EARLY EQUITY PLC

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

Company Registered Number: 05531552

EARLY EQUITY PLC

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

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EARLY EQUITY PLC

COMPANY INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2017

Directors	Chua Siew Lian Lian Hing Tee Gregory Collier (Non-executive director)
Secretary	Jonathan Bradley Hoare
Registered office	30 Percy Street London W1T 2DB United Kingdom
Registered Number	05531552 (England and Wales)
Auditors	haysmacintyre 26 Red Lion Square London WC1R 4AG
NEX Corporate Adviser	Alexander David Securities Limited 49 Queen Victoria Street London EC4N 4SA
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey, GU9 7DR United Kingdom

EARLY EQUITY PLC

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

BUSINESS REVIEW

I am pleased to present the financial results for Early Equity Plc for the year ended 31 August 2017 The total comprehensive loss for the year was £138,987 (2016 - £110,423). The loss per share was 0.02p (2016 – 0.02p). The loss before tax of £138,987 (2016 - £110,423) largely reflects the costs of maintaining a public listing, administration costs and the impairment of two investments.

On 14 August 2017, the Company acquired 60,000 shares in EI Holdings, which represents 4% of its issued share capital. The investment was financed by the issue of 15,000,000 new shares of Early Equity Plc. EI Holdings is a direct sales company holding a license to operate a multi-level marketing business in Malaysia. This acquisition was financed by an equity subscription to raise £90,000 (gross of expenses) through the issue of 15,000,000 new ordinary shares of 0.1pence each at a placing price of 0.6 pence per new ordinary share. Of the funds raised, £60,000 was utilised in the investment of EI Holdings and the remaining £30,000 for working capital needs.

At the year end, the value of our investment portfolio in unquoted securities (UK and Malaysia) stood at £600,320 (2016 - £540,320). The investment in Alpha Prospects was reclassified to unquoted.

At the end of the year our investment portfolio stood at £642,411 (2016: £594,436).

FUTURE DEVELOPMENTS

The Group is working towards a closer relationship with Yicom Global Sdn Bhd and has invested further within this Group in the current year. The aim is to develop a strong working relationship which will be mutually beneficial to both Early Equity Plc and Yicom Global Sdn Bhd.

POST-BALANCE SHEET EVENTS

On 8 November 2017, 128,333,334 new ordinary shares of 0.1p were issued at a price of 0.6p per share. This generated total cash consideration of £590,000 and a receipt of 60,000 shares in Yicom Global Sdn Bhd for 30,000,000 of the issued shares. Early Equity Plc now has a total interest in Yicom Global Sdn Bhd of 188,571 shares, representing 47.14% of its issued share capital.

The Company continues to seek further acquisitions that meet its investment criteria and intend to raise additional funds in the future when suitable investment opportunities present.

The Company's investment strategy is to invest in early stage, small to medium high-growth enterprises around the world. The Directors will continue to evaluate suitable investments opportunities.

On behalf of the Board, I would like to take this opportunity to thank shareholders and professional advisers for their continued support of the Company.

Greg Collier – Non-Executive Director
6th December 2017

RESULTS

The Group's results for the year ended 31 August 2017 are set out in the Consolidated Statement of Comprehensive Income on page 10.

A review of the Group's activities and its future developments are set out in the Chairman's Statement on page 2.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

Information on the Group's activities is contained in the Chairman's Statement on page 2.

KEY PERFORMANCE INDICATORS

The directors are of the opinion that the relevant KPIs for an assessment and measurement of the Group's performance and financial position are investment valuation, earnings per share, net asset value growth and cash generation, the information for which is available in the accompanying financial statements.

RISK MANAGEMENT

Capital risk management
The Group manages its capital to ensure that it will be able to continue as a going concern while maximising returns to shareholders. It is the current strategy of the Group to finance its activities from existing equity and reserves and by the issue of new debt and equity whenever required.

Financial risk management
The principal activities of the Group are of an equity investor and investment in securities for the long term. Accordingly, the Group is exposed to the following financial risks:-

(a) Market risk
Price risk: The price paid for securities is subject to market movement that will have impact on the operations of the Group.
Fair value and cash flow interest rate risk: The Group does not have significant cash balances which expose itself to movements in market interest rates.

(b) Credit risk
Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

(c) Liquidity risk
The Group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense.

(d) Foreign exchange risk
The Group does not have significant direct exposure to foreign exchange risk but indirectly through its investments.

Given the existing relatively small size and operation of the Group and the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board, but will closely monitor the risks on a regular basis.

On behalf of the Board

Greg Collier
Director
Date: 6th December 2017

The directors submit herewith their Report and audited Financial Statements of the Group and the Company for the year ended 31 August 2017.

PRINCIPAL ACTIVITY AND INCORPORATION

Early Equity Plc (the "Company") is incorporated in England and Wales and is quoted on NEX. The principal activities of the Company are to take equity stakes in early stage businesses, to help to finance small entrepreneurially managed companies including bringing them to list on either alternative markets, and also to provide strategic consultancy services to these companies, often by taking non-executive director positions.

DIVIDENDS

The directors do not recommend payment of a dividend (year ended 31 August 2016: £Nil).

DIRECTORS

The directors of the Company during the year and up to the date of this report were as follows:-

Gregory Collier
Chua Siew Lian
Lian Hing Tee

Directors' interests in the shares of the Company are detailed in note 16.

COMPANY SECRETARY

The secretary of the Company during the year and up to the date of this report was as follows:-

Jonathan Bradley Hoare

POLICY ON PAYMENT OF CREDITORS

It is the Group's policy to settle terms of payment with suppliers when agreeing terms of each transaction, and to ensure that those suppliers are made aware of these terms and to comply with such terms agreed.

In respect of the above policy, it is not appropriate to disclose the average payment period in accordance with the Companies Act 2006 as trade creditors relate to the provision of services reported under administrative expenses.

GOING CONCERN

The Group has reported an operating loss for the year of £138,987, with net assets of £656,803 as at 31 August 2017. Operating losses will continue in the current accounting year to 31 August 2018 due to the continuing costs of maintaining a public quotation. It is expected that dividends will continue to be received from the Company's investment in Yicom. At year end the Group had cash balances of £22,018. The Directors are aware that this is insufficient cash to continue to trade for a further twelve months, however the Company has since issued share capital of 128,333,334 raising funds of £590,000. This is to be supplemented by the aforementioned receipt of dividends in 2018.

DIRECTORS' REMUNERATION

The directors' remuneration policy is to ensure that salaries are paid at a competitive level, which enables the Company to recruit and retain key executives. The benefit provided to executives are allowances that assist them in carrying out their duties efficiently. Notice periods are set in line with industry norm.

All directors' remuneration has been defined within the remit of a signed contract or service agreement, which is reviewed on a periodic basis. Remuneration packages are not considered in line with other members of staff.

SUBSTANTIAL SHAREHOLDINGS

On 31 August 2017, the following were beneficial shareholders of 3 per cent or more of the Company's issued share capital:

Beneficial shareholders	Ordinary shares of 0.1 pence	Percentage of issued share capital
Yicom Infinity SDN Bhd	163,250,000	25.4%
Dieh Siew Huat	43,627,139	6.74%
Chin Chin Sing	41,211,330	6.37%
Vidacos Nominees Limited	25,958,344	4.01%
Jim Nominees Limited	23,119,247	3.57%

Save as set out above, the directors are not aware of any other persons with a holding of 3 per cent or more of the Company's issued share capital.

On 6th December 2017 the beneficial shareholders of 3 per cent or more of the Company's issued share capital were as follows:

Beneficial shareholders	Ordinary shares of 0.1 pence	Percentage of issued share capital
Yicom Infinity SDN Bhd	193,250,000	24.93%
Dieh Siew Huat	48,627,139	6.27%
Chin Chin Sing	41,211,330	5.32%
Vidacos Nominees Limited	25,958,344	3.35%

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. In addition, the directors have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards.

The financial statements are required to give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The directors confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position of the Group and Company and of the profit or loss of the Group; and
- the directors' report includes a fair view of the development and performance of the business and position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board

Greg Collier
Director
Date: 6th December 2017

Opinion
We have audited the financial statements of Early Equity Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2017 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity , the Consolidated and Company Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

• give a true and fair view of the state of the group's and of the parent company's affairs as at 31 August 2017 and of the group's loss 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.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

• 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 group's or the parent 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.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

• going concern: the group and the company have continued to generate an operating loss in the year to 31 August 2017. At the reporting date the cash balance of £22,018 was insufficient to continue trading for further a twelve month period. Budgets were obtained and reviewed as part of the audit and post year end events were reviewed, which identified a further share subscription to raise working capital funds, this has been appropriately disclosed;
• investment valuation: the parent company is an investment company and therefore investments are material to the company and the group. Many of the investments are in companies which are not listed. Valuation work was performed in order to ensure that the directors had correctly valued the investments.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

EARLY EQUITY PLC

• investment treatment: in 2016 an investment of 32.14% was acquired in Yicom. The acquisition, has been accounted for in accordance with IFRS7 – Financial Instruments. It was determined that there is no significant influence or power held by Early Equity Plc, which would warrant the application of equity accounting in accordance with IAS28 – Investments in Associates and Joint Ventures.

Our application of materiality
For the purpose of this audit, a materiality level of 2% of gross assets was utilised. The Company and the Group are an investment company and therefore the investment balance is the most important and relevant number within the financial statements to this Company and Group.

Performance materiality was set at 75% of materiality and is considered to be suitable since the audit is not complex and there are no areas of the accounts which would warrant specific materiality levels. Any misstatements identified above 5% of materiality and not adjusted were reported to the Directors as unadjusted misstatements.

An overview of the scope of our audit
The scope of the audit has been tailored to the Group and Company, both entities were audited with work covering, total expenditure, total assets, liabilities and equities. The consolidation work was audited to ensure that all relevant intercompany trading and balances had been correctly excluded.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
• the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:
• adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
• the parent company financial statements are not in agreement with the accounting records and returns; or
• certain disclosures of directors' remuneration specified by law are not made; or
• we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control

as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Ian Cliffe (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors
Date:

26 Red Lion Square
London
WC1R 4AG

EARLY EQUITY PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 GBP	2016 GBP
CONTINUING OPERATIONS			
Turnover	5	-	25,723
Administrative expenses	6	(137,791)	(135,242)
Finance costs		(1,196)	(904)
LOSS BEFORE TAX	7	(138,987)	(110,423)
Income tax	9	-	-
LOSS FOR THE YEAR		£(138,987)	£(110,423)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		£(138,987)	£(110,423)
BASIC AND DILUTED LOSS PER SHARE (PENCE)	9	(0.02)	(0.02)

There was no other comprehensive income in 2017 (2016: £nil)

The notes on pages 16 to 27 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2017

	Note	2017 GBP	2016 GBP
NON-CURRENT ASSETS			
Available-for-sale financial assets	11	642,411	594,436
CURRENT ASSETS			
Trade and other receivables	12	2,338	31,518
Cash and cash equivalents	13	22,018	96,134
		24,356	127,652
CURRENT LIABILITIES			
Trade and other payables	14	(9,964)	(16,298)
NET CURRENT ASSETS		14,392	111,354
NET ASSETS		£656,803	£705,790
REPRESENTING:			
Share capital	15	824,623	809,623
Share premium	16(a)	758,590	683,590
Fair value reserve	16(a)	49,031	49,031
Accumulated losses	16(a)	(975,441)	(836,454)
SHAREHOLDERS' FUNDS		£656,803	£705,790

The financial statements were approved and authorised for issue by the Board on
and signed on their behalf by:

Greg Collier
Director

The notes on pages 16 to 27 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2017

	Note	2017 GBP	2016 GBP
NON-CURRENT ASSETS			
Subsidiaries	10	1	1
Available-for-sale financial assets	11	642,411	594,436
		642,412	594,437
CURRENT ASSETS			
Trade and other receivables	12	163,820	245,772
CURRENT LIABILITIES			
Trade and other payables	14	(9,964)	(11,450)
NET CURRENT ASSETS		153,855	234,322
NET ASSETS		£796,268	£828,759
REPRESENTING:			
Share capital	15	824,623	809,623
Share premium		758,590	683,590
Fair value reserve		49,031	49,031
Accumulated losses		(835,976)	(713,485)
SHAREHOLDERS' FUNDS		£796,268	£828,759

The financial statements were approved and authorised for issue by the Board on
and signed on their behalf by:

--
Greg Collier
Director

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss before tax of the parent Company for the year was £(122,491) (2016: £(88,549)).

The notes on pages 16 to 27 form part of these financial statements.

EARLY EQUITY PLC

CONSOLIDATED AND COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2017

The Group

	Share Capital GBP	Share Premium GBP	Fair value Reserve GBP	Accumulated Losses GBP	Total GBP
As at 1 September 2015	674,623	211,090	49,031	(726,031)	208,713
Issue of share capital	135,000	472,500	-	-	607,500
Loss for the year	-	-	-	(110,423)	(110,423)
As at 31 August 2016	809,623	683,590	49,031	(836,454)	705,790
Issue of share capital	15,000	75,000	-	-	90,000
Loss for year	-	-	-	(138,987)	(138,987)
As at 31 August 2017	£824,623	£758,590	£49,031	£(975,441)	£656,803

The Company	Share Capital GBP	Share Premium GBP	Fair value Reserve GBP	Accumulated Losses GBP	Total GBP
As at 1 September 2015	674,623	211,090	49,031	(624,936)	309,808
Share Issue	135,000	472,500	-	-	607,500
Total comprehensive loss for the year	-	-	-	(88,589)	(88,589)
As at 31 August 2016	809,623	683,590	49,031	(713,485)	828,719
Share Issue	15,000	75,000	-	-	90,000
Total comprehensive loss for the year	-	-	-	(122,491)	(122,491)
As at 31 August 2017	£824,623	£758,590	£49,031	£(835,976)	£795,268

The notes on pages 16 to 27 form part of these financial statements.

EARLY EQUITY PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	2017 GBP	2016 GBP
Cash flows from operating activities		
Loss before tax	(138,987)	(110,423)
Adjustments for:		
Provision for impairment for available-for-sale financial assets	12,025	28,201
Operating loss before changes in working capital:	(126,962)	(82,222)
Decrease/(increase) in trade and other receivables	29,180	(24,837)
(Decrease)/increase in trade and other payables	(6,334)	6,194
Net cash used in operating activities	£(104,116)	£(100,865)
Cash flows from investing activities		
Purchase of available-for-sale financial assets	(60,000)	(450,000)
Net cash used in investing activities	£(60,000)	£(450,000)
Cash flows from financing activities		
Issuance of ordinary shares	90,000	607,500
Net cash generated by financing activities	£90,000	£607,500
Net (decrease)/increase in cash and cash equivalents	(74,116)	56,635
Cash and cash equivalents at the beginning of the year	96,134	39,499
Cash and cash equivalents at the end of the year (note 13)	£22,018	£96,134

The notes on pages 16 to 27 form part of these financial statements.

EARLY EQUITY PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	2017 GBP	2016 GBP
Cash flows from operating activities		
Loss before tax	(122,491)	(88,550)
Adjustments for:		
Provision for impairment for available-for-sale financial assets	12,025	28,201
Operating loss before changes in working capital:	(110,466)	(60,349)
Decrease/(increase) in trade and other receivables	81,954	(98,496)
(Decrease)/increase in trade and other payables	(1,488)	1,345
Net cash used in operating activities	£(30,000)	£(157,500)
Cash flows from investing activities		
Purchase of available-for-sale financial assets	(60,000)	(450,000)
Net cash used in investing activities	£(60,000)	£(450,000)
Cash flows from financing activities		
Issuance of ordinary shares	90,000	607,500
Net cash generated by financing activities	£90,000	£607,500
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	£-	£ -

The notes on pages 16 to 27 form part of these financial statements.

1. GENERAL INFORMATION

Early Equity PLC is a company limited by shares, registered in the English and Wales, is a specialised advisory and investment firm. The address of its registered office and principal place of business is 30 Percy Street, London, W1T 2DB, United Kingdom.

The Company is quoted on the NEX in the UK.

The principal activities of the Group and the Company are to take equity stakes in early stage businesses, to help to finance small entrepreneurially managed companies including bringing them to list on alternative markets, and also to provide strategic Consultancy services to these companies, sometimes by taking non-executive director positions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, International Financial Reporting Interpretations Committee ("IFRIC") interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The functional and presentational currency for the financial statements is Sterling. The financial statements have been prepared under the historical cost convention, as modified by the measurement of available for sale financial assets at fair value as explained in accounting policy 2(g) set out below.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

(b) Going concern

The Group has reported an operating loss for the year of £138,987, with net assets of £656,803 as at 31 August 2017. Operating losses will continue in the current accounting year to 31 August 2018 due to the continuing costs of maintaining a public quotation. It is expected that dividends will continue to be received from the Company’s investment in Yicom. At year end the Group had cash balances of £22,018. The Directors are aware that this is insufficient cash to continue to trade for a further twelve months, however the Company has since issued share capital of 128,333,334 raising funds of £590,000. This is to be supplemented by the aforementioned receipt of dividends in 2018.

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries and subsidiary undertakings). Control is achieved where the Company has the power to govern the financial and operating policies of a portfolio company so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. The parent company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The directors are of the opinion that the Group is engaged in a single segment of business being provision of strategic consultancy services in one geographical area being the United Kingdom. Accordingly, no segmental analysis is considered necessary.

(e) Income

Strategic consultancy service fee is recognised on appropriate basis over the relevant period in which the services are rendered. Interest income is recognised using the effective interest method. Dividend income is recognised in the period to which it relates.

(f) Expenses

All expenses are accounted for on an accrual basis and are presented as revenue items except for expenses that are incidental to the disposal of available for sale financial assets which are deducted direct from the disposal proceeds.

(g) Financial assets

The Group classifies its financial assets as available for sale financial assets. The Group does not hold any held to maturity financial assets or financial assets classified as loans and receivables.

The classification is dependent on the purpose for which the financial assets are acquired and is determined by the directors on initial recognition.

Available for sale financial assets consist of equity investments in other companies where the Group does not exercise either control or significant influence. Available for sale financial assets are shown at fair value at each reporting date with changes in fair value, excluding impairments, being recognised in other comprehensive income.

Where financial assets are quoted, the fair value at each reporting date is based on the quoted bid price at that date. Where an available for sale financial asset consists of an equity investment in an unquoted entity where a reliable fair value cannot be determined, such investments are shown at cost less impairment.

(h) Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised at fair value subsequently measured at amortised cost using the effective interest method, less any appropriate allowance for estimated irrecoverable amounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and other short term highly liquid deposits with original maturities of three months or less.

(j) Trade payables

Trade payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method. As the payment period of trade payables is short, future cash payments are not discounted as the effect is not material.

(k) Borrowings

All borrowings are classified as current unless the Group has an unconditional right to defer payment of the borrowings until at least twelve months from the reporting date.

Interest-bearing borrowings are recognised initially at fair value, net of any transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective method with any difference between the proceeds (net of transaction costs) and the redemption value being recognised over the period of the borrowings.

Borrowing costs incurred which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

(l) Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax is the expected tax payable on the taxable income 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.

(m) Foreign currency transactions

Transactions in currencies other than Sterling are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into Sterling at foreign exchange rates ruling at the dates the fair value was determined.

(n) Provisions

Provisions are recognised in Statement of Financial Position where there is a present legal or constructive obligation to transfer economic benefits as a result of a past event. Provisions are discounted using a rate which reflects the effect of the time value of money and the risks specific to the obligation, where the effect of discounting is material.

Provisions are measured at the present value of expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to the passage of time is recognised as interest expense.

3. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including foreign currency risk, credit risk, liquidity risk and interest rate risk. The management regularly reviews and agrees policies for managing each of these risks which are summarised below:-

(a) Foreign currency risk
The Group has no significant exposure to foreign currency risk although some of its available-for-sale financial assets are denominated in foreign currencies.

(b) Credit risk
The Group has no significant concentrations of credit risk. Credit risk arises principally from cash balances with banks and as well as credit exposure to customers on outstanding receivables. The management regularly reviews its banking arrangements to minimise such risk and monitor credit control procedures to mitigate against risk arising from customers.

(c) Liquidity risk
The Group's objective is to maintain sufficient funding. Management monitors monthly forecasts of the expected cash flows to ensure that a sufficiently liquid position is maintained. The need for additional resources is identified and sourced in a timely manner.

(d) Interest rate risk
The Group's has no significant exposure to interest rate risk as there were no interest bearing financial assets and liabilities at the reporting date.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are evaluated and are based on these financial statements and previous experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, there are no estimates or assumptions used in these financial statements, other than impairment which is discussed below, that the directors would expect will have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Impairments
In considering the impairment loss that may be required for certain available for sale financial assets, recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price for unquoted investments as quoted market prices are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to items such as level of turnover and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as turnover and operating costs. As at the reporting date investments had been impaired by £227,020.

Impairment losses for bad and doubtful debts are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectability. A considerable level of judgement is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer. An increase or decrease in the above impairment loss would affect the operating results in the current year and in future years. At the statement of financial position date there were no impairment losses recognised within the financial statements in respect of receivables.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Accounting for investments

Upon acquisition of any shareholding greater than 25%, consideration is made by directors as to whether the asset should be accounted for as an associate or an investment. Significant control and power are defining factors in concluding on this treatment, aside from the shareholding defined by the standards.

In the prior year, Early Equity Plc acquired a 32.14% shareholding in Yicom Global Sdn. Bhd., the directors concluded that there was no significant influence nor power to be exerted over the entity by Early Equity Plc as Early Equity could not appoint a director to the board of Yicom Global Sdn. Bhd. Subsequently the asset has been accounted for as an available for sale investment. A level of judgement has been exerted by the directors in concluding whether influence is in existence, to the extent that the shareholders agreement allowed interpretation.

5. TURNOVER

Turnover represents dividends receivable on equity investments held.

6. EXPENSES BY NATURE

	The Group	
	2017	**2016**
Admin expenditure includes the following:	**GBP**	**GBP**
Directors remuneration	49,984	30,311
Professional fees	47,880	60,944
Impairment charge	12,025	28,201
Foreign exchange loss	19,058	2,877
Travel and subsistence	6,108	10,119
Stationary and consumables	908	2,790
Irrecoverable VAT	1,830	-
Bank charges	1,194	-
	£138,988	£135,242

7. LOSS BEFORE TAX

	The Group	
	2017	**2016**
Loss before tax is stated after charging the following :-	**GBP**	**GBP**
Auditor's remuneration		
- Statutory audit services	8,600	8,350
Provision for impairment of available-for-sale financial assets	12,025	28,201

8. INCOME TAX

a) Due to tax losses sustained there was no corporation tax payable by the Group for the year (2016: £Nil).

b) The tax charge for the year is different from the standard rate of corporation tax in the United Kingdom. The difference is reconciled as follows:-

	2017 GBP	2016 GBP
Loss on ordinary activities before tax	£(138,987)	£(110,423)
Loss on ordinary activities at the effective rate of corporation tax applicable to the Group of 20% (2016: 20%)	(27,797)	(22,085)
Expenses not deductible	3,299	4,375
Losses not utilised	24,488	17,710
Tax charge	£-	£ -

9. LOSS PER SHARE

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

	2017 GBP	2016 GBP
Loss attributable to shareholders	(138,987)	(110,423)
Weighted average number of ordinary shares in issue	677,060,728	643,403,194
Basic and diluted loss per share (pence)	(0.02)	(0.02)

There is no difference between basic and diluted loss per share.

10. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2017 GBP	2016 GBP
Unlisted shares, at cost		
At 1 January	1	1
At 31 December	£1	£1

Particulars of subsidiaries held by the Company as at 31 August 2017 are as follows:

Name of company	Place of incorporation registration	Particulars of paid up capital	Percentage of equity directly held 2017	Principal Activity
Early Equity Limited	BVI	USD1	100%	Pre trading expenses

The registered office of the trading subsidiary is Unit A, 18/F, Epoch Industrial Building, No.8 Cheung Ho Street, Tsing Yi, New Territories, Hong Kong

11. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	The Group and the Company	
	2017	2016
	GBP	GBP
1 September 2016	594,436	172,637
Additions	60,000	425,000
Disposals	-	-
Net (losses) / gains transferred to equity	-	(3,201)
Provision for impairment	(12,025)	(25,000)
31 August 2017	£642,411	£594,436

Available-for-sale financial assets include the following:

Quoted:		
Equity securities – [United Kingdom]	42,091	54,116
Unquoted:		
Equity securities – [Malaysia]	510,000	450,000
Equity securities – [United Kingdom]	90,320	90,320
	600,320	540,320
	£642,411	£594,436

As at 31 August 2017, the Group's available-for-sale equity securities were individually determined to be impaired on the basis of a material decline in their fair value below cost and adverse changes in the market in which these investees operated which indicated that the cost of the Group's investment in them may not be recovered. Impairment losses on these investments were recognised in the statement of comprehensive income.

The investment of a 32.14% shareholding in Yicom Global has been accounted for in accordance with IFRS7 – Financial Instruments. It was determined that there is no significant influence or power held by Early Equity Plc, which would warrant the application of equity accounting in accordance with IAS28 – Investments in Associates and Joint Ventures.

12. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2017	2016	2017	2016
	GBP	GBP	GBP	GBP
Prepayments	1,768	5,225	1,768	5,225
Accrued Income	-	25,724	-	25,724
Other receivables	569	569	569	569
Amount due from a subsidiary	-	-	161,483	214,254
	£2,338	£31,518	£163,820	£245,772

13. CASH AND CASH EQUIVALENTS

	The Group	
	2017 GBP	2016 GBP
Cash at bank and on hand	£22,018	£96,134

14. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2017 GBP	2016 GBP	2017 GBP	2016 GBP
Other payables	100	100	100	100
Accrued expenses	9,864	16,198	9,864	11,350
	£9,964	£16,298	£9,964	£11,450

15. SHARE CAPITAL

	2017 GBP	2016 GBP
Authorised:		
44,434,001 Deferred Ordinary shares of 0.4 pence each	177,736	177,736
646,887,001 Ordinary shares of 0.1 pence each (2016: 631,887,001 at 0.1 pence each)	646,887	631,887
	£824,623	£809,623
Issued and fully paid:		
At beginning of the year		
44,434,001 Deferred Ordinary shares of 0.4 pence each	177,736	177,736
631,881,001 Ordinary shares of 0.1 pence each	631,887	496,623
Issuance of shares		
15,000,000 Ordinary shares of 0.1pence each	15,000	135,000
At end of the year		
44,434,001 Deferred Ordinary shares of 0.4 pence each	177,736	177,736
646,887,001Ordinary shares of 0.1 pence each	646,887	631,887
	£824,623	£809,623

Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising returns to shareholders. It is the current strategy of the Group to finance its activities from existing equity and reserves and by the issue of new equity as required.

The Board's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Board manages the Group's affairs to achieve shareholders returns through capital growth and income.

Group capital comprises share capital and reserves.
Neither the Company nor its subsidiary are subject to externally imposed capital requirements.

EARLY EQUITY PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. DIRECTORS' REMUNERATION AND DIRECTORS' INTERESTS

The directors had the following interests in shares of the Company at 31 August 2017 and 2016:

Directly and indirectly held by the directors		**2017**	**2016**
Tee Lian Hing	Ordinary shares	12,299,900	12,299,900
Chua Siew Lian	Ordinary shares	5,000,000	44,925,320

Details of the directors' annual remuneration are as follows:

		2017 **GBP** **£**	**2016** **GBP** **£**
Greg Collier	- directors fee	9,000	9,000
Chua Siew Lian	- directors fee	20,492	21,311
Lian Hing Tee	- directors fee	20,492	-
		£49,984	£30,311

The average number of directors in the year was 3 (2016: 3). There are no staff employed by the company.

17. NET ASSET VALUATION

The net asset valuation per share is calculated by dividing the net assets attributable to the equity holders of the Company at the end of the reporting period by the number of shares in issue.

	2017 **GBP**	**2016** **GBP**
Net assets	656,803	828,759
Number of ordinary shares in issue	691,321,002	676,321,002
Net asset valuation per share	0.10 pence	0.12 pence

17. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk, liquidity risk, cash flow interest rate risk and equity price risk.

Risk management is carried out by the Board of Directors.

(a) Market risk

(i) Foreign exchange risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Sterling. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities.

(ii) Cash flow and fair value interest rate risk and sensitivity

The Group's cash and cash equivalents are invested at short-term market interest rates. There are no other financial assets and liabilities which are interest bearing. The Group is therefore not subject to significant cash flow or fair value interest rate risk and therefore a sensitivity analysis has not been provided.

(b) Credit risk

The Group's credit risk is primarily attributable to trade receivables and cash balances held with financial institutions. Management has a credit policy in place and the exposure to credit risk of trade receivables is monitored on an ongoing and regular basis while cash balances are held with high-credit-quality financial institutions.

In respect of trade receivables, individual credit evaluations are performed on all customers. These evaluations focus on the customers' past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, there were no trade receivables (2016: none).

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance. The Group does not provide any guarantees which would expose the Group or the Company to credit risk.

18. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding.

The following table details the remaining contractual maturities at the reporting end date of the Group's and the Company's financial liabilities which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates) and the earliest date the Company can be required to pay: -

	2017 Carrying amount GBP	2017 Total contractual Undiscounted cash flow GBP	2017 Within 1 year or on demand GBP	2016 Carrying amount GBP	2016 Total contractual Undiscounted cash flow GBP	2016 Within 1 year or on demand GBP
Trade and other Payables	£9,984	£9,984	£9,984	£16,299	£16,299	£16,299
The Group	£9,984	£9,984	£9,984	£16,299	£16,299	£16,299
The Company	£9,984	£9,984	£9,984	£11,450	£11,450	£11,450

(d) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as available-for-sale equity securities (note 11). These investments are unquoted or listed on NEX, GXG or Frankfurt Stock Exchange.

These investments are held for their investment potential and their performance is assessed regularly against performance of similar listed entities, together with an assessment of their relevance to the Group's objectives for creating further and higher shareholder value in near future.

At 31 August, 2017, it is estimated an increase/decrease of 5% in the relevant stock market index (for listed investments), the price/earning ratios of comparable listed companies (for unquoted investments) as applicable, with all other variables held constant, would have decreased/increased the Group's loss after tax (and accumulated losses) and other components of consolidated equity as follows:

The Group	2017 Effect on loss after tax and accumulated losses GBP	2017 Effect on other components of equity GBP	2016 Effect on loss after tax and accumulated losses GBP	2016 Effect on other components of equity GBP	2015 Effect on loss after tax and accumulated losses GBP	2015 Effect on other components of equity GBP
Change in the relevant equity price risk variable						
Increase	-2,706	+4,516	-2,706	+4,516	-2,900	+4,500
Decrease	+2,706	-4,516	+2,706	-4,516	+2,900	-4,500

18. FINANCIAL RISK MANAGEMENT (continued)

The sensitivity analysis indicates the instantaneous change in the Group's loss after tax (and accumulated losses) and other components of consolidated equity that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of reporting period. The analysis was performed on the same basis for 2017.

(e) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying value of financial instruments measured at fair value at the end of reporting period across the three levels of the fair value hierarchy defined in IFRS 7, Financial Instruments: Disclosures, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments
- Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data

	The Group and the Company			
	Level 1	**Level 2**	**Level 3**	**Total**
	GBP	**GBP**	**GBP**	**GBP**
Available-for-sale equity securities	42,091	-	600,320	642,411

The carrying amounts of the financial instruments carried at cost or amortised cost approximate to their fair value mainly because of the short maturity of those instruments.

19. POST BALANCE SHEET EVENT

On 7 November 2017, 128,333,334 new ordinary shares of 0.1p were issued at a price of 0.6p per share. This generated total cash consideration of £590,000 and a receipt of 60,000 shares in Yicom Global Sdn Bhd for 30,000,000 of the issued shares. Early Equity Plc now has a total interest in Yicom Global Sdn Bhd of 188,571 shares, representing 47.14% of its issued share capital.