

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
P.O. BOX 34073  
DAR ES SALAAM.

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER 2023.

## TABLE OF CONTENTS

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	Pages
List of Abbreviations	2
Corporate information	3
Report of the directors	4-6
Statement of directors' responsibilities	7-8
Declaration by the Accountant	9
Independent auditors' report	10-11
Financial statements	
- Statement of financial position	12
- Statement of comprehensive income	13
- Statement of changes in equity	14
- Statement of cash flows	15
Notes to the financial statements	16-29

## LIST OF ABBREVIATIONS

CPA	Certified Public Accountant
ICT	Information Communication Technologies
IFRS	International Financial Reporting Standards
ISAs	International Standards on Auditing
NBAA	National Board of Accountants and Auditors
TIN	Tax Identification Number
TZS	Tanzania Shillings

## CORPORATE INFORMATION

Country of incorporation	United Republic of Tanzania
Nature of business	Carry on business of Estate development, real estate of buying land and collecting rent from tenants
Bankers	Diamond Trust Bank, Morocco Branch, Dar es Salaam Tanzania
Auditors	GTG AND ASSOCIATES, Mwenge Opposite TRA, P. O. Box 13048, Dar es Salaam, Tanzania Date:

## ASIANO GLOBAL INVESTMENT COMPANY LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023.

The directors submit their annual report together with the audited financial statements for the year ended 31<sup>st</sup> December 2023, which disclose the state of affairs of the Company.

#### 1. Incorporation:

The company is domiciled in Tanzania where it is incorporated as a private company limited by shares under the Tanzanian Companies Act 2002.

#### Directors:

The Directors and Shareholders of the Company are:

S/No.	Name	Shareholding Percentage
1.	Peter Zhu	95%
2.	Ling Ling Qian	5%

#### 2. Principal Activities:

The principal activities of the company are to carry on the business of estate development, real estate to buying land and collecting rent from tenants.

#### 3. Financial Performance

The operating results for the period are set out on page 14 of these financial statements.

#### 4. Dividends

The directors do not recommend the payment of any dividend.

#### 5. Solvency

The Company's state of affairs as at 31 December 2023 is set out on page 13 of these financial statements. The directors consider the company to be solvent within the meaning ascribed by the Tanzania Companies Act made there under. No matters have come to the attention of the directors to indicate that the Company will not remain a going concern for the next 12 months from the date of this report.

The shareholders will provide the necessary financial support to enable the Company to continue its future operations. The directors are of the opinion that the Company will be a going concern in years ahead. Accordingly, the financial statements have been prepared on a going concern basis.

The Loss of the year is TZS. 81,135,247. The directors do not recommend the declaration of a dividend for the year

## ASIANO GLOBAL INVESTMENT COMPANY LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023. (Continue)

#### 6. Corporate Governance

The directors believe that high standards of corporate governance directly influence the organisation's stakeholders and investor confidence and the directors recognise the importance of integrity, transparency and responsibility.

#### 7. Administrative Matters

The Company is capable of handling all administrative matters.

#### 8. Directors

Directors who held office during the period and to the date of this report are

<u>Name of Director</u>	<u>Category</u>	<u>Nationality</u>
Peter Zhu	Director	Chinese
Ling Ling Qian	Director	Chinese

#### 9. Capital Structure and Shareholders of the Company

The shareholders' interests in the issued and fully paid-up share capital of the company as at 31 December 2021 were as follows:

S/No.	Name	Shareholding Percentage
3.	Peter Zhu	95%
4.	Ling Ling Qian	5%

#### 10. Financial risk management objectives and policies:

To ensure its financial stability and profitability, the company has implemented policies and practices for a sound and prudent management and control of the principal financial risks to which it is exposed.

The Company's risk management programme focuses on the identification and management of risks and seeks to minimize potential adverse effects on its financial performance.

#### 11. Employee's welfare:

The Company's employment terms are reviewed annually to ensure that they meet statutory and market conditions.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023. (Continue)

12. Disabled persons:


It remains the company's policy to accept disabled persons for employment for those vacancies that they are able to fill.

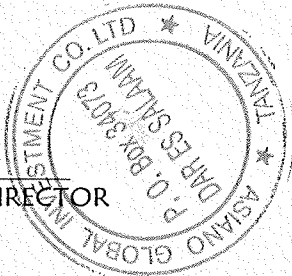
13. Auditors

The Company's auditors, GTG AND ASSOCIATES were appointed as the company's auditors and are eligible for re-appointment. A resolution to reappoint GTG AND ASSOCIATES as auditors will be put to the Annual General Meeting.

14. Approval of The Financial Statements

The financial statements of Asiano Global Investment Company Limited, as indicated above, were approved by the Board of Directors on ..... and are signed on its behalf by:

  
MANAGING DIRECTOR



18/07/2024  
DATE

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER, 2023

The Companies Act, 2002 requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of its profit or loss. It also requires the directors to ensure that the company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies Act, 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit or loss in accordance with International Financial Reporting Standards.


The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement. To enable the directors to meet these responsibilities they set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Company and all employees are required to maintain the highest ethical standards in ensuring the Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Company is on identifying, assessing, managing and monitoring all known risks across the Company. While operating risk cannot be fully eliminated, the Company endeavours to minimise it by ensuring the appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

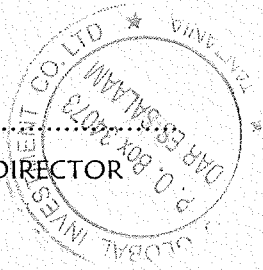
The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable and not absolute, assurance against material misstatement or loss.

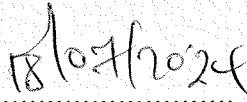
ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER, 2023 (Continue)

The external auditors are responsible for independently auditing and reporting on the Company's financial statements. The financial statements have been examined by the external auditors and their report is presented on pages 10 & 11.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

  
.....  
MANAGING DIRECTOR



  
.....  
DATE

ASIANO GLOBAL INVESTMENT COMPANY LIMITED

DECLARATION OF THE ACCOUNTANT TO THE MEMBERS OF ASIANO GLOBAL INVESTMENT COMPANY LIMITED

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity's financial position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body as shown under Directors' Responsibility statement on an earlier page.

I CPA.....HERY SAEO.....being the Accountant of ASIANO GLOBAL INVESTMENT COMPANY LIMITED hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view of the financial position of ASIANO GLOBAL INVESTMENT COMPANY LIMITED as at 31<sup>st</sup> December, 2023 and its financial performance and cash flow for the year then ended and that they have been prepared based on properly maintained financial records.

Signature: .....HERY SAEO.....

Position: ACCOUNTANT

NBAA Membership No... ACPA 1905

Date: 18/07/2024

# GTG and Associates

Certified Public Accountants, Tax and Management Consultants

Mwenge, Opposite to TRA P.O. Box 13048, Tel:0754092262, Tax: 0222133772, email;

info@gtgassociates.com, Dar Es Salaam - TANZANIA

## REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ASIANO GLOBAL INVESTMENT COMPANY LIMITED

Report on the Audit of the Financial Statements for the 12-MONTH PERIOD TO 31 December 2023

### *Opinion*

We have audited the financial statements of ASIANO GLOBAL INVESTMENT COMPANY LIMITED (“the Company”), set out on pages 12 to 29 which comprise the statement of financial position as at 31 December 2023 the statements of profit or loss and other comprehensive income, changes in equity and cash flows for 12-MONTH PERIOD TO 31<sup>st</sup> December 2023, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of ASIANO GLOBAL INVESTMENT COMPANY LIMITED as at 31 December 2023, and of its financial performance and cash flows for 12-month period in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2002.

### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

### *Other Information’s*

The directors are responsible for the other information. The other information comprises the Directors’ Report as required by the Companies Act, 2002, Statements of Directors’ responsibilities and Declaration of Accountant/ Head of Finance. The other information does not include the financial statements and our auditors’ report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ASIANO GLOBAL INVESTMENT COMPANY LIMITED (Continue)**

***Responsibilities of Directors for the Financial Statements***

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2002, and for such internal control as directors determines 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, directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

***Auditors' Responsibilities for the Audit of the financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

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

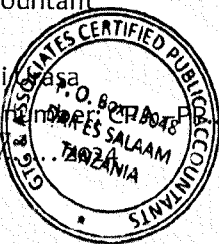
**Report on Other Legal and Regulatory Requirements**

As required by the Companies Act, 2002 we report that:

- in our opinion, proper accounting records have been kept by ASIANO GLOBAL INVESTMENT COMPANY LIMITED;
- the entity accounts are in agreement with the accounting records of the company; and
- we obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

CPA Gadi Urasa  
Certified Public Accountant

Signed by CPA Gadi Urasa  
NBAA Membership No. 18101




ASIANO GLOBAL INVESTMENT COMPANY LIMITED.

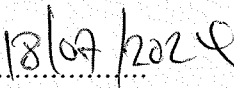
STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER 2023.

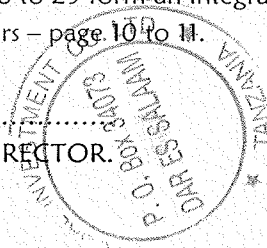
	NOTES	AS AT 31.12.2023 TZS.	AS AT 31.12.2022 TZS.
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	7	9,500,228,657	9,500,228,657
Total Non- Current Assets		<u>9,500,228,657</u>	<u>9,500,228,657</u>
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalent	9	611,235,743	692,370,990
Deposits		12,835,000	12,835,000
Total Current Assets		<u>624,070,743</u>	<u>705,205,990</u>
<b>TOTAL ASSETS</b>		<u>10,124,299,400</u>	<u>10,205,434,647</u>
<b>EQUITY AND LIABILITIES:</b>			
Share Capital	8	11,775,042,212	11,775,042,212
Retained Earnings/(Loss)		(1,651,442,813)	(1,570,307,566)
		<u>10,123,599,399</u>	<u>10,204,734,646</u>
<b>CURRENT LIABILITIES</b>			
Accrued Expenses	10	700,001	700,001
Total Current Liabilities		<u>700,001</u>	<u>700,001</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>10,124,299,400</u>	<u>10,205,434,647</u>

The notes on page 16 to 29 form an integral part of these financial statements

Report of the auditors – page 10<sup>4</sup> to 11.

  
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MANAGING DIRECTOR.

  
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DATE.

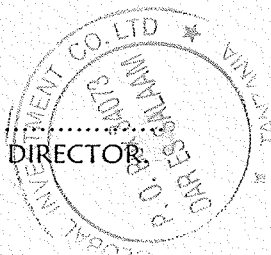


ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
STATEMENT OF PROFIT/ (LOSS) AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023.

	Note	31 Dec 2023 TZS	31 Dec 2022 TZS
Revenue	11	-	-
Other income			
Gain on Exchange rate fluctuations		7,928,058	-
Expenses			
Administration & operating expenses	12	(89,063,305)	(71,081,218)
		<u>(89,063,305)</u>	<u>(71,081,218)</u>
Loss before taxation		(81,135,247)	(71,081,218)
Taxation		-	-
Loss for the year before other comprehensive Income		(81,135,247)	(71,081,218)
Other Comprehensive Income		-	-
Total Income and other comprehensive Income		(81,135,247)	(71,081,218)

The notes on page 16 to 29 form an integral part of these financial statements  
Report of the auditors – page 10 to 11.

张轲  
MANAGING DIRECTOR



18/07/2024  
DATE.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED.

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023.

	Share capital	Retained earnings	Total
	TZS	TZS	TZS
At 1 January 2023	11,775,042,212	(1,570,307,566)	10,204,734,646
Addition	-	-	-
loss for the year	-	(81,135,247)	(81,135,247)
As at 31 December 2023	11,775,042,212	(1,651,442,813)	10,123,599,399
At 1 January 2022	11,186,000,000	(1,499,226,348)	9,686,773,652
Additions	589,042,212	-	589,042,212
Loss for the year	-	(71,081,218)	(71,081,218)
As at 31 December 2022	11,775,042,212	(1,570,307,566)	10,204,734,646

The notes on page 16 to 29 form an integral part of these financial statements  
Report of the auditors – page 10 to 11.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED.  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023.

	2023	2022
	TZS.	TZS.
<b>A. Cash Flows from Operating Activities</b>		
Net Profit/ (Loss) Before Taxation	(81,135,247)	(71,081,218)
Adjustment for items not involving movement of funds:		
Depreciation	-	<u>5,413,995</u>
Amortization of Expenses	-	-
Changes in Working Capital items:		
(Increase)/Decrease in Prepaid Rent	-	-
(Increase)/Decrease in Deposits	-	-
Increase/(Decrease) in Accruals	-	<u>700,001</u>
Tax paid	-	-
Net Cash Flows from operating activities	<u>(81,135,247)</u>	<u>(64,967,222)</u>
<b>B. Cash Flows from Investing Activities:</b>		
Preliminary Expenses	-	-
<b>C. Cash Flows from Financing Activities:</b>		
Additional Share Capital	-	589,042,212
Advance towards Share Capital	-	<u>589,042,212</u>
Net increase/(Decrease) in Cash and Cash Equivalent	(81,135,247)	524,074,990
Cash and Cash Equivalent at the beginning of the year	<u>692,370,989</u>	<u>168,296,000</u>
Cash and Cash Equivalents at the end of the year	<u>611,235,742</u>	<u>692,370,990</u>

The notes on page 16 to 29 form an integral part of these financial statements  
Report of the auditors - page 10 to 11

.....  
MANAGING DIRECTOR.

.....  
DATE.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS - 2023.

1. GENERAL INFORMATION:

ASIANO GLOBAL INVESTMENT COMPANY LIMITED (the Company) is incorporated in Tanzania under the Companies Act, 2002 as a private company limited by shares, and is domiciled in Tanzania. The principal place of business is Bayport Building, Victoria, Bagamoyo Road. The principal activity of the company is estate development, real estate, buying of land and construction of new buildings and collecting rent from tenants.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

- a) New standards, amendments and interpretations adopted by the Organization for year ended

31 December 2023

The following new and revised IFRSs have been applied in the current year and had no material impact on the amounts reported in these financial statements, except where stated.

Interest Rate Benchmark Reform --Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) (continued)

Hedge accounting requirements. Under the amendments, hedge accounting is not discontinued solely because of the IBOR reform. Hedging relationships (and related documentation) must be amended to reflect modifications to the hedged item, hedging instrument and hedged risk. Amended hedging relationships should meet all qualifying criteria to apply hedge accounting, including effectiveness requirements.

Disclosures. In order to allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition, the amendments require that an entity discloses information about:

- How the transition from interest rate benchmarks to alternative benchmark rates is managed, the progress made at the reporting date, and the risks arising from the transition.
- Quantitative information about non-derivative financial assets, non-derivative financial liabilities and derivatives that continue to reference interest rate benchmarks subject to the reform, disaggregated by significant interest rate benchmark.
- To the extent that the IBOR reform has resulted in changes to an entity's risk management strategy, a description of these changes and how the entity is managing

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUE)

Those risks.

The IASB also amended IFRS 4 to require insurers that apply the temporary exemption from IFRS 9 to apply the amendments in accounting for modifications directly required by IBOR reform.

The IASB has come to the conclusion that the application of all proposed amendments is mandatory. It also assessed that the nature of the proposed amendments is such that they can only be applied to modifications of financial instruments and changes to hedging relationships that satisfy the relevant criteria and, as such, no specific end of application requirements needed to be specified.

- a) New and amended standards and interpretations in issue but not yet effective in the year ended 31 December 2023

The following are new and amended standards

Standard	Description	Effective Date
Amendments to IAS 8)	Definition of Accounting Estimates	on or after 1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies	on or after 1 January 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current	on or after 1 January 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	
IFRS 17	Insurance Contracts	on or after 1 January 2023
Amendments to IFRS 3	Reference to the Conceptual Framework	on or after 1 January 2022

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

3. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by International Accounting Standards Board (IASB).

For the Companies Act, 2002 reporting purposes, in these financial statements, the balance sheet is represented by / is equivalent to the statement of financial position and the profit and loss account is presented in the statement of profit or loss and other comprehensive income.

(b) Basis of preparation

The financial statements are prepared in compliance with International Financial Reporting Standards ("IFRS").

The Financial Statements have been prepared on the historical cost basis except for the following:

- financial instruments at fair value through profit or loss are measured at fair value
- Financial assets are classified into the following specified categories: financial assets 'at amortized cost', 'at fair value through other comprehensive income', and 'at fair value through profit or loss (FVTPL)'.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3. Disclosures on risk management are disclosed in Note 4 of these financial statements.

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in Tanzania Shillings (TShs). The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

The transition to IFRS for SMEs has no significant effect on the statement of financial position and statement of comprehensive income

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. The company's turnover is in respect of performance of services less discounts, allowances and value added tax.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

(d) Foreign currencies

(i) *Functional currencies*

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the Company operates (“the functional currency”). The financial statements are presented in Tanzania Shilling which is the Company’s functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

(e) Changes in accounting policies

A number of new standards, amendments to standards and interpretations, relevant to the company, were effective for the year ended 31 December 2021, and have been applied in preparing these financial statements. These standards are summarised below:

The Company has adopted IFRS 9 as issued by the IASB in July 2014 with a date of transition of 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements.

As permitted by the transitional provisions of IFRS 9, the company elected not to restate comparative figures. Any adjustments to the carrying amounts of financial assets and financial liabilities at the date of transition were recognised in the opening retained earnings and other reserves of the current period.

Consequently, for notes disclosures, the consequential amendments to IFRS 7 disclosures have also only been applied to the current period. The comparative period notes disclosures repeat those disclosures made in the year.

The adoption of IFRS 9 has resulted in changes in our accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 ‘Financial Instruments: Disclosures’.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

(f) Improvements to IFRSs

*Classification and measurement of financial assets and financial liabilities*

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, Fair Value through Other Comprehensive Income (“FVOCI”) and Fair Value through Profit or Loss (“FVTPL”). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 has not had a significant effect on the Company’s accounting policies related to financial asset and financial liabilities.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 January 2018 relates solely to the new impairment requirements.

The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Company’s financial assets and financial liabilities as at 1 January 2019.

	Original Classification under IAS 39	New Classification under IFRS 9	31 December 2022 original Carry amount under IAS 39 TZS	Re- measur- ent TZS	01 January 2023 new carrying amount under IFRS 9 TZS
<b>Financial Assets</b>					
Cash and cash equivalent	Cash and cash equivalent	Amortised cost	692,370,990	-	692,370,990
Other assets	Loans and receivables	Amortised cost	-	-	-
<b>Total financial assets</b>			<b>692,370,990</b>	<b>-</b>	<b>692,370,990</b>
<b>Financial Liabilities</b>					
Accrued expenses	Other financial liabilities	Other financial liabilities	700,001		700,001
<b>Total financial liabilities</b>			<b>700,001</b>		<b>700,001</b>

*Impairment of financial assets*

IFRS 9 replaces the ‘incurred loss’ model in IAS 39 with an ‘expected credit loss’ (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39. For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

IFRS 15, 'Revenue from contracts with customers', which replaces IAS 11, IAS 18 and their interpretations (SIC 13 and IFRIC 13, 15 and 18). The IFRS specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers in recognising revenue being: Identify the contract(s) with a customer; Identify the performance obligations in the contract; Determine the transaction price; Allocate the transaction price to the performance obligations in the contract; and Recognise revenue when (or as) the entity satisfies a performance obligation.

Based on the assessment done by the Company for the year ended 31 December 2021, there were no material impact on adoption of this standard to the Company because revenue is the result of contract with customers and are adequately recognised when the entity has satisfied a performance obligation.

#### IFRS 16 Leases

The scope of the new standard includes leases of all assets, with certain exceptions. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. The key features of the new standard are:

- The new standard requires lessees to account for all leases under a single on-balance sheet model (subject to certain exemptions) in a similar way to finance leases under IAS 17.
- Lessees recognize a liability to pay rentals with a corresponding asset, and recognize interest expense and depreciation separately.
- The new standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computer) and short-term leases (i.e., leases with a lease term of 12 months or less).
- Reassessment of certain key considerations (e.g., lease term, variable rents based on an index or rate, discount rate) by the lessee is required upon certain events.
- Lessor accounting is substantially the same as today's lessor accounting, using IAS 17's dual classification approach.

The new standard is effective for annual periods beginning on or after 1 January 2018. Early application is permitted, but not before an entity applies IFRS 15. The new standard permits a lessee to choose either a full retrospective or a modified retrospective transition approach. The new standard's transition provisions permit certain reliefs. The new standard requires lessees and lessors to make more extensive disclosures than under IAS 17.

The application of the standard will primarily affect the accounting for the Company's operating leases. The Company is still assessing to what extent the current operating leases will result in the recognition of an asset and a liability for future payments and how this will affect the Company's results and classification of cash flows.

#### (g) Property, Plant and Equipment:

All categories of furniture and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

Subsequent costs are included in the asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance is charged to the statement of comprehensive income in the year to which it relates.

Depreciation is calculated using the reducing balance method. The following are the depreciation annual rates:

Description	%
Furniture and equipment	12.5
Motor Vehicle	25
Computer and Accessories	37.5
Land	N/A

The asset's residual values and useful lives are reviewed, and adjusted if appropriate at each statement of financial position date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income in the profit and loss account.

**(h) Intangible Assets:**

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortised over its estimated life of three years using the reducing balance method. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new expectations.

**(i) Accounting for leases**

Leases under which the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Obligation incurred under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease, except when an alternative method is more representative of the time pattern from which benefits are derived.

**(j) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised costs using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is

**ASIANO GLOBAL INVESTMENT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)**

established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of a provision account, and the amount of the loss is recognised in the profit and loss account within the cost of sales.

When a trade receivable is uncollectible, it is written off against the provision account for trade receivables. Subsequent recoveries of amounts previously written off are credited against the cost of sales in the profit and loss account.

**(k) Employment benefits**

**Retirement benefits**

The company is registered and contributes employee's retirement benefits to the National Social Security Fund (NSSF) which is defined contribution scheme. It contributes 10% of the required of the gross emoluments to the scheme and the contributions are recognised as an expense in the period to which they relate. The remaining 10% is deducted from employees' emoluments. The organization has no further payment obligations once the contributions have been paid. The contributions are recognised as employee's benefit expense when they are due.

**(l) Income tax**

Income tax expense is the aggregate of the charge to the profit and loss account in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzania Income Tax Act, 2004.

**(m) Trade payables**

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

**(n) Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

**(o) Dividends**

Dividends on ordinary shares are charged to equity in the year in which they are declared. Proposed dividends are shown as a separate component of equity until declared.

**(p) Cash and cash equivalents**

Cash on hand, demand and time deposits with banks whose original maturities do not exceed three months are classified as cash and cash equivalents in the statement of cash flows. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**(q) Financial instruments**

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

Financial assets and financial liabilities are recognized when the company becomes party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added or deducted from fair value of the financial assets or financial liabilities as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

**i) Financial assets**

Financial assets are classified into the following specified categories: financial assets 'at amortized cost', 'at fair value through other comprehensive income', and 'at fair value through profit or loss (FVTPL)'.

Financial assets are classified based on (i) the business model within which the financial assets are managed and (ii) the contractual cash flow characteristics of the financial assets (whether the cash flows represent 'solely payment of principal and interest').

*Financial assets at amortized cost*

Financial assets are measured at amortized cost if they are held within a business model whose objective is to hold those assets for the purpose of collecting contractual cash flows and those cash flows comprise solely payments of principal and interest ('hold to collect').

*Financial assets at fair value through other comprehensive income*

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and those contractual cash flows comprise solely payments of principal and interest ('hold to collect and sell').

Movements in the carrying amount of these financial assets are taken through OCI, except for impairment gains or losses, interest revenue and foreign exchange gains or losses, which are recognized in profit or loss. Where the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss.

*Financial assets at FVTPL*

Other financial assets that do not fall into the two categories above are measured at FVTPL. All derivative instruments that are either financial assets or financial liabilities continue to be classified as held for trading and measured at fair value through profit and loss.

*Effective interest method*

The effective interest method is a method of calculating the amortized cost of financial asset and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that from an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

Income is recognized on an effective interest basis for debt instruments other than those financial assets at fair value through other comprehensive income and those at FVTPL.

**ii) Non derivative financial liabilities**

The Company has the following non-derivative financial liabilities: accrued expenses, and other payables.

Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

**(r) Finance income and expenses**

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Dividend income is recognised in profit or loss on the date the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, changes in fair value of financial assets at fair value through profit or loss. Borrowing costs relating to qualifying assets are capitalised. All other borrowing costs are recognised in profit or loss using the effective interest method.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

*(i) Critical accounting estimates and assumptions*

*Property, plant and equipment*

Critical estimates are made by the Directors in determining depreciation rates for property, plant and equipment and their residual values. The rates used are set out in Note 2 (e) above.

*Receivables*

Critical estimates are made by the Directors in determining the recoverable amount of impaired receivables.

*(ii) Critical judgements in applying the entity's accounting policies*

In the process of applying the company's accounting policies, management has made judgements in determining whether assets are impaired or not.

**5. RISK MANAGEMENT**

**(a) Liquidity risk**

**ASIANO GLOBAL INVESTMENT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

Without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity is further managed by monitoring forecast cash flows to ensure that the company has adequate cash resources to meet its short-term commitments.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

All liquidity policies and procedures are subject to review and approval by the Company's board of directors. The major portion of borrowings relates to a loan from the company's shareholders and is long-term in nature.

**(b) Interest rate risk**

Currently the company has no significant interest-bearing assets, and therefore, the company's income and operating cash flows are substantially independent of changes in market interest rates.

**(c) Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's trade and other receivables. The company's principal financial assets are cash and cash equivalents and accounts receivables. The credit risk on cash transactions in liquid fund is limited because the company banks with established and well recognised banking institutions. Trade receivables comprise a limited customer base. Management evaluated credit risk relating to customers on an ongoing basis.

**(d) Foreign exchange risk**

The company operates and receives funding both locally and internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investment in foreign operations. The company does not hedge foreign exchange fluctuations.

**6. GOING CONCERN STATUS**

The company made a Loss for the period ended 31 December 2023 amounting to TZS 81,135,247 (2022: loss of TZS 71,081,218) and as of that date its total assets exceeded its total liabilities by TZS 10,123,599,399 and in 2022 by TZS 10,204,734,646. The shareholders will provide the necessary financial support to enable the Company to continue its future operations. Accordingly, these financial statements have been prepared on the basis of accounting policies applicable to a going concern.

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

7. PROPERTY, PLANT AND EQUIPMENT:

	LAND TZS.	MOTOR VEHICLES TZS.	COMPUTER & ACCESSORIES TZS.	FURNITURE & FITTINGS TZS.	TOTAL TZS
Cost at 1 <sup>st</sup> January, 2023	9,492,869,009	263,869,000	15,864,050	43,311,959	9,815,914,018
Additions	-	-	-	-	
At 31.12.2023	9,492,869,009	263,869,000	15,864,050	43,311,959	9,815,914,018
<b>DEPRECIATION:</b>					
At 1 <sup>st</sup> January, 2023	-	263,869,000	15,864,050	35,952,311	315,685,361
Charge for the year	-	-	-	-	
At 31.12.2023	-	263,869,000	15,864,050	35,952,311	315,685,361
Net Book Value at 31 <sup>st</sup> December, 2023	9,492,869,009	-	-	7,359,648	9,500,228,657
Net Book Value at 31 <sup>st</sup> December, 2022	9,492,869,009	-	-	7,359,648	9,500,228,657

8. SHARE CAPITAL:

8.1. The Authorised Share Capital is TZS. 21,500,000,000 divided into 21,500 Ordinary Shares of TZS. 1,000,000 each.

8.2. Issued Share Capital is TZS. 11,186,000,000 divided into 11,186 Ordinary Share of TZS. 1,000,000 each fully paid up.

9. CASH AND CASH EQUIVALENT:

	2023 TZS	2022 TZS
Cash and Bank balance	611,235,743	692,370,990
	<u>611,235,743</u>	<u>692,370,990</u>

10. TRADE AND OTHER PAYABLES:

	2023 TZS	2022 TZS
Consultancy Fees	700,001	700,001
	<u>700,001</u>	<u>700,001</u>

ASIANO GLOBAL INVESTMENT COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)

**11. REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Organization and that it can be reliably measured.

The main sources of Organization revenue are business of Estate development, real estate of buying land and collecting rent from tenants. During the period no any revenue that was generated during the period.

**12. OPERATING EXPENSES**

	NOTES	2023 TZS.	2022 TZS.
Bank charges		1,628,554	572,088
Depreciation		-	5,413,995
Staff Welfare		4,118,350	11,028,612
Accommodation Expenses		100,000	349,694
Fuel Motor Vehicle Exp.		9,760,000	7,586,333
Hardware		-	33,500
Internet & Network Exp.		-	1,538,000
Medical Exp.		93,000	794,600
Office Decoration Exp		178,000	27,000
Consultancy fees		700,000	700,000
Office Expenses		105,000	65,200
Parking Fee Exp		5,500	9,000
Rent Exp.		60,084,102	34,231,000
Repair and Maintenance M/V		12,252,800	10,000
Stationaries		-	36,000
Travelling Exp		-	4,386,197
Water & Electricity Exp.		38,000	4,300,000
		<u>89,063,306</u>	<u>71,081,219</u>

**ASIANO GLOBAL INVESTMENT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS – 2023. (Continued)**

**13. CONTINGENCIES**

There are no material contingencies as at 31 December 2023, which may possibly result in a loss or gain to the Company or in commitments which it cannot meet, and for which no provision is considered necessary or only partial provision has been made.

**14. EVENTS SUBSEQUENT TO THE YEAR END DATE**

The Directors are not aware of any other events (as defined per IAS 10 Events after the Reporting Period) after the reporting date of 31 December 2023 and the date of authorisation of these audited financial statements. As at the date of this report, there is no sufficient data to quantify the effects of the pandemic. However, as the pandemic continue to evolve, Directors and management will still assess its impact to the Company in the next twelve months from the date of approval of the financial statements.

**15. COMPARATIVE**

Previous year's figures have been re-arranged whenever considered necessary in order to make them comparable with the current year's figures.

**16. CURRENCY**

The financial statements are presented in Tanzania Shillings (TZS). Average exchange rate as at 31 December 2023 as per Bank of Tanzania Published rates was TZS 2,508 per 1 USD