



# **CAPITAL VENTURES EUROPE PLC**

## **Financial Statements**

As of and For the 3 Month Period  
Ended  
July 31, 2016  
(Unaudited)

## **NOTICE TO READER**

The accompanying financial statements for Capital Ventures Europe PLC. (the “Company”) as of and for the period ended 31 July 2016 have been prepared by management in accordance with accounting principles generally accepted in the United States. These financial statements, which are the responsibility of management, are unaudited and have not been reviewed by auditors. Management believes the unaudited financial statements are free of material misstatement and present fairly, in all material respects, the financial position of the Company as at 31 July 2016 and the results of its operations and its cash flows for the period then ended.

Capital Ventures Europe PLC

Balance Sheet

31 July 2016

| <b>Assets</b>                   | <b>Note</b> | <b>31-Jul<br/>2016</b> |
|---------------------------------|-------------|------------------------|
|                                 |             | \$                     |
| <i>Noncurrent assets</i>        |             |                        |
| Investment property             | 2           | 6,600,000              |
| Intellectual property           | 2           | 1,500,000              |
| Total noncurrent assets         |             | <b>8,100,000</b>       |
| <br>Cash at bank                | 3           | 69,569                 |
| Total current assets            |             | <b>69,569</b>          |
| <br><b>Total assets</b>         |             | <b>8,169,569</b>       |
| <br><b>Shareholders' Equity</b> |             |                        |
| <i>Shareholders' equity</i>     |             |                        |
| Share capital                   | 4           | 8,171,195              |
| Other reserves                  | 4           | 61                     |
| Accumulated deficit             |             | (1,687)                |
| Total shareholders' equity      |             | <b>8,169,569</b>       |

Capital Ventures Europe PLC

Statement of Operations

31 July 2016

|                                 | <u>Note</u> | <u>31-Jul<br/>2016</u> |
|---------------------------------|-------------|------------------------|
|                                 |             | \$                     |
| <b>Turnover</b>                 |             | -                      |
| <b>Administrative expenses</b>  | <b>5</b>    | -                      |
| <b>Net loss</b>                 |             | <u>-</u>               |
| Other comprehensive income      |             | -                      |
| <b>Total comprehensive loss</b> |             | <u><u>-</u></u>        |

Capital Ventures Europe PLC  
Statement of Shareholders' Equity  
31 July 2016

|                                 | Share<br>Capital        | Other<br>Reserves | Accumulated<br>Deficit | Total                   |
|---------------------------------|-------------------------|-------------------|------------------------|-------------------------|
|                                 | \$                      | \$                | \$                     | \$                      |
| <b>Balance at May 1, 2016</b>   | <b>8,171,195</b>        | <b>61</b>         | <b>(1,687)</b>         | <b>8,169,569</b>        |
| <b>Balance at July 31, 2016</b> | <b><u>8,171,195</u></b> | <b><u>61</u></b>  | <b><u>(1,687)</u></b>  | <b><u>8,169,569</u></b> |

Capital Ventures Europe PLC

Statement of Cash Flow

31 July 2016

|   | <b>31-Jul<br/>2016</b> |
|---|------------------------|
|   | <u>\$</u>              |
| <b>Cash flow from operating activities:</b>           |                        |
| Net loss  | -                      |
| Adjustments to reconcile net loss                     |                        |
| to cash flow used in operating activities: None       | -                      |
| <b>Net used in operating activities</b>               | <u>-</u>               |
| <b>Net cash used for investing activities</b>         | <u>-</u>               |
| <b>Cash flow from financing activities:</b>           | <u>-</u>               |
| Net change in cash and cash equivalents               | -                      |
| <b>Foreign currency impact on cash</b>                | -                      |
| Cash and cash equivalents at beginning of the period  | 69,569                 |
| <b>Cash and cash equivalents at end of the period</b> | <u><u>69,569</u></u>   |
| <b>Interest paid</b>                                  | <u>-</u>               |
| <b>Taxes paid</b>                                     | <u>-</u>               |

Capital Ventures Europe PLC  
Notes to Financial Statements  
31 July 2016

## **1. ACCOUNTING POLICIES**

### **1.1 Basis of preparation of financial statements**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America under the historical cost convention, and are stated in terms of United States dollars.

### **1.2 Profit and Loss**

The company has not traded during the year or the preceding financial year. During these periods, the company received no income and incurred no expenditure and therefore made neither profit nor loss

## **2. ACQUISITIONS**

During the year ended 30 April 2016, the Company acquired investment property in exchange for 4,566,666 shares of its common stock valued at \$6,600,000.

During the year ended 30 April 2016, the Company acquired intellectual property in exchange for 1,000,000 shares of its common stock valued at \$1,500,000.

## **3. CASH AT BANK**

As of 31 July 2016, the Company held cash in bank in the amount of £48,858.

## **4. SHAREHOLDERS' EQUITY**

The company has 120,535,267 ordinary shares authorized, called up and fully paid off as of 31 July 2016.

## **5. OPERATING EXPENSES**

The company has no employees other than the directors, who did not receive any remuneration

## **6. SUBSEQUENT EVENTS**

No events occurred subsequent to 31 July 2016 that would require adjustment to the accompanying financial statements or footnotes.

## **7. APPROVAL OF THE FINANCIAL STATEMENTS**

The accompanying financial statements were approved by the board of directors and authorized for issue on 09 August 2016.