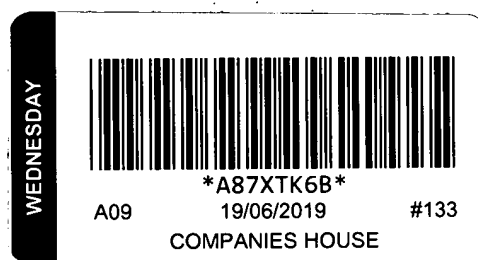


FULLERTON FM EUROPE LIMITED

(Incorporated in United Kingdom. Registration Number: 8943826)

ANNUAL REPORT

For the financial year ended 31 December 2018



FULLERTON FM EUROPE LIMITED

(Incorporated in United Kingdom. Registration Number: 8943826)

ANNUAL REPORT

For the financial year ended 31 December 2018

Contents

	Page
Strategic Report	1
Directors' Report	2
Statement of Directors' Responsibilities	5
Independent Auditors' Report	6
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12

FULLERTON FM EUROPE LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2018

The director present their strategic report on the Company for the year ended 31 December 2018.

Review of the business

The principal activity of the Company is the provision of marketing support to the related company, Fullerton Fund Management Company Ltd. The business conducted is principally provision of marketing support in United Kingdom and other European Economic Area (EEA) states.

Results and performance

The Company's loss for the year ended 31 December 2018 is GBP629,020 (2017 Loss: GBP370,231). The Company's net assets are GBP105,204 (2017: GBP269,224).

The Asset Management industry in UK and the rest of Europe has been highly competitive. Besides the growing shift towards passive and ESG investment, asset managers are faced with challenges brought about by Brexit, as well as increasingly onerous regulations like the MIFID.

The Company will continue to concentrate its efforts on deepening its sales pipeline in Europe while maintaining a high level of customer service for its existing clients. The Sales Team will be focusing on clients in the institutional segment. We are seeing increased potential demand in our product range including Equities, Fixed Income and Hedge-fund-of-funds.

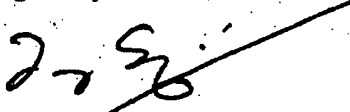
Key performance indicators ('KPIs')

Revenue, which is considered to be the primary KPI, has increased to GBP29,956 in the year versus GBP28,269 in 2017.

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval or committees overseen by the Board. As the Company's main activity is provision of marketing support to its related company, the Company is not exposed to significant price, credit, liquidity or cash flow risk.

Signed by the Board of Director



Jenny Sofian
Director

24 April 2019

FULLERTON FM EUROPE LIMITED

DIRECTORS' REPORT

For the financial year ended 31 December 2018

The director presents the report to the member of the Company together with the audited financial statements for the financial year ended 31 December 2018.

Directors

The directors who were in office during the year and up to the date of this report are as follows:

Jenny Sofian

Gerrit Van Gorp

(resigned on 30 November 2018)

Principal activity

The principal activity of the Company is the provision of marketing support to related company, Fullerton Fund Management Company Ltd.

Results of the business for the year and future outlook

The Company's loss for the year ended 31 December 2018 is GBP629,020 (2017 loss: GBP370,231).

The director does not anticipate any change in nature of the principal activity going forward.

The director does not recommend the payment of a dividend for the year under review.

The United Kingdom referendum has been held and Article 50 has been triggered, commencing the process of UK leaving the European Union. The director is currently assessing the impact and risk to the business.

Key performance indicators

Revenue, which is considered to be the primary KPI, is considered within the Strategic Report on page 1.

FULLERTON FM EUROPE LIMITED

DIRECTORS' REPORT

For the financial year ended 31 December 2018

Financial risk management

The Company is not exposed to significant price, credit, liquidity or cash flow risk.

Post balance sheet events

On 30 January 2019, the Company issued 200,000 shares for GBP200,000.

Arrangements to enable director to acquire shares and debentures

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

Directors' contractual benefits

Since the beginning of the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that certain directors receive remuneration as a result of their employment with related corporations.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

FULLERTON FM EUROPE LIMITED

DIRECTORS' REPORT

For the financial year ended 31 December 2018

Going concern

Having reviewed the balance sheet and current activities of the Company, the director believes that it is appropriate to continue to adopt the going concern basis of preparation of the Company's financial statements.

The Company has the continued support of its parent.

Disclosure of Information to auditors

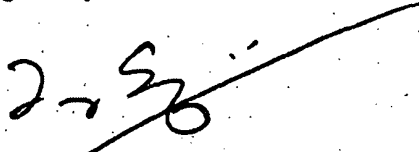
Each of the persons who are director at the time when the Directors' Report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- The director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditor

The financial statements for the year ended 31 December 2018 have been audited by PricewaterhouseCoopers LLP. In February 2019, the Group announced its intention to appoint KPMG LLP as independent auditors of the FFMC Holdings Group Companies with effect from the 2019 financial year onwards. A resolution to appoint KPMG LLP as independent auditors of the Company will be proposed in due course.

Signed by the Board of Director



Jenny Sofian
Director

24 April 2019

FULLERTON FM EUROPE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the financial year ended 31 December 2018

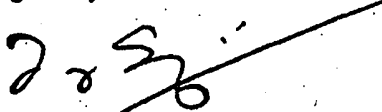
The director is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The director is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by the Board of Director



Jenny Sofian
Director

24 April 2019

Independent auditors' report to the member of Fullerton FM Europe Limited

Report on the financial statements

Opinion

In our opinion, Fullerton FM Europe Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2018; the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Independent auditors' report to the member of Fullerton FM Europe Limited (continued)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.


Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Craig Sullivan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 April 2019

FULLERTON FM EUROPE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2018

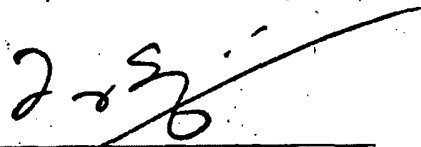
	Note	2018 GBP	2017 GBP
Revenue	4	29,956	28,269
Administrative expenses	5	<u>(658,976)</u>	<u>(398,500)</u>
Loss before tax		(629,020)	(370,231)
Tax	6	<u>-</u>	<u>-</u>
Loss for the year from continuing operations		<u>(629,020)</u>	<u>(370,231)</u>
Total comprehensive loss for the year		<u>(629,020)</u>	<u>(370,231)</u>

The accompanying notes on pages 12 to 25 form an integral part of these financial statements.

FULLERTON FM EUROPE LIMITED**BALANCE SHEET***As at 31 December 2018*

	Note	2018 GBP	2017 GBP
ASSETS			
Current assets			
Cash and cash equivalents	7	130,667	329,155
Trade and other receivables	8	98,977	11,584
		<u>229,644</u>	<u>340,739</u>
Non-current assets			
Equipment	9	1,036	-
		<u>230,680</u>	<u>340,739</u>
Total assets			
LIABILITIES			
Current liabilities			
Trade and other payables	10	125,476	71,515
		<u>125,476</u>	<u>71,515</u>
Total liabilities			
NET ASSETS			
		<u>105,204</u>	<u>269,224</u>
EQUITY			
Share capital	11	1,945,100	1,480,100
Accumulated losses		(1,839,896)	(1,210,876)
		<u>105,204</u>	<u>269,224</u>
TOTAL EQUITY			

The financial statements on pages 8 to 25 were approved by the Board of Directors on 24 April 2019 and were signed on its behalf by:



Jenny Sofian
Director

The accompanying notes on pages 12 to 25 form an integral part of these financial statements.

FULLERTON FM EUROPE LIMITED

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2018

	Note	Share capital GBP	Accumulated losses GBP	Total equity GBP
Balance at 1 January 2018		1,480,100	(1,210,876)	269,224
Issue of ordinary shares	11	465,000	-	465,000
Total comprehensive loss for the year		-	(629,020)	(629,020)
Balance at 31 December 2018		1,945,100	(1,839,896)	105,204
Balance at 1 January 2017		1,050,100	(840,645)	209,455
Issue of ordinary shares		430,000	-	430,000
Total comprehensive loss for the year		-	(370,231)	(370,231)
Balance at 31 December 2017		1,480,100	(1,210,876)	269,224

The accompanying notes on pages 12 to 25 form an integral part of these financial statements.

FULLERTON FM EUROPE LIMITED

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2018

	Note	2018 GBP	2017 GBP
Cash flow from operating activities			
Loss before tax for the year		(629,020)	(370,231)
Adjustments for:			
- Depreciation of equipment		621	-
Change in working capital:			
- Trade and other receivables		(87,393)	3,797
- Trade and other payables		20,044	32,809
- Amount due to fellow subsidiary		33,917	11,257
Net cash used in operating activities		(661,831)	(322,368)
Cash flow from investing activities			
Additions to equipment and fittings		(1,657)	-
Net cash used in investing activities		(1,657)	-
Cash flow from financing activities			
Proceeds from issuance of shares		465,000	430,000
Net cash provided by financing activities		465,000	430,000
Net change in cash and cash equivalents		(198,488)	107,632
Cash and cash equivalents at beginning of the financial year		329,155	221,523
Cash and cash equivalents at end of the financial year	7	130,667	329,155

The accompanying notes on pages 12 to 25 form an integral part of these financial statements.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

1. General information

Fullerton FM Europe Limited ("the Company") is incorporated and domiciled in United Kingdom. The address of its registered office is Hays Galleria, 1 Hays Lane, London, SE1 2RD. It is a private company limited by shares.

The principal activity of the Company is the provision of marketing support to the related company, Fullerton Fund Management Company Ltd.

The principal accounting policies applied in the preparation of these financial statements are set out below and have been applied consistently. The financial statements have been prepared on a going concern basis.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of these financial statements in conformity with IFRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

(i) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2018:

- IFRS 9, 'Financial Instruments'; and
- IFRS 15, 'Revenue from Contracts with Customers';

The adoption of IFRS 9 and 15 did not result in substantial changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

(ii) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the Company. None of these are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

2. Significant accounting policies (continued)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Company's activities. Revenue from provision of marketing support is recognised during the financial year in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of total services to be performed.

2.3 Equipment and fittings

(i) Measurement

Equipment and fittings are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment and fittings initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(ii) Depreciation

Depreciation on equipment and fittings is calculated using the straight line method to allocate their depreciable amounts over their estimated useful lives whereby useful lives are the period over which the equipment and fittings are available for use. The estimated useful lives are as follows:

Useful lives

Computers and related software	2 years
--------------------------------	---------

The residual values and useful lives of equipment and fittings are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss for the financial year in which the changes arise

(iii) Subsequent expenditure

Subsequent expenditure relating to equipment and fittings that have already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense in profit or loss during the financial year in which it is incurred.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

2. Significant accounting policies (continued)

2.3 Equipment and fittings policies (continued)

(iv) Disposal

On disposal of an item of equipment and fittings, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

2.4 Impairment of non-financial assets

Assets including equipment and fittings are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognised in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.5 Financial assets

(i) Classification

From 1 January 2018, the Company classifies its financial assets in the following measurement category:

- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

2.5 Financial assets (continued)

(ii) Recognition and derecognition

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

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company only has debt instruments which are held for collection of cash flows where those cash flow represent solely payments of principal and interest. These are subsequently measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit or loss.

(iv) Impairment

From 1 January 2018, the Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(v) Accounting policies applied until 31 December 2017

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

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

2.5 Financial assets (continued)

(v) Accounting policies applied until 31 December 2017 (continued)

Classification

Until 31 December 2017, the classification of financial assets depended on the purpose for which the investments were acquired. Management determined the classification of its investments at initial recognition. The Company only had financial assets which were classified as loans and receivables.

Subsequent measurement

The measurement at initial recognition did not change on adoption of IFRS 9, see description above.

Subsequent to the initial recognition, loans and receivables were carried at amortised cost using the effective interest method.

Impairment

The Company assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated.

The amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss.

The amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss was recognised in profit or loss.

2.6 Operating expenses

Operating expenses are accrued and recognised as incurred.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

2. Significant accounting policies (continued)

2.7 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.8 Income taxes

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of the transaction.

Current and deferred income tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

2.9 Employee compensation

(a) Defined contribution plans

The Company's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due.

2.10 Operating lease payments

Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

2.11 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes deposits with financial institutions which are subject to an insignificant risk of changes in value. Bank overdrafts are presented as current borrowings on the balance sheet.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

2. Significant accounting policies (continued)

2.12 Currency translation

The financial statements are presented in British Pound Sterling ("GBP"), which is the functional currency of the Company.

Transactions in a currency other than GBP ("foreign currency") are translated into GBP using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in the income statement. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on these items are included in the fair value reserve.

2.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no areas where estimates and assumptions are significant to the financial statements.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

4. Revenue

	2018 GBP	2017 GBP
Client servicing and marketing fee	29,956	28,269
	29,956	28,269

The Company derives its revenue from provision of marketing support in United Kingdom and other European Economic Area (EEA) states.

5. Administrative expenses

	2018 GBP	2017 GBP
Wages and salaries	218,154	121,043
Social security costs	22,668	22,400
Other pension costs - defined contribution plans	99,573	87,886
Audit fee	19,200	14,400
CASS audit fee	3,900	3,900
Travelling costs	70,117	53,592
Legal and professional fees	63,837	31,327
Operating lease expenditure	38,789	37,312
Support fee to fellow subsidiary	47,353	-
Depreciation of equipment	621	-
Other expenses	74,764	26,640
	658,976	398,500

There were up to two employees (2017: one) during the year.

Administrative expenses include GBP 7,883 (2017: GBP7,500) for other secretarial services.

6. Tax

Income tax expense

The tax on loss before tax differs (2017 differs) from the theoretical amount that would arise using the United Kingdom standard rate of income tax as follows:

	2018 GBP	2017 GBP
Loss before tax	(629,020)	(370,231)
Tax calculated at tax rate of 19% (2017: 19.25%)	(119,514)	(71,269)
Tax losses for which no deferred income tax asset was recognised	119,514	71,269
Tax charge	-	-

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

6. Tax (continued)

Income tax expense (continued)

There is no income tax payable for the financial year (2017: nil). In the prior year, given the Company had profits of less than £300,000, the small profits rate of 20% was applicable. However, from 1 April 2017, the UK government has set a single corporation tax rate of 20%. The future reductions in the UK corporation tax rate from 20% to 19% from 1 April 2018 and to 18% from 1 April 2020 were substantively enacted in 2018. In addition, on 16 March 2017 the Government announced its intention to further reduce the corporation tax rate to 17% from 1 April 2020. These tax rate changes will affect the Company's current tax charge or credit in future years. The Company has accumulated tax losses of GBP1,839,896 (2017: GBP1,210,876) at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses have no expiry date.

7. Cash and cash equivalents

	2018 GBP	2017 GBP
Cash at bank	130,667	329,155

8. Trade and other receivables

	2018 GBP	2017 GBP
Prepayment	94,190	8,285
Other debtors	1,370	-
VAT receivable	3,417	3,299
	98,977	11,584

9. Equipment

	Computers and related software GBP
2018	
<u>Cost</u>	
Beginning of financial year	-
Additions	1,657
End of financial year	1,657

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

9. Equipment (continued)

	Computers and related software GBP
2018	
<u>Accumulated depreciation</u>	
Beginning of financial year	-
Depreciation charge	<u>621</u>
End of financial year	<u>621</u>
Net book amount	<u>1,036</u>

10. Trade and other payables

	2018 GBP	2017 GBP
Amount due to a fellow subsidiary	38,665	4,748
Accruals for operating expenses	<u>86,811</u>	<u>66,767</u>
	<u>125,476</u>	<u>71,515</u>

Amount due to a fellow subsidiary is unsecured, interest-free and repayable on demand.

11. Share capital

The Company's share capital comprises 1,945,100 (2017: 1,480,100) ordinary shares with a par value of GBP1 (2017: GBP1 per share), amounting to a total of GBP1,945,100 (2017: GBP1,480,100). The Company issued 465,000 shares on 24 July 2018 for GBP465,000. All shares rank pari passu in all respects.

12. Financial risk management

Financial risk factors

The Company's activities may expose it to market risk (including currency risk) and liquidity risk.

Management is responsible for setting the objectives and underlying principles of financial risk management for the Company.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

12. Financial risk management (continued)

(a) Market risk

Currency risk

The Company is not exposed to significant foreign currency risks as it does not have any monetary assets and liabilities denominated in foreign currencies.

(b) Credit risk

The Company's exposure to credit risk arises from its cash placed with a financial institution. Cash is held with a regulated financial institution with a high credit-rating as determined by international credit-rating agencies.

At the end of the reporting year, all cash deposits are held with HSBC Bank Plc, a financial institution with credit-rating of AA- (2017: AA-) by S&P.

There are no financial assets that are past due or impaired, or would otherwise be past due or impaired.

(c) Liquidity risk

The Company manages liquidity risk through funding from its related company.

	Less than 1 year GBP	Between 1 and 2 years GBP	Between 2 and 5 years GBP
At 31 December 2018			
Trade and other payables	125,476	-	-
At 31 December 2017			
Trade and other payables	71,515	-	-

(d) Fair value measurements

The below analyses financial assets and liabilities carried at fair value, by valuation method. The different levels are defined as follows:

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

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

12. Financial risk management (continued)

(d) Fair value measurements (continued)

Except for cash and cash equivalents which are classified as Level 1, the Company's assets and liabilities not measured at fair value at 31 December 2018 and 2017 have been classified as Level 2.

The carrying amounts of the Company's asset and liabilities approximate their fair values as at the end of the reporting year. The total financial assets are classified as loans and receivables and the total financial liabilities are classified as financial liabilities measured at amortised cost.

13. Immediate and ultimate holding corporation

The Company's immediate holding company is FFMC Holdings Pte. Ltd., which is 51% owned by Fullerton (Private) Limited and 49% owned by NTUC Income Holdings Pte Ltd, both of which are incorporated in Singapore. The ultimate holding company of Fullerton (Private) Limited is Temasek Holdings (Private) Limited, also incorporated in Singapore.

The results of the Company are included in the consolidated financial statements of FFMC Holdings Pte. Ltd., copies are available from the Accounting and Corporate Regulatory Authority, 10 Anson Road, International Plaza, Singapore 079903.

14. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Revenue and payment on behalf

	2018 GBP	2017 GBP
Advisory fee income receivable from a related company	29,956	28,269
Payments made on behalf by a related company	95,863	95,494
Payments made on behalf and reimbursed by a related company	89,424	-
Amount due to a related company	38,665	4,748

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

14. Related party transactions (continued)

(b) Director's remuneration

Director's remuneration is as follows:

	2018 GBP	2017 GBP
Salaries and other short-term employee benefits	<u>167,677</u>	<u>207,560</u>

(c) Highest paid director

The highest paid director's emoluments were as follows:

	2018 GBP	2017 GBP
Salaries and other short-term employee benefits	<u>167,677</u>	<u>207,560</u>

15. Commitments

The Company had the following future minimum lease payments under non-cancellable operating lease contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	2018 GBP	2017 GBP
Not later than one year	<u>38,000</u>	<u>12,460</u>

16. New or revised accounting standards and Interpretations

Certain new accounting standards, amendments, and interpretations to existing standards have been published and are mandatory for accounting periods beginning on or after 1 January 2019.

IFRS 16 Leases (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

FULLERTON FM EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

16. New or revised accounting standards and interpretations (continued)

As at the reporting date, the Company has a non-cancellable operating lease commitments of GBP38,000, see Note 15. The commitments are short-term lease which will be recognised on a straight-line basis as expense in profit or loss.

The new standard also introduces expanded disclosure requirements and changes in presentation.

17. Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern as well as to ensure that the Company is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity when necessary.

The capital structure of the Company consists of the equity of the Company as disclosed in Note 11. The Company is subject to external imposed capital requirements due to its authorisation by the Financial Conduct Authority ("FCA") and is in compliance with all regulatory capital requirements for the financial year ended 31 December 2018.

18. Subsequent event

On 30 January 2019, the Company issued 200,000 shares for GBP200,000.

19. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Company's directors on 24 April 2019.