INDEX TO THE FINANCIAL STATEMENTS

ESTABLISHMENT INFORMATION

Shareholder
Moldtek Packaging Limited, India

Manager
Mr Saibaba Tata

Principal activities
Plastic Bottles and containers manufacturing

License No.
8000345

Business Address
P.O Box # 328559
Ras Al Khaimah, United Arab emirates

Auditors
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To the shareholders of Mold Tek Packaging FZE

Review report on the interim financial statement of Mold Tek Packaging FZE for the period from January 12, 2016 to March 31, 2016

Introduction

We have reviewed the accompanying condensed financial statements of Mold Tek Packaging FZE (the Establishment) as at March 31, 2016, which comprise of the condensed financial position, condensed statement of comprehensive income, condensed statement of changes in equity and the condensed statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information. Our responsibility is to issue a report on these condensed financial statements based or our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2400 and in accordance with the implementing regulations concerning the formation of Free Zone Establishment in Ras Al Khaimah Free Trade Zone. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Establishment personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed audit and, accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed financial statements do not give a true and fair view, of the financial position of the Establishment as at March 31, 2016, and its financial performance and its cash flows for the four months period then ended in accordance with International Financial Reporting Standard 34 : "Interim Financial Reporting".

Other Matter

The Establishment's financial statements as at March 31, 2016 were prepared for the purpose of the consolidation into the holding company accounts and should not be used for any other purpose.

TRC PAMCO Middle East Auditing and Accounting
Reg No.423
Dubai
10 May 2016

Mold Tek Packaging FZE

Condensed statement of comprehensive income for the 80 days period ended 31 March 2016

	March 31, 2016 AED
REVENUE	
Revenue from services	-
Less : Cost of services rendered	-
Gross profit	-
Administrative and general expenses	-
Operational income for the period	-
Other comprehensive income	-
Net comprehensive income for the period	-

Annexed notes form an integral part of these financial statements.
These financial statements were authorized for issue on May 10, 2016 by

Mr Saibaba Tata
Manager

Condensed statement of financial position as on March 31, 2016

	Notes	March 31, 2016 AED
ASSETS		
Non-current assets		
Capital work in progress	4	**4,508,058**
Preoperative expenses	5	**251,927**
		4,759,985
Current assets		
Cash and bank balances	6	**119,731**
		119,731
Total Assets		**4,879,716**
EQUITY AND LIABILITIES		
Equity		
Share capital		**200,000**
Retained earnings		**-**
		200,000
Current liabilities		
Due to related parties	7	**4,679,716**
		4,679,716
Total Equity and Liabilities		**4,879,716**

Annexed notes form an integral part of these financial statements.
These financial statements were authorized for issue on May 10, 2016 by

Mr Saibaba Tata
Manager

Mold Tek Packaging FZE

Condensed cash flow statement for the 80 days period ended March 31, 2016

		March 31, 2016 AED
I	**Operating Activities**	
	Net profit/(loss) for the period	-
	Cash (used in)/generated from operating activities	-
II	**Investing Activities**	
	Advances paid for the purchase of capital equipment	**(3,939,757)**
	Lease rental paid for the warehouse and the land	**(568,301)**
	Preoperative expenses	**(251,927)**
	Cash generated/(used in) from investing activities	**(4,759,985)**
III	**Financing Activities**	
	Share capital	**200,000**
	Proceeds from unsecured loan	**4,679,716**
		4,879,716
	Net increase/(decrease) in cash and cash equivalents	**119,731**
	Cash and cash equivalents at the beginning of the period	-
	Cash and cash equivalents at the end of the year	**119,731**

These financial statements were authorized for issue on May 10, 2016 by

Mr Saibaba Tata
Manager

Condensed statement of changes in equity for the 80 days period ended March 31, 2016

	Share Capital	Retained earnings	Total
	AED	AED	AED
Share capital brought in	200,000	-	200,000
At March 31, 2016	**200,000**	**-**	**200,000**

These financial statements were authorized for issue on May 10, 2016 by

Mr Saibaba Tata
Manager

Significant accounting polices to the condensed financial statements for the 80 days period ended March 31, 2016

1 LEGAL STATUS

1.1 Mold Tek Packaging FZE

Mold Tek Packaging FZE was incorporated as a Free Zone Establishment with Limited Liability bearing Registration No. RAKFTZA-FZE-4016196. The Establishment was formed on January 12, 2016 in accordance with the implementing regulations regarding the formation of a Free Zone Establishment.

share capital of the Establishment is AED 200,000 (United Arab Dirhams Two Hundred Thousand Only) divided into two hundred shares of AED 1,000 each and all the shares are held by Mold-Tek Packaging Limited, India

The principal activity of the Establishment is Plastic Bottles and containers manufacturing

2 FUNDAMENTAL ACCOUNTING CONCEPT

The Establishment has not started operations during the period and it has paid capital advances for the purchase of capital equipment. The Establishment is planning to start the commercial operations in the coming year. The shareholder has agreed to support the Establishment till the period it generates the revenue. Notwithstanding this fact, the financial statements have been prepared on a going concern basis.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

Statement of compliance with IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) promulgated by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC).

3.2 Accounting convention

These financial statements have been prepared under the historical cost convention. The accounting policies have been consistently applied by the Establishment and are consistent during the period. The financial statements have been presented in United Arab Emirates Dirham (AED). The Establishment’s functional currency is AED.

3.3 Use of estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

3.4 Property and equipment

Property and equipment is stated at cost less accumulated depreciation and impairment losses, if any.

Significant accounting polices to the condensed financial statements for the 80 days period ended March 31, 2016

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognized in the statement of comprehensive income as the expense is incurred.

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognized.

The asset’s residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

3.5 Impairment of non-financial assets

The Establishment assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Establishment estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Establishment's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of the money and the risks specific to the asset.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded entities or other available fair value indicators.

The Establishment bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Establishment’s cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to projected future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

Significant accounting polices to the condensed financial statements for the 80 days period ended March 31, 2016

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Establishment estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.6 Impairment and uncollectibility of financial assets

The Establishment assesses at each reporting date whether there is any objective evidence that a financial asset or a Establishment of financial assets is impaired. A financial asset or a Establishment of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Establishment of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a Establishment of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If such evidence exists, any impairment loss is recognized in the statement of comprehensive income. Impairment is determined as follows:

a) For assets carried at fair value, impairment is the difference between cost and fair value, less any impairment loss previously recognized in the statement of comprehensive income;

b) For assets carried at cost, impairment is the difference between the carrying value and the present value of future cash flows discounted at the current market rate of return for a similar financial asset;

c) For assets carried at amortized cost, impairment is the difference between the carrying amount and the present value of future cash flows discounted at the original effective interest rate.

3.7 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months or less.

3.8 Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Significant accounting polices to the condensed financial statements for the 80 days period ended March 31, 2016

3.9 Provisions

Provisions are recognized when the Establishment has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Establishment expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.10 Employees' end of service benefits

The Establishment provides end of service benefits to its expatriate employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

3.11 Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

3.12 Foreign currencies

Transactions in foreign currencies are initially recorded by the Establishment at the currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss is also recognized in other comprehensive income or profit or loss, respectively).

3.13 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Notes to the condensed financial statements for the 80 days period ended March 31, 2016

	March 31, 2016 AED
4. CAPITAL WORK IN PROGRESS	
Advances paid for the purchase of capital equipment	3,939,757
Lease rental paid for the warehouse and the land	568,301
	4,508,058
(Advances paid are in the nature of capital)	
5. PREOPERATIVE EXPENSES	
Preoperative expenses	**251,927**
(Expenses incurred for the incorporation and pending for capitalization)	
6. CASH AND CASH EQUIVALENTS	
Bank balances	**119,731**
7. DUE TO RELATED PARTIES	
Loan from Moldtek Packaging Limited, India	***4,679,716***

The amount due to the related party is interest-free, unsecured and does not have a fixed repayment schedule.

Notes to the condensed financial statements for the 80 days period ended March 31, 2016

8. RISK MANAGEMENT

The Establishment's principal financial liabilities comprise of due to related parties. The Establishment financial assets are cash and bank balances.

The main risks arising from the Establishment's financial instruments are interest rate risk, credit risk, liquidity risk and currency risk. The Establishment's management reviews and agrees policies for managing each of these risks which are summarized below.

a. Interest rate risk

The Establishment is not exposed to any significant interest rate risk.

b. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Establishment limits its credit risk with regards to bank deposits by only dealing with reputable banks.

c. Liquidity risk

The Establishment limits its liquidity risk by retaining sufficient funds generated from operations and related party funding.

The table below summarizes the maturity profile of the Establishment's financial liabilities based on contractual undiscounted payments.

	Less than One Year AED	*1 to 5 years AED*	*>5 years AED*	*Total AED*
At 31 March 2016				
Due to related parties	4,679,716	-	-	4,679,716
Total	**4,679,716**	**-**	**-**	**4,679,716**

d. Currency risk

The Establishment is not exposed to any significant currency risk.

9. Capital management

The primary objective of the Establishment's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximize shareholder

The shareholder has undertaken to provide such financial support as may be required by the Establishment to continue its operations.

Notes to the condensed financial statements for the 80 days period ended March 31, 2016

10. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash and bank balances and capital advances. Financial liabilities consist of due to related parties. The fair values of financial instruments are not materially different from their carrying values.

11. These are the first financial statements of the Establishment and hence previous period figures will not be applicable

For Mold Tek Packaging FZE

Mr Saibaba Tata
Manager
10 May 2016