments classified as fair value through profit or loss	<u>963,224</u>	–
	<u>8,467,904</u>	–
Purchases	<u>2,770,925</u>	7,504,680
At 31 December	<u>11,238,829</u>	<u>7,504,680</u>

Sensitivity analysis

As certain of the Company's investments are in unquoted equity of companies in their initial stage of development and valuation is based on the price of the last subscription, sensitivity cannot be reliably measured.

For investment in portfolio companies (except those where a last transacted price exists within the past 12-months that provides the basis for fair value) that are valued on trading comparable basis using enterprise value to earnings before interest, tax, depreciation and amortisation ("EBITDA"), EBITDA is increased by 5% and decreased by 5% in the favourable and unfavourable scenarios.

The discount rate is related to the current yield on long-term government bonds plus a risk premium to reflect the additional risk of investing in portfolio companies. Management determines the discount based on its judgement after considering current market rates.

The Revenue multiple represents the amount that market participants would use when pricing investments. The Revenue multiple is selected from comparable public companies with similar business as the underlying investment. Management obtain median Revenue multiple from the comparable companies and applies the multiple to the Revenue of the underlying investment. The amount is further discounted for considerations such as lack of marketability.

The discount for lack of marketability represents the discount applied to the comparable market multiples to reflect the liquidity of the investee relative to the comparable peer group. Management determines the discount for lack of marketability based on its judgement after considering market liquidity conditions and company-specific factors.

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3 assets, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on the profit or loss:

	2016		2015	
	Effect of profit or loss		Effect of profit or loss	
	Favourable	(Unfavourable)	Favourable	(Unfavourable)
S\$	S\$	S\$	S\$	S\$
Level 3 assets	150,000	(150,000)	—	—

The favourable and unfavourable effects of using reasonably possible alternative assumptions have been calculated by recalibrating the valuation model using a range of different values.

16 Capital commitment of preference shareholders

The preference shareholders have committed up to US\$25,578,000 (2015: US\$21,480,000) as capital for the Company. At 31 December 2016, the amount of uncalled capital commitments by preference shareholders was US\$14,067,900 (2015: US\$15,036,000).

17 Comparative information

The financial statements of the Company for the period from 28 April 2015 (date of incorporation) to 31 December 2015 were audited by another firm of Chartered Accountants, whose report dated 31 March 2016 expressed an unqualified opinion on those financial statements.

