Company Registration No. 201135045H

Infraco Asia Investments Pte. Ltd.

Annual Financial Statements
31 December 2014

Building a better
working world

Infraco Asia Investments Pte. Ltd.

General information

Directors

Keith Francis Palmer
Kenneth Peter Baxter
Peter John William Neville Bird
Robert Michael Edgell
Tantra Narayan Thakur

Company Secretary

Madelyn Kwang Yeit Lam

Registered Office

10 Collyer Quay
#10-01 Ocean Financial Centre
Singapore 049315.

Banker

Standard Chartered Bank

Auditor

Ernst & Young LLP

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The directors are pleased to present their report to the members together with the audited financial statements of Infraco Asia Investments Pte. Ltd. (the "Company") for the financial year ended 31 December 2014.

Directors

The directors of the Company in office at the date of this report are:

Keith Francis Palmer
Kenneth Peter Baxter
Peter John William Neville Bird
Robert Michael Edgell
Tantra Narayan Thakur

Arrangements to enable directors 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 objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

None of the directors who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in shares and share options of the Company and related corporations, either at the beginning of the financial year or date of appointment, if later, or at the end of the financial year.

Directors' contractual benefits

Since the end of the last financial year, no director of the Company 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 the director is a member, or with a company in which the director has a substantial financial interest.

Share options

There were no options granted by the Company 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.

Auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

On behalf of the board of directors:

Keith Francis Palmer
Director

Peter John William Neville Bird
Director

Singapore
2 APR 2015

Infraco Asia Investments Pte. Ltd.

Statement by directors

We, Keith Francis Palmer and Peter John William Neville Bird, being two of the directors of Infraco Asia Investments Pte. Ltd., do hereby state that, in the opinion of the directors,

(a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and the results of the business, changes in equity and cash flows of the Company for the year ended on that date, and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the board of directors:

Keith Palmer

Keith Francis Palmer
Director

Peter John William Neville Bird
Director

Singapore

2 APR 2015

Independent auditor's report to the members of Infraco Asia Investments Pte. Ltd.

Report on the financial statements

We have audited the accompanying financial statements of Infraco Asia Investments Pte. Ltd. (the "Company") set out on pages 6 to 24, which comprise the balance sheet of the Company as at 31 December 2014, the statement of changes in equity of the Company and the statement of comprehensive income and cash flow statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets.

Auditor's responsibility

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

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

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

Independent auditor's report to the members of Infraco Asia Investments Pte. Ltd.

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on other legal and regulatory requirements

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

Ernst & Young LLP

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
2 APR 2015

Infraco Asia Investments Pte. Ltd.

Statement of comprehensive income
For the financial year ended 31 December 2014

	Note	2014 US$	2013 US$
Revenue	4	268,768	–
Administrative expenses		(862,582)	(50,640)
Loss before tax	5	(593,814)	(50,640)
Income tax expense	6	–	–
Loss net of tax for the year		(593,814)	(50,640)
Loss for the year and total comprehensive income attributable to the owner of the Company		(593,814)	(50,640)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Infraco Asia Investments Pte. Ltd.

Balance sheet
As at 31 December 2014

	Note	2014 US$	2013 US$
ASSET			
Non-current asset			
Loans to related companies	7	18,315,299	–
Current assets			
Amounts due from related companies	7	247,685	–
Prepaid expenses		9,249	–
Cash and cash equivalents	8	3,613,345	79,832
Total current assets		3,870,279	79,832
Total assets		22,185,578	79,832
EQUITY AND LIABILITIES			
Current liabilities			
Other payables and accruals	9	247,179	29,367
Amount due to a related company	10	402,202	1,104
Total liabilities		649,381	30,471
Equity attributable to owner of the Company			
Share capital	11	22,180,651	100,001
Accumulated losses		(644,454)	(50,640)
Total equity		21,536,197	49,361
Total equity and liability		22,185,578	79,832

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement of changes in equity
For the financial year ended 31 December 2014

	Share capital (Note 11) US$	Accumulated losses US$	Total US$
2014			
Opening balance at 1 January 2014	100,001	(50,640)	49,361
Issuance of additional ordinary shares during the financial year	22,080,650	–	22,080,650
Loss net of tax, representing total comprehensive income for the year	–	(593,814)	(593,814)
Closing balance at 31 December 2014	22,180,651	(644,454)	21,536,197
2013			
Opening balance at 1 January 2013	1	–	1
Issuance of additional ordinary shares during the financial year	100,000	–	100,000
Loss net of tax, representing total comprehensive income for the year	–	(50,640)	(50,640)
Closing balance at 31 December 2013	100,001	(50,640)	49,361

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Cash flow statement
For the financial year ended 31 December 2014

	2014	2013
	US$	US$
Cash flows from operating activities		
Loss before tax	(593,814)	(50,640)
Changes in working capital:		
Increase in other asset	(9,249)	–
Increase in amounts due from related companies	(247,685)	–
Increase in other payables	217,812	29,367
Increase in amount due to a related company	401,098	1,104
Net cash flows used in operating activities	(231,838)	(20,169)
Financing activity		
Issuance of shares	22,080,650	100,000
Net cash flows generated from financing activity	22,080,650	100,000
Investing activities		
Loans to related companies	(21,126,382)	–
Repayment of loan by a related company	2,790,000	–
Interest received	21,083	–
Net cash flows used in investing activities	(18,315,299)	–
Net increase in cash and cash equivalents	3,533,513	79,831
Cash and cash equivalents at beginning of the year	79,832	1
Cash and cash equivalents at end of the year (Note 8)	3,613,345	79,832

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Infraco Asia Investments Pte. Ltd. (the "Company") is a private limited company incorporated in Singapore. The Company's immediate shareholders are SG Hambros Trust Company Ltd, Multiconsult Trustees Ltd and Minimax Ltd, and are trustees of the Private Infrastructure Development Group ("PIDG") Trust, a trust established under laws of Mauritius.

The registered office and principal place of business are located at 10 Collyer Quay, #10-01 Ocean Financial Centre, Singapore 049315 and Level 17, Republic Plaza II, 9 Raffles Place, Singapore 048619, respectively.

The principal activities of the Company are to seek, undertake due diligence in respect of, appraise and, if thought fit, invest in, manage and ultimately dispose of, interests in infrastructure projects which objectives are in line with the objectives set by the PIDG Trust.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars (USD or US$).

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards and Interpretations of FRS (INT FRS) that are effective for annual periods beginning on or after 1 January 2014. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Company.

2. Summary of significant accounting policies (cont'd)

2.3 *Standards issued but no yet effective*

The Company has not adopted the following standards and interpretations that have been issued but are not yet effective:

Description	***Effective for annual periods beginning on or after***
Amendments to FRS 19 *Defined Benefit Plans: Employee Contributions*	1 July 2014
Improvements to FRSs (January 2014)	
Amendments to FRS 102 *Share Based Payment*	1 July 2014
Amendments to FRS 103 *Business Combinations*	1 July 2014
Amendments to FRS 108 *Operating Segments*	1 July 2014
Amendments to FRS 16 *Property, Plant and Equipment and FRS 38 Intangible Assets*	1 July 2014
Amendments to FRS 24 *Related Party Disclosures*	1 July 2014
Improvements to FRSs (February 2014)	
Amendments to FRS 103 Business Combinations	1 July 2014
Amendments to FRS 113 Fair Value Measurement	1 July 2014
Amendments to FRS 27: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 110 and FRS 28: Sale or Contributions of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Improvements to FRSs (November 2014)	
Amendments to FRS 105 Non-current Assets Held for Sale and Discontinued Operations	1 January 2016
Amendments to FRS 107 Financial Instruments: Disclosures	1 January 2016
Amendments to FRS 19 Employee Benefits	1 January 2016
Amendments to FRS 34 Interim Financial Reporting	1 January 2016
Amendments to FRS 1: Disclosure Initiative	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exceptions	1 January 2016
FRS 115 Revenue for Contracts with Customers	1 January 2017
FRS 109 Financial Instruments	1 January 2018

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2. Summary of significant accounting policies (cont'd)

2.4 *Foreign currency*

The Company's financial statements are presented in United States Dollar, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.5 *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.6 *Impairment of financial assets*

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.7 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

2. Summary of significant accounting policies (cont'd)

2.8 *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.9 *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of non-derivative financial liabilities, directly attributable transaction costs.

Subsequent measurement

After initial recognition, non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2. Summary of significant accounting policies (cont'd)

2.10 *Revenue*

Revenue is recognised when it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Interest income from loans is recognised in profit or loss using effective interest method.

2.11 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

2. Summary of significant accounting policies (cont'd)

2.11 *Taxes (cont'd)*

(b) *Deferred tax (cont'd)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.12 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of the revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods. Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Revenue

This relates to interest income arising from loans to related companies.

5. Loss before tax

Loss before tax is arrived at after charging:

	2014	2013
	US$	US$
Accounting fees	3,012	3,884
Consultancy fees	56,945	–
Directors' fees	103,313	–
Legal fees	214,259	35,780
Rental	24,480	–
Salaries	338,125	–
Travelling expenses	60,436	–
Exchange differences	23,422	–

6. Income tax expense

Relationship between tax expense and accounting loss

A reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 December 2014 and 2013 is as follows:

	2014	2013
	US$	US$
Loss before tax	(593,814)	(50,640)
Tax at applicable tax rate of 17% (2013: 17%)	(100,948)	(8,609)
Non-deductible expenses	137,182	8,609
Effect of tax exemptions and rebates	(24,649)	–
Others	(11,585)	–
Income tax expense recognised in profit or loss	–	–

7. Loans to related companies/amounts due from related companies

Loans to related companies bear interests ranging from 10.0% to 15.5% per annum, repayable in periods ranging from 72 months to 84 months, from utilisation date, secured by way of guarantee and pledge of shares by the related companies, and are expected to be settled in cash. At the balance sheet date, the Company has an undrawn loan commitment of US$1,600,000.

Amounts due from related companies relate to interest receivables arising from loans to related companies.

Loans to related companies and amounts due from related companies that are denominated in Vietnam Dong are US$8,195,299 and US$115,929 respectively.

8. Cash and cash equivalents

	2014	2013
	US$	US$
Cash at bank	3,613,345	79,832

Cash and cash equivalents that are denominated in foreign currencies at 31 December is as follows:

	2014	2013
	US$	US$
Singapore Dollar	91,644	4,211
Great Britain Pound	57,391	3,065

9. Other payables and accruals

	2014	2013
	US$	US$
Other payables	2,005	10,627
Accruals	245,174	18,740
	247,179	29,367

Other payables and accruals that are denominated in foreign currencies at 31 December are as follows:

	2014	2013
	US$	US$
Singapore dollars	29,605	23,110
Great Britain Pound	112,710	6,257

10. Amount due to a related company

The amount due to a related company is non-trade in nature, unsecured, non-interest bearing, repayable on demand and is expected to be settled in cash. This amount is denominated in USD.

11. Share capital

	2014		2013	
	No. of shares	US$	No. of shares	US$
Issued and fully paid ordinary shares:				
At 1 January	100,001	100,001	1	1
Additional issuance of shares	22,080,650	22,080,650	100,000	100,000
At 31 December	22,180,651	22,180,651	100,001	100,001

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

12. Related party transactions

(a) ***Sales and purchases of goods and services***

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

	2014	2013
	US$	US$
Recharge of expenses by related company:		
Salaries	(338,125)	–
Rental	(24,480)	–
Travelling expenses	(60,436)	–
Legal fees	(72,853)	–
Interest income	268,768	–

(b) ***Compensation of key management personnel***

	2014	2013
	US$	US$
Directors' fees	103,313	–

13. Fair value of financial instruments

Fair value hierarchy

The Company categorises fair value measurements using a fair value hierarchy that is depended on the valuation inputs used as follows:

(a) Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date
(b) Level 2 - Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
(c) Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents (Note 8), amounts due from related companies (Note 7), other payables and accruals (Note 9) and amount due to a related company (Note 10)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values at the balance sheet date due to its short-term nature.

Fair value of financial instruments by classes that are not carried at fair value but for which fair value is disclosed

The fair value of the loans to related companies is approximately $17,229,000. The fair value disclosed for the loans to related companies is categorised as Level 2 of the fair value hierarchy. The fair value estimated by discounting expected cash flows at market lending rate for similar types of loans after adjusting for credit risk, at the end of the reporting period.

Carrying amounts of financial instruments by categories

	2014	2013
	US$	US$
Loans and receivables		
Loans to related companies	18,315,299	–
Amounts due from related companies	247,685	–
Cash and bank balances	3,613,345	79,832
	22,176,329	79,832
Financial liabilities measured at amortised cost		
Other payables and accruals	247,179	29,367
Amount due to a related company	402,202	1,104
	649,381	30,471

14. Financial risk management policies and objectives

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk. It is, and has been throughout the current financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) ***Credit risk***

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from loans to related companies and cash and cash equivalents. For loans to related companies, the Company manages credit risk by requiring security for such loans by way of guarantee and pledge of shares by the related companies. For cash and cash equivalents, the Company minimises credit risk by dealing exclusively with high credit rating counterparties where possible.

Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet.

Credit risk concentration profile

At balance sheet date, there were no significant concentrations of credit risk, except for the loans to related companies. These loans have been secured by way of guarantee and pledge of shares by the related companies.

Financial assets that are neither past due nor impaired

Cash and cash equivalents are placed with reputable financial institutions. Loans to related companies are neither past due nor impaired as there are no history of default.

(b) ***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Company's operation.

14. Financial risk management policies and objectives (cont'd)

(b) ***Liquidity risk (cont'd)***

The table below summarises the maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less	Two to five years	More than five years	Total
	US$	US$	US$	US$
2014				
Financial asset:				
Loans to related companies	1,876,276	17,954,057	11,216,333	31,046,666
Cash and cash equivalents	3,613,345	–	–	3,613,345
Amounts due from related companies	247,685	–	–	247,685
Total undiscounted financial asset	5,737,306	17,954,057	11,216,333	34,907,696
Financial liabilities:				
Other payables and accruals	247,179	–	–	247,179
Amount due to a related company	402,202	–	–	402,202
Total undiscounted financial liabilities	649,381	–	–	649,381
Total net undiscounted financial assets	5,087,925	17,954,057	11,216,333	34,258,315
2013				
Financial asset:				
Cash and cash equivalents	79,832	–	–	79,832
Total undiscounted financial asset	79,832	–	–	79,832
Financial liabilities:				
Other payables and accruals	29,637	–	–	29,637
Amount due to a related company	1,104	–	–	1,104
Total undiscounted financial liabilities	30,471	–	–	30,471
Total net undiscounted financial assets	49,361	–	–	49,361

14. Financial risk management policies and objectives (cont'd)

(c) *Foreign currency risk*

The Company has transactional currency exposure arising from transactions that are denominated in a currency other than the functional currency of the Company. The foreign currency in which these transactions are denominated is mainly Vietnam Dong (VND), Great Britain Pounds (GBP) and Singapore Dollars (SGD). The exposure for GBP and SGD is, however, not significant.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in the VND exchange rate against the functional currency of the Company, with all other variables held constant.

	2014	**2013**
	US$	US$
Vietnam Dong (VND)		
– Strengthened or weakened by 3.0%	242,000	–

(d) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their interest-bearing loans given to related companies. The Company does not have interest rate exposure as the loans to related parties are fixed rate loans.

15. Capital management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital structure in order to support its business and maximise shareholder value.

The Company manages its capital structure, defined as share capital and accumulated reserve, and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2014 and 2013.

16. Subsequent events

On 10 February 2015, the directors of the Company gave a conditional approval for an investment of US$9.3 million in the 50MW Gul Ahmed Wind Power Project in Pakistan by way of a combination of US$4.6 million of equity investment in Infraco Asia Indus Wind Pte. Ltd. (InfraCo Indus), a wholly owned subsidiary of Infraco Asia Development Pte. Ltd. (IAD), and term loan of US$4.7 million to InfraCo Indus, to fund InfraCo Indus' equity contribution to Gul Ahmed Wind Power Limited. The conditions for the investment include, inter alia, the approval of the terms of a shareholders' agreement with IAD and the loan agreement with Infraco Indus.

On 20 March 2015, the Company and its shareholders executed Subscription Agreement (No. 3) relating to shares in the Company. Pursuant to this, the shareholders have disbursed to the Company an amount of US$5.14 million for which additional shares in the Company will be allotted.

17. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2014 were authorised for issue in accordance with a resolution of the directors on 2 April 2015.