HRC World plc

(England & Wales Company No. 10829936)

Report and Consolidated Financial Statements for year ended 31 March 2019

Contents

Officers and Advisors

Directors
Thong Teong Bun - *Non-Executive Chairman*
Alex George - *Chief Executive Officer*
Shailen Gajera - *Executive Director*
Simon Retter - *Independent NED*

Registered Office
Suite A, No. 6 Honduras, St. London EC1Y 0TH
United Kingdom

Certified Adviser
Keswick Global AG
Hoffingergasse 16/1/6, 1120 Vienna
Austria

Legal Adviser
Bird & Bird LLP
12 New Fetter Lane, London EC4A 1JP
United Kingdom

Broker
Optiva Securities Limited
49 Berkeley Square, Mayfair, London W1J 5AZ
United Kingdom

Auditor
Crowe U.K. LLP
St Bride's House
10 Salisbury Square, London EC4Y 8EH
United Kingdom

Company Secretary
London Registrars Ltd
Suite A, 6 Honduras St, London EC1Y 0TH
United Kingdom

Principal Banker
Llyods Bank plc

Registrar
Avenir Registrar Limited
5 St Johns Lane
London EC1M 4BH
United Kingdom

Dear Fellow Shareholders,

It is my pleasure to present you HRC World's Annual Report for the period ended 31 March 2019. The Company had originally intended to develop a total of 38 franchised cafés across China and had accordingly appointed a subsidiary of China State Construction Engineering Corporation Limited to assist in the roll out of the planned franchised cafés throughout China.

However, 2018 proved to be a difficult year for the Company, especially for a Western company offering American casual dining concept in China. The global trade tension particularly involving the United States and China drew a lot of resistance amongst the stakeholders in China and the Company started feeling the potential headwinds in expanding the business as planned.

Predicting that the situation may worsen, the Company decided to sell its franchise business in China in late July 2018. This was through the sale of the Hard Rock Café related franchise business, including its then existing restaurants in Shanghai and Hangzhou, as well as the semi-completed restaurant in Chengdu to the original founder of the business for a gross consideration of US$ 20 million. Simultaneously, the Company changed its business to just providing restaurant management services instead of directly owning the cafés and restaurants. Accordingly, the Company had thereafter planned to provide (1) restaurant marketing and promotion support services, (2) tourist based customer acquisition services, and (3) music & event based revenue development to potential restaurant owner/partners.

Separately the Company had formed HRC Music plc to spearhead the music videos and content business in support of its restaurant management business. HRC Music was incorporated to promote live music and bands specifically to tap into the growing music content industry. It was meant to be for HRC Music to have multi-pronged strategy to produce a music reality themed show for the purpose of discovering new bands and solo artists, as well as securing IP and Distribution Rights for the music and video content. The Company planned to collaborate with local and regional TV & radio broadcasters, media entertainment houses, telecommunication companies, etc. to broadcast HRC Music content on multi-cast platforms via all delivery formats available. This had eventually resulted in the Company announcing in May 2019, will acquire up to 70% equity stake in the state-of-the-art Encore Melaka Theatre in Malaysia from Yong Tai Berhad (YTB) for the purpose of joint promotion and development of HRC Music business initiatives. YTB is a Bursa Malaysia Main Market listed company in the business of property development. The due diligence process is still on-going.

Prior to that, in March 2019, the Company had also entered into discussion with PT. Menara Sumberdaya Indonesia (MSI) to jointly develop a chain of Javanese traditional home-style cafés in Asia and Europe. The discussion and feasibility studies is still on-going.

The Company hopes to conclude some of its on-going discussions within the next few months.

Financial and Statutory Information

The Company made a gain from asset disposal in July 2018 amounting to US$ 15.028 million. This resulted in the loss before tax from continuing operation of US$ 0.443 million (compared to restated loss of US$ 0.387 million for the FY 2018). The Company had recorded a profit from discontinued operations amounting to US$13.770 million (2018: loss of US$ 6.172 million).

Outlook

The Company is exploring feasibility in establishing cafés in Asia and Europe with MSI and is confident that some acceptable arrangements with the relevant parties can be entered into soon.

Apart from discussions with MSI, the Company is also in talks with other food and beverage companies to provide restaurant management services as well as forging collaboration in music and content related business.

The Company remain committed to managing its cash resources and exposure to risk carefully whilst reviewing opportunities that add long term shareholder value.

I thank all the loyal shareholders who have supported the Company through thick and thin and now look forward to seeing a prosperous year for HRC World Plc.

<u>THONG</u> Teong Bun
Chairman
2 August 2019

Operating Review

I am pleased to update our shareholders with our strategic view, key priorities, risks and the potential growth drivers of our business.

The prior fiscal year has seen the Company disposing its direct ownership in restaurants through the sale of its operating assets for US$ 20 million. The Company currently does not own any restaurants and is actively seeking to offer its restaurant management services to other restaurant owners/operators. The Company is also in midst of acquiring a state-of-the-art theatre in Melaka, Malaysia as part of its music business initiative.

Business Review and activities

The principal activity of the Company is the provision of restaurant management services as well as developing its music division to promote live music and bands, specifically to tap into the growing music content industry. The Company disposed its entire equity interest in its operating asset that owns the Hard Rock Café restaurant franchise in China in July 2018 for US$ 20 million. Subsequently in March 2019, it had entered into discussion with PT. Menara Sumberdaya Indonesia to consider jointly developing a chain of Javanese traditional home-style cafés in Asia and Europe. In May 2019, the Company entered into discussion with Yong Tai Berhad to acquire up to 70% equity stake in the Encore Melaka Theatre to support its music business initiatives.

Strategy

The Company's current business strategy is to provide restaurant management services to suitable restaurant chains where the Company offers (1) restaurant marketing and promotion support services, (2) tourist based customer acquisition services, and (3) music & event based revenue development. Separately, the Company is planning to produce a music reality themed show for the purpose of discovering new bands and solo artists as well as securing IP and Distribution Rights for the music and video content. It plans to collaborate with local and regional TV & radio broadcasters, media entertainment houses, telecommunication companies, etc. to broadcast HRC Music content on multi-cast platforms via all delivery formats available.

Financial Review

The Company has no non-current assets at 31 March 2019 compared to US$ 4.097 million in assets as at 31 March 2018. Net assets stood at US$ 19.074 million for the current period compared to US$ 6.032 million for the FY ending 31 March 2018.

Loss per share for the year was US$ 0.30 per share and 150,000,000 shares were outstanding at the close of the financial year ended 31 March 2019. The Company's consolidated net assets remained positive as at 31 March 2019.

Key Performance Indicators (KPI's)

As the Company is still in the process of acquiring suitable businesses, in line with its current business strategy, it is still too early to develop business KPIs. In the future performance of the business will be measured by revenues from fees earned through provision of restaurant management services as well as from revenue generated from music and content related activities.

Principal risks and uncertainties

Business Expansion Risk

The Company is trying to acquire business by providing restaurant management services to existing restaurant owners/operators. There is no guarantee that the Company will succeed in this endeavour.

Human Capital Risk

The Group's success depends on its key personnel.

The Company's future success depends on the ability of the senior management team to work together and successfully implement the Company's growth strategy. The Company's future success also depends heavily upon the continuing services and performance of the Company's key management personnel, in particular our Executive Director and our Chief Executive Officer. Currently, the CEO for the Company has been applying his hands-on approach in identifying suitable business opportunities.

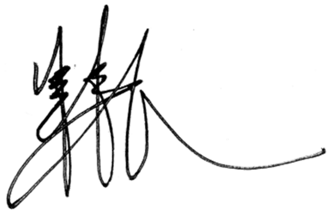
The Company must continue to attract, retain and motivate a sufficient number of qualified management and operating personnel to ensure business is developed as planned.

If the Company's senior management team fails to work together successfully, or if one or more of the Company's senior managers is unable to effectively implement the Company's business strategy, the Company may be unable to grow its business at the speed or in the manner in which the Directors' expect. Competition for experienced management and operating personnel in the restaurant industry is intense, and the pool of qualified candidates is limited. The Company may not be able to retain the services of its key management and operating personnel, or attract and retain high-quality senior executives or key personnel in the future.

If one or more of the Company's key personnel are unable or unwilling to continue in their present positions, the Company may not be able to replace them easily or at all, and the Company's business may be disrupted and, consequently its results of operations may be materially and adversely affected. In addition, if any member of the Company's senior management team or any of its other key personnel joins a competitor or forms a competing business, the Company may lose business secrets and know-how as a result. Any failure to attract, retain and motivate these key personnel may harm the Company's reputation and result in a loss of business.

Going concern

As described in note 2, the Directors, having made appropriate enquiries, consider that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis in preparing the financial statements.



THONG Teong Bun
Chairman
2 August 2019

Although the UK Corporate Governance Code is not compulsory for companies whose shares are admitted to trading on Nasdaq First North, the Board recognises the importance of sound corporate governance and has developed governance policies appropriate for the group, with reference to the main provision of the Corporate Governance Code for small and mid-size quoted companies published by the Quoted Companies Alliance ("QCA") Guidelines.

(1) The Board, which comprises a Non-Executive Chairman, two Executive Directors and one Non-Executive Director, will meet regularly to consider strategy, performance, approval of major capital projects and the framework of internal controls;

(2) The Executive directors will meet on a regular basis for operational meetings;

(3) To enable the board to discharges its duties, all directors will receive appropriate and timely information;

(4) All directors have access to the advice and services of Company Secretary, who is responsible for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with;

(5) The appointment and removal of the Company Secretary is a matter of the Board as a whole; and

(6) In addition, procedures are in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

Directors are subject to retirement by rotation and re-election by the Shareholders at annual general meetings of the Company, as required by the Company's articles and any Director appointed by the Board shall hold office only until the next annual general meeting and shall then be eligible for election.

Two committees of the Board have been set up. Each of which will be chaired by Thong Teong Bun and will comprise of the independent Non-Executive Director, Simon Retter, and Executive Director, Shailen Gajera.

Six Board meetings took place during the reporting period.

Audit and Risk committee

This committee will have primarily responsibility for monitoring the quality of internal control, ensuring that the financial performance of the company is properly measured and reported on, and reviewing reports from the Company's auditors relating to the Company's accounting and internal controls, in all cases having due regard to the interests of shareholders. This Committee will also consider all matters referred to the Committee by executives responsible for health, safety and risk management. The Audit Committee will meet at least four times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required. No audit committee meeting took place during the reporting period.

Remuneration Committee

This committee will set the remuneration policy for all Executive Directors and review the performance of the Executive Directors and determine their term and condition of service, including their remuneration and pension rights and grants of options, having due regard to the interest of shareholders. The Remuneration Committee will meet at least twice a year and at such other times as may be required. No Remuneration Committee meeting took place during the reporting period

The Company is dedicated to good corporate governance and recognizes the importance of social responsibility. As set out in the Company Description dated 1 February 2018, a Director shall not be required to hold any shares in the Company.

Directors' remuneration

Directors' remuneration for services as directors of the Company in the period was as follows:

Director	**Fees $'000**
Alex George	59
Thong Teong Bun	22
Shailen Gajera	22
Simon Retter	23
Total	**126**

Alex George has been appointed by the Company to act as an Executive Director under a service agreement dated 15 February 2018. His appointment commenced on the same day and is terminable on six months' written notice on either side. He is entitled to a fee of USD 60,000 per annum

Thong Teong Bun has been appointed by the Company to act as the Non-Executive Chairman under a service agreement dated 1 February 2018. His appointment commenced on 21 June 2017 and is terminable on six months' written notice on either side. He is entitled to a fee of €20,000 per annum.

Shailen Gajera has been appointed by the Company to act as an Executive Director under a service agreement dated 1 February 2018. His appointment commenced on 24 November 2017 and is terminable on six months' written notice on either side. He is entitled to a fee of €20,000 per annum.

Simon Retter has been appointed by the Company to act as the Non-Executive Director under a service agreement dated 1 February 2018. His appointment commenced on 21 June 2017 and is terminable on six months' written notice on either side. He is entitled to a fee of €20,000 per annum.

None of the Directors have any potential conflicts of interest between their duties to the Company and their private interests or other duties they may also have.

Currently, the Company does not have any emoluments such as wages, pension, share based payment or long-term incentive schemes in place for any of the Directors, and as such, there are no disclosures in this respect.

The Directors present their report and the audited consolidated financial statements of HRC World Plc (the "Company") and its subsidiary undertaking (together the "Group") for the year ended 31 March 2019.

Principal activities

The principal activities of the Group is that in the provision of restaurant management services as well in as development of music videos and content business. Apart from no longer directly owning any restaurants, there were no significant changes in the nature of the Company's principal activities during the year.

Result and appropriations

The Group recorded a profit of USD$ 13.327 million for the year ended 31 March 2019. The Directors do not currently recommend the payment of a dividend.

Business review and future developments

A summary of the Group's main business developments for the year ended 31 March 2019 and potential future developments is contained within the Chairman's Statement and Strategic Report.

Financial risk management

The Group's objectives and policies in this regard are discussed in the Strategic Report.

Share Capital

There is no significant movements in the Company's share capital during the year. The Company's issued share capital comprises a single class of ordinary shares of 1p each. All issued shares are fully paid, can be held in certificated or uncertificated form and are quoted on the Nasdaq First North Copenhagen.

Substantial shareholders

As at 30 June 2019, the Group had been notified of the following interests of 3% or more in the Company's ordinary share capital:

VCB A.G.	28,590,000	19.06%
VCB Capital - PTB	30,000,000	20.00%
Noorusaadah Binti Othman	15,000,000	10.00%
Zurich Equity Corporation Limited	7,350,000	4.90%
JPM Asia Limited	7,350,000	4.90%
BNP Paribas Securities Services	7,006,248	4.67%
UBS Switzerland Ag	6,999,156	4.67%

As described in note 26, in July 2019 the Company entered into a settlement arrangement with Noorusaadah Binti Othman for the settlement of the outstanding debts owed by Ada Ventures (Malaysia) Sdn Bhd, by way of transferring to the Company 11,154,904 ordinary shares of the Company held by Noorusaadah Binti Othman.

Reserves

Details of movements in the Group's reserves during the year are set out in the consolidated statement of changes in equity on page 20.

Directors

The directors of the Company during the year were:

Thong Teong Bun
Shailen Gajera
Simon Retter
Alex George

There being no provision in the Company's articles of association for retirement, all the director shall continue to hold office in the ensuing year.

Arrangements to purchase shares or debentures

At no time during the year was the Company, its subsidiaries or parent companies, a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in contracts

No contracts of significance to which the Company, its subsidiaries or parent companies was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Management contract

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Disclosure of information to the auditor

In the case of each person who was a Director at the time this report was approved:

- so far as the Director was aware there was no relevant audit information of which the Company's auditor was unaware; and
- the Director has taken all steps that the he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor was aware of that information.

Auditors

A resolution to reappoint the auditor, Crowe U.K. LLP, will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board.

THONG Teong Bun
Chairman
On behalf of the Board
2 August 2019

The Directors are responsible for preparing the Strategic Report, Directors' Report, any other surround information and the group and parent company financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare group and parent company financial statements for each financial year. Under that law, they are required to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and applicable law and have elected to prepare the parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that year. In preparing each of the group and parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the Strategic Report and Directors' Report which comply with the requirement of the Companies Act 2006; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

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

The Directors are also responsible for ensuring that the Strategic Report, Directors' report and other information included the Annual Report and financial statements is prepared in accordance with applicable law in the United Kingdom. The maintenance and integrity of the Company's website is the responsibility of the Directors. The work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and other information included in the annual report may differ from legislation in other jurisdictions.

Opinion

We have audited the financial statements of HRC World Plc (the "Company") and its subsidiaries (the "Group") for the year ended 31 March 2019, which comprise:

- the Group statement of comprehensive income for the year ended 31 March 2019;
- the Group and Company statements of financial position as at 31 March 2019;
- the Group statement of cash flows for the year then ended;
- the Group and Company statements of changes in equity for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2019 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusion relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be US$20,000, based on approximately 5% of the Group's normalised loss before taxation.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of US$600. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

We performed a full scope audit on the Company and a wholly owned subsidiary, both based in United Kingdom. Their accounting accords are administered from one central location at Kuala Lumpur, Malaysia and our audit was conducted on these records.

Key Audit Matters

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

This is not a complete list of all risks identified by our audit:

Key audit matter	How the scope of our audit addressed the key audit matter
Going concern The Group made a loss from continuing operations for the year of $443,000 (2018: loss of $387,000) and recorded a cash outflow from operations of $1,362,000 (2018: $3,167,000). At the reporting date the Group held cash and cash equivalents of $17,000 (2018: $456,000) and had current liabilities of $1,000,000 (2018: $2,079,000). The going concern basis of preparation may not be appropriate.	We reviewed financial projections for the Group for a period of more than 12 months from the date of approval of the financial statements. We challenged management on the assumptions underlying those projections and sensitised them to reduce anticipated net cash inflows from future trading activities. As set out in note 26, after the reporting date an amount of US$20 million receivable from Ada Ventures (Malaysia) Sdn Bhd, a related party, was settled in full by way of receipt by the Company of US$15 million in Treasury Shares and US$5 million in cash. We obtained evidence to support the settlement and the receipt of US$5 million cash.
Recoverability of amounts due from a related party At the reporting date an amount of US$20 million was receivable from Ada Ventures (Malaysia) Sdn Bhd, a related party. The amount may not be recoverable.	As set out in note 26, after the reporting date the amounts due were settled in full by way of receipt by the Company of US$15 million in Treasury Shares and US$5 million in cash.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

Stephen Bullock (Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 2 August 2019

HRC World plc
(England & Wales Company No. 10829936)
Consolidated Statement of Comprehensive Income
For year ended 31 March 2019

	Note	Year ended 31 March 2019 US$'000	(Restated) 15 months to 31 March 2018 US$'000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Listing costs		-	(312)
General and administrative expenses		(443)	(75)
Profit/(loss) before tax from continuing operation	6	(443)	(387)
Income tax expense	8	-	-
Profit/(Loss) from continuing operation		(443)	(387)
Profit/(Loss) from discontinued operation	22	13,770	(6,172)
Total loss for the year		**13,327**	**(6,559)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Translation of foreign operation		-	364
Total comprehensive income/(loss) attributable to the owners of the company		**13,327**	**(6,195)**
Total comprehensive income/(loss) attributable to the owners of the company arises from:			
Continuing operation		(443)	(387)
Discontinued operation		13,770	(5,772)
		13,327	**(6,195)**
Earnings per share from continuing operation attributable to the owners of the company			
Loss per share (basic and diluted) cent/share	17	(0.30)	(1.09)
Earnings per share from discontinued operation attributable to the owners of the company			
Earning/(loss) per share (basic and diluted) cent/share	22	9.18	(17.5)

The notes to the consolidated financial statements form an integral part of these financial statements.

Consolidated Statement of Financial Position
As at 31 March 2019

	Note	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Non-current assets			
Property, plant and equipment	10	-	2,751
Intangible assets	11	-	1,346
		-	**4,097**
Current assets			
Inventories		-	178
Trade and other receivables	12	57	1,181
Amount due from a related company	18	20,000	1,885
Amounts due from a shareholder	18	-	314
Cash and cash equivalents	13	17	456
		20,074	**4,014**
Current Liabilities			
Trade and other payables	14	132	1,731
Amount due to a shareholder	18	854	245
Amount due to director	18	14	103
		1,000	**2,079**
Net Current Asset/(Liabilities)		**19,074**	**1,935**
Total Assets less Current Liabilities		**19,074**	**6,032**
Net Assets/(Liabilities)		**19,074**	**6,032**
Capital and reserve			
Share capital	15	1,849	1,849
Share premium	15	1,808	1,808
Translation reserve	16	-	285
Merger reserve	16	12,799	12,799
Accumulated profit/(loss)		2,618	(10,709)
Total Equity		**19,074**	**6,032**

The notes to the consolidated financial statements form an integral part of these financial statements.

This report was approved and authorised for issue by the Board of Directors on 2 August 2019 and signed on behalf by:

THONG Teong Bun
Chairman
2 August 2019

Consolidated Statement of Changes in Equity
to 31 March 2019

	Share capital US$'000	Share premium US$'000	Merger reserve US$'000	Translation reserve US$'000	Accumulated losses US$'000	Total US$'000
As at 31 December 2016	**-**	**-**	**800**	**(79)**	**(4,150)**	**(3,429)**
Exchange differences on translating foreign operations	-	-	-	364	-	364
Loss for the period	-	-	-	-	(6,559)	(6,559)
Total comprehensive loss for the period	**-**	**-**	**-**	**364**	**(6,559)**	**(6,195)**
Transaction with owners						
Issuance of shares on group reconstruction	1,849	1,830	11,999	-	-	15,678
Issuance costs	-	(22)	-	-	-	(22)
As at 31 March 2018	**1,849**	**1,808**	**12,799**	**285**	**(10,709)**	**6,032**
Reclassification on disposal of HRC Asia Limited	-	-	-	(285)		(285)
Profit for the year	-	-	-	-	13,327	13,327
Total comprehensive income for the year	**-**	**-**	**-**	**(285)**	**13,327**	**13,042**
As at 31 March 2019	**1,849**	**1,808**	**12,799**	**-**	**2,618**	**19,074**

The notes to the consolidated financial statements form an integral part of these financial statements.

Consolidated Statement of Cash Flows
For Year Ended 31 March 2019

	Year ended 31 March 2019 US$'000	(Restated) 15 months to 31 March 2018 US$'000
Cash flow from operating activities		
Profit/(loss) before tax		
Continuing operations	(443)	(387)
Discontinued operations	13,770	(6,172)
Profit/(loss) before tax including discontinued operations	13,327	(6,559)
Adjustments for:		
Gain from disposal group	(15,028)	-
Bank interest income	-	(1)
Loan interest expense	-	2,438
Depreciation of property, plant, equipment	-	708
Amortisation of intangible assets	-	159
Operating cash flows before movements in working capital	(1,701)	(3,255)
Decrease/(increases) in inventories	53	102
Increase in trade and other receivables	23	(668)
Increase in amount due from related companies	-	(204)
Increase in trade and other payables	38	933
(Increases)/decrease in amount due to shareholders	314	(76)
Decrease in amount due to a director	(89)	-
Cash used in operations	**(1,362)**	**(3,168)**
Interest income	-	1
Net cash used in operating activities	**(1,362)**	**(3,167)**
Cash flows (for)/from investing activities		
Payments for acquisition of property, plant and equipment	-	(1,117)
Disposal of property, plant and equipment – NBV	-	-
Net cash used in investing activities	**-**	**(1,117)**
Cash flows (for)/from financing activities		
Proceeds from loans from a shareholder	923	605
Proceeds from issuing ordinary shares	-	1,826
Net cash generated from financing activities	**923**	**2,431**
Net (decrease)/increase in cash & cash equivalents	(439)	(1,853)
Effect of exchange differences	-	86
Cash and equivalents at beginning of period	456	2,223
Cash and equivalents at end of year/period	**17**	**456**

1. Corporate Information

The Company is a public limited company with registered number 10829936. It was incorporated on 21 June 2017 as a public limited company in England and Wales with the name Hard ADA Rock plc. The Company was issued a certificate to commence trade on 19 July 2017.

On 28 November 2017 the Company was renamed HRC World plc.

On 6 February 2018, the Company issued 142.79 million ordinary shares at par value of EUR0.01 to the nominees of the holders of the share capital of HRC Asia Ltd (formerly known as Hard Rock Capital Limited), the holder of the entire share capital of ADA Holdings Limited at that date, in consideration for the transfer of the entire issued share capital of HRC Asia Ltd to the Company pursuant to the share swap agreement.

At the same date, the Company had its primary listing on the Nasdaq First North, Denmark. The Company's nature of operations is to act as the holding company of a group of subsidiaries that are established to exploit high quality food and beverage opportunities, initially in Greater China and then beyond.

The Company entered into a Share Sale Agreement, which was approved by the Stamp Office on 30 July 2018, with Ada Ventures (Malaysia) Sdn Bhd, the original founder of the franchisee of Hard Rock franchise in China, for the sale of HRC Asia Ltd. The consideration receivable by the Company under this agreement is US$ 20 million. HRC Asia Ltd is the company that owns the existing Hard Rock Cafes in China. The sale was approved by shareholders at the Company's Annual General Meeting on the 23 August 2018.

Separately, the Company agreed to enter into a Restaurant Management Agreement (RMA) with HRC Asia Ltd, effective within 30-days after 23 August 2018, for the management of the Hard Rock Café expansion, development and operations across China and in additional territories as planned earlier. The RMA essentially maintains the involvement of the Company in the Hard Rock Cafés in China but on a management as opposed to ownership basis. The RMA provides for the Company to make available (1) restaurant marketing and promotion support services, (2) tourist based customer acquisition services, and (3) music & event based revenue development. The Company will not be involved in the day-to-day operations of the restaurants engaged under the RMA and further relieves the company of the capex requirements for new cafes. No revenue has been recognised under this agreement.

The financial statements are presented in United States dollars ("US$"), which is also the functional currency of the Company and the Group, and rounded to the nearest thousands (US$'000) unless it is stated otherwise.

As at 31 March 2019, the Company has only one wholly owned subsidiary, HRC Music Plc which has not yet commenced any operation.

2. Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

As described in note 1, the acquisition of HRC Asia Ltd by the Company was by way of a group reorganisation. The formation of the operating group headed by HRC Asia Ltd was affected by way of a re-organisation of entities which were under common control. As such, both combinations fall outside the scope of IFRS 3 "Business Combinations" (Revised 2008). The Directors have, therefore, decided that it is appropriate to reflect the combinations using the merger basis of accounting in order to give a true and fair view. No fair value adjustments were made as a result of that combination.

In accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, in developing an appropriate accounting policy, the Directors have considered the pronouncements of other standard setting bodies and specifically looked to accounting principles generally accepted in the United Kingdom ("UK GAAP") for guidance (FRS 102) which does not conflict with IFRS and reflects the economic substance of the transaction.

Under UK GAAP, the assets and liabilities of both entities are recorded at book value, not fair value. Intangible assets and contingent liabilities are recognised only to the extent that they were recognised by the legal acquirer in accordance with applicable IFRS. No goodwill is recognised, any expenses of the combination are written off immediately to the income statement and comparative amounts, if applicable, are restated as if the combination had taken place at the beginning of the earliest accounting period presented.

Although the reconstruction of the Group completed in 1 February 2018, these consolidated financial statements are presented as if the corporate structure has always been in place, including the activity from incorporation of the Group's principal subsidiary. All entities had the same management as well as majority shareholder.

Furthermore, the Company disposed HRC Asia Ltd group for purchase consideration of US$ 20 million on 30 July 2018. Detail information of the subsidiary companies are as described in Note 9.

Going Concern

The financial statements are required to be prepared on the going concern basis unless it is inappropriate to do so.

The Directors, having considered "Going Concern and Liquidity Risk: Guidance for Directors of UK Companies" issued by The Financial Reporting Council in 2016, consider the going concern basis of preparation to be appropriate in preparing the financial statements. The key conclusions are summarised below:

The Group made a loss from continuing operations for the year of $443,000 (2018: loss of $387,000) and a profit from discontinued operations of $13,770,000 (2018: loss of $6,172,000). The group recorded a cash outflow from operations of $1,362,000 (2018: $3,167,000). At the reporting date the group held cash and cash equivalents of $17,000 (2018: $456,000) and had current liabilities of $1,000,000 (2018: $2,079,000).

On 30 July 2018 HRC World sold the entire issued share capital of Hard Rock Capital Limited (now renamed HRC Asia Limited) to Ada Ventures Malaysia Sdn Bhd, the original founder of the franchisee of the Hard Rock franchise in China for consideration of $20,000,000. The Group recorded a gain on the disposal of $15,028,000 due to the contractual entitlement to receive disposal proceeds of $20,000,000 from Ada Ventures. As set out in note 26, after the reporting date the disposal proceeds were settled in full by way of receipt by the Company of US$ 15 million in Treasury Shares and US$ 5 million in cash.

Also on 30 July 2018 HRC World signed a restaurant management agreement with HRCL (now renamed HRC Asia Limited) for the management of the expansion, development and operations of the Hard Rock Cafe's in China. No revenues have been recorded under that arrangement either in in the year ended 31 March 2019 or in the subsequent period to the date of approval of these financial statements.

The directors have prepared financial projections and plans for a period of at least 12 months from the date of approval of these financial statements. Those projections anticipate the Group commencing to generate operating revenues from July 2019. Based on their review of those financial projections and plans, the directors consider the going concern basis of preparation to be appropriate.

Application of new and revised International Financial Reporting Standards ("IFRSs")

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and in some cases have not yet been adopted by the EU.

At the date of authorisation of these financial statements, the Directors have reviewed the standards in issue by the International Accounting Standards Board ("IASB") and IFRIC, which are effective for annual accounting periods ending on or after the stated effective date. In their view, none of these standards would have a material impact on the financial statements of the Group for being non-trading group. Except for IFRS 16 is likely to require the recognition of most operating lease commitments on the Group's balance sheet as assets and the recognition of a corresponding liability. At 31 March 2019, the Group does not have any lease which is material and long term, Directors do not therefore anticipate the adoption of IFRS16 will have any impact on the Group's consolidated financial statements.

The Group has yet to record any revenues and therefore impact of IFRS 9 and IFRS 15 have been minimal. There were no adjustment as a consequence of adopting the standard.

3. Significant estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Going concern

As disclosed in note 2, these financial statements have also been prepared on a going concern basis.

b) Recoverability of amounts due from a related company

As disclosed in note 18, at 31 March 2019 an amount of US$ 20 million (2018: US$ 1.885 million) was receivable from ADA Ventures (Malaysia) Sdn Bhd, a company in which Noorusaadah Binti Othman is a shareholder. As described in note 26, these amounts were settled after the reporting date.

4. The principal accounting policies adopted are set out below.

a) Basis of consolidation

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

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profits or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-company transaction, balances, income and expenses are eliminated in full on consolidation.

b) Foreign currency transactions

Transactions in currencies other than the functional currency of the Group are recorded in functional currency at the rates of exchanges prevailing on the dates of the transactions. At each end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

On consolidation, exchange differences arising from the translation of the Group's net investment in foreign operations and of borrowings and other instruments denominated in foreign currencies are taken to other comprehensive income.

c) Impairment of assets

An assessment is made at each of the end reporting period to determine whether there is any indication of impairment of all assets or reversal of previous impairment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior periods.

d) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profits or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary timing differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) *Financial assets*

Loans and receivable

All financial assets are classified as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loan and receivables comprise other receivables, cash and cash equivalents, amounts due from a related company and amounts due from a shareholder in the statement of financial position.

Trade receivables are recognised initially at the transaction price and subsequently measured at amortised cost, less any impairment losses.

(ii) *Impairment of financial assets*

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under IFRS 9 including trade receivables, contract assets, other receivables, loan receivable, amounts due from an intermediate holding company, immediate holding company, associates and fellow subsidiaries, pledged bank deposits and bank balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions. The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and collectively using a provision matrix with appropriate groupings. For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(iii) *Financial liabilities and equity instruments*

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities
Financial liabilities are classified as financial liabilities measured at amortised costs.

f) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments which are not subject to significant changes in value and have original maturities of less than three months.

g) Property, Plant and Equipment (PPE)

Property, plant and equipment are recorded at cost, net of accumulated depreciation and any provision for impairment. Depreciation is provided using the straight-line method to write off the cost of the asset less any residual value over its useful economic life as follows:

Decorations	-	5 years
Furniture & Fixtures	-	5 years
Computer & Equipment	-	3 years

Asset under construction are not depreciated as these assets are not yet available for use. The carrying value of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

h) Intangible assets

Intangible assets are measured initially at cost. Following initial acquisition, initial assets are carried at cost less any accumulated amortisation and any accumulated impairment loss.

Franchise rights
Costs relating to master franchise fee paid are capitalised and amortised on a straight-line basis over the lease/franchise period. Franchise costs are to be amortised over 10 year period.

Software
Costs relating to software implemented /or acquired by the company are capitalised and amortised on a straight-line basis over the license period of 5 years.

i) Segmental reporting

For management purpose, the group is organised into operating segments based on their business group which are independently managed by the respective segment managers responsible for the performance of the respective business group under their charge.

In addition, the group also reviews the operating segments by geographical area in order to allocate resources to the segments and assess performance for business strategy and promotion for each segments.

j) Discontinued operation

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operation, which has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative period.

5. Segmental information

As required by IFRS 8 Operating segments, the segmental information presented in the financial statements is reported in a manner consistent with the internal reporting provided to the Chief Executive Officer. The Chief Executive Officer, who is responsible for allocating resources and assessing performance, has been identified as a member of the Board of Directors.

Operating segments	**Restaurant income**	**Event Management income**	**Corporate head offices**	**Total**
	US$'000	US$'000	US$'000	US$'000
Year ended 31 March 2019				
Operating expenditure	-	-	(443)	(443)
Loss from operations	**-**	**-**	**(443)**	**(443)**
Segment assets	-	-	20,074	20,074
Segment liabilities	-	-	(1,000)	(1,000)
			19,074	19,074
Period ended 31 March 2018				
Listing cost	-	-	(312)	(312)
Operating expenditure (restated)	-	-	(75)	(75)
Loss from operations (restated)	**-**	**-**	**(387)**	**(387)**
Segment assets	5,211	2,306	594	8,111
Segment liabilities	(1,499)	(383)	(197)	(2,079)
Capital expenditure	1,117	-	-	1,117

Geographical segments	**China**	**Hong Kong**	**UK**	**Total**
	US$'000	US$'000	US$'000	US$'000

Year ended				
31 March 2019				
Revenue	-	-	-	-
Non-current assets	-	-	-	-
Period ended				
31 March 2018				
Revenue (restated)	-	-	-	-
Non-current assets	3,361	736	-	4,097

6. Profit / loss before tax

The Group's profit / loss before tax is arrived at after charging / (crediting):

	Year ended 31 March 2019 US$'000	15 months to 31 March 2018 US$'000
Auditor's remuneration		
Fees payable to company's auditor in respect to the audit of the Company and consolidated financial statements	19	33
Non audit fees payable to company's auditor relating to the transaction services	-	74
	19	107

7. Key personnel expenses

Directors and senior management are regarded the key management personnel of the Group and their emoluments are disclosed below:

	Year ended 31 March 2019 US$'000	15 months to 31 March 2018 US$'000
Director	126	20

The average number of employees at each reporting period as follows:

	Year ended 31 March 2019 US$'000	15 months to 31 March 2018 US$'000
Director	4	3

8. Income tax expense

No liability to the corporation tax arose for the period ended 31 March 2018 and year ended 31 March 2019, as the Group did not generate any assessable profits during the reporting period.

Following to the disposal of HRC Asia Limited and its subsidiary undertaking, the Group's principal activity is based in United Kingdom. The corporation tax rate in UK is 19% (2018: 19%).

	Year ended 31 March 2019 US$'000	(Restated) 15 months to 31 March 2018 US$'000
Loss before tax	(443)	(387)
Tax at the effective tax rate - see below	(84)	(74)
Unrecognised deferred tax	84	74
	-	-

The Group has incurred indefinitely available tax losses of approximately $0.829 million (2018: $0.387 million (restated) to carry forward against future taxable income of the subsidiaries in which the losses arose and they cannot be used to offset taxable profits elsewhere in the Group.

No deferred tax asset has been recognised in respect of such losses and temporary differences due to the unpredictability of future profit streams. Such losses may be carried forward indefinitely.

9. Subsidiary undertakings

The details of the subsidiaries in the Group are as follows:

Name of company	Country of incorporation	Effective holding 2019	Effective holding 2018	Principal activities
Hard Rock Capital Limited	BVI	0%*	100%	Investment holding
HRCL (CC) Limited	BVI	0%*	100%	Investment holding
Ada Holdings Limited	Hong Kong	0%*	100%	Investment holding
ADA Ventures China Café Management & Trading Co., Ltd	PR China	0%*	100%	Restaurant management
Shanghai Ou Yue Food and Bar Management Co., Ltd	PR China	0%*	100%	Food and bar management services
Miaoshi Food and Bar Management (Hangzhou) Co., Ltd	PR China	0%*	100%	Food and bar management services
ADA Ventures Chengdu Food and Bar Co	PR China	0%*	100%	Food and bar management services
HRC Shanghai (Hong Kong) Limited	Hong Kong	0%*	100%	Investment holding
HRC Hangzhou (Hong Kong) Limited	Hong Kong	0%*	100%	Investment holding
HRC Music Plc *(incorporated on 14 March 2018)*	United Kingdom	100%	-	Sound recording and music publishing activities

*As described in note 1, these subsidiary undertakings were disposed by the Company on 30 July 2018. Detailed information of discontinued operation is disclosed in note 22.

Below is the registered address of the subsidiary undertakings.

Hard Rock Capital Limited HRCL (CC) Limited	Coastal Building, Wickham's Cay II, P.O. Box 2221, Road Town, Tortola British Virgin Islands
Ada Holdings Limited HRC Shanghai (Hong Kong) Limited HRC Hangzhou (Hong Kong) Limited	Room 2104, Mongkok Commercial Centre, 16 Argyle Street, Mongkok, Kowloon, Hong Kong
ADA Ventures China Café Management & Trading Co., Ltd	Room 286, 2nd Floor, Building 1, No. 350, Fute East Road, Free Trade Zone Shanghai, People's Republic of China
Shanghai Ou Yue Food and Bar Management Co., Ltd	No. 249, North Maoming Road, Jing'an District, Shanghai
Miaoshi Food and Bar Management (Hangzhou) Co., Ltd	1.122-123, Main Floor Building 3, Kerry Centre, No 385 Yan'an Road, Xiacheng District, China
ADA Ventures Chengdu Food and Bar Co	7, 1st Floor, Building 6, Languifang, No. 1, Shuijin Street, Jinjiang District, Chengdu, Sichuan Province, China
HRC Music Plc	Suite A, 6 Honduras Street, London, England, EC1Y 0TH

10. Property, Plant and Equipment

	Decoration US$'000	Furniture and fixture US$'000	Computers and equipment US$'000	Asset under construction US$'000	Total US$'000
Cost					
At 31 December 2016	**1,028**	**58**	**233**	**894**	**2,213**
Additions	812	36	269		1,117
Transfers	834	-	-	(834)	-
Forex translation	233	10	44	-	287
At 31 March 2018	**2,907**	**104**	**546**	**60**	**3,617**
Disposal	(2,731)	(96)	(501)	(55)	(3,383)
Forex translation	(176)	(8)	(45)	(5)	(234)
At 31 March 2019	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation					
At 31 December 2016	**(84)**	**(2)**	**(8)**	**-**	**(94)**
Charge for the period	(558)	(23)	(127)	-	(708)
Forex translation	(52)	(2)	(10)	-	(64)
At 31 March 2018	**(694)**	**(27)**	**(145)**	**-**	**(866)**
Charge for the period	(176)	(7)	(37)	-	(220)
Disposal	809	32	170	-	1,011
Forex translation	61	2	12	-	75
At 31 March 2019	-	-	-	-	-
Net book value					
At 31 March 2018	**2,213**	**77**	**401**	**60**	**2,751**
At 31 March 2019	**-**	**-**	**-**	**-**	**-**

Depreciation of property, plant and equipment is included in administrative expenses in the consolidated statement of comprehensive income.

The carrying amount of assets under construction carried at cost represents equipment installation and plant renovation as at the end of the reporting year/period.

11. Intangible Assets

	Franchise US$'000	Software US$'000	Total US$'000
Cost			
At 31 December 2016	**1,450**	**176**	**1,626**
Forex translation	52	12	64
At 31 March 2018	**1,502**	**188**	**1,690**
Disposal	(1,458)	(173)	(1,631)
Forex translation	(44)	(15)	(59)
At 31 March 2019	**-**	**-**	**-**
Accumulated amortisation			
At 31 December 2016	**(170)**	**(6)**	**(176)**
Charge for the period	(114)	(45)	(159)
Forex translation	(7)	(2)	(9)
At 31 March 2018	**(291)**	**(53)**	**(344)**
Amortisation	(50)	(20)	(70)
Disposal	357	68	425
Forex translation	(16)	5	(11)
At 31 March 2019	**-**	**-**	**-**
Net book value			
At 31 March 2018	**1,211**	**135**	**1,346**
At 31 March 2019	**-**	**-**	**-**

Franchise included as an intangible asset is fee amounts paid for the right to utilise intellectual properties in connection with the operation of Hard Rock Cafés at specified location within exclusive area.

Total franchise costs are amortised over the franchise period of 10 years.

12. Trade and other receivables

	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Trade receivable	-	400
Prepayment	-	279
Other receivable	57	502
	57	1,181

13. Cash and Cash Equivalents

	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Cash on hand	-	5
Cash at bank	17	451
	17	456

14. Trade and other payable

	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Trade payables	-	244
Accruals	-	46
Other payables	132	1,441
	132	1,731

15. Share capital and share premium

	Number of ordinary shares	Share capital	Share premium
Issued and fully paid		US$'000	US$'000
On incorporation	1	-	-
Issued on 7 July 2017	57,099	71	-
Subdivision of shares on 24 November 2017	5,652,900	-	-
Issued on 1 February 2018	142,790,000	1,760	-
Issued on 1 February 2018	1,500,000	18	1,830
Share issue costs	-	-	(22)
At 31 March 2018	150,000,000	1,849	1,808

The Company was incorporated on 21 June 2017 with an issued share capital of 1 ordinary share with a nominal value of €1.

On 7 July 2017 the Company issued a further 57,099 ordinary shares of €1 credited as fully paid increasing its issued share capital to 57,100 ordinary shares of €1.

On 24 November 2017 an ordinary resolution was passed pursuant to which each ordinary share of €1 was subdivided into 100 ordinary shares €0.01.

On 1 February 2018 142,790,000 ordinary shares of €0.01 each were issued pursuant to the Share Exchange Agreement.

Prior to Admission, there were 148,500,000 fully paid up Ordinary Shares of €0.01 each in issue. At Admission, a further 1,500,000 Placing Shares were issued pursuant to the Placing. No new share was issued during the year ended 31 March 2019.

16. Reserves

Share premium
Share premium is the aggregate of amounts received for the issue of share capital less the nominal value of the shares issued and less any costs permitted to be deducted under applicable law.

Merger Reserve
The merger reserve arose on the acquisition of HRC Asia Ltd by the Company. The application of merger accounting principles has resulted in a balance in consolidated capital and reserves that has been classified as a merger reserve and included in consolidated shareholders' funds.

Translation reserve
The translation reserve represents cumulative foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries and is not distributable by way of dividends.

Accumulated losses
Accumulated losses represent the cumulative balance of losses recognised.

17. Loss per share

Basic loss per ordinary share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year/period. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There are currently no dilutive potential ordinary shares.

Loss per share attributed to ordinary shareholders

	Year ended 31 March 2019 US$'000	**(Restated) 15 months to 31 March 2018 US$'000**
Loss for the period attributable to owners ($'000)	(443)	(387)
Weighted average number of shares (Unit)	150,000,000	35,364,055
Loss per share amount (cent)	(0.30)	(1.09)

As set out in note 27, after the reporting date the Company acquired 11,154,904 ordinary shares in the Company to be held as Treasury Shares. Those shares will not be included in shares in issue in future periods whilst they are held as Treasury Shares.

18. Related party transaction

Prior to admission date, the group was under the control of Noorusaadah Binti Othman.

Key management personnel compensation has been disclosed in Note 7.

Transactions between the Company and its subsidiaries and between subsidiaries have been eliminated on consolidation.

In addition to the related party information disclosed elsewhere in the financial statements, the following were significant related party transactions during the year under review and at terms and rates agreed between the parties:

	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Amount due from a related company		
ADA Ventures (Malaysia) Sdn Bhd	20,000	1,885
Amounts due from/(to) shareholders		
VCB AG	-	314
VCB AG	(854)	(245)
Noorusaadah Binti Othman	-	(103)
Amount due to director		
Shailen Gajera	(14)	-

Amounts due to and from shareholders and related parties represent advances in connection with, and amounts payable arising from, funding arrangements preparatory to the Company's listing transaction. The directors consider the fair value of the amounts to materially approximate to their carrying amounts. Noorusaadah Binti Othman is also a shareholder of ADA Ventures (Malaysia) Sdn Bhd.

The amount of US$ 20 million is the consideration receivable from the disposal of HRC Asia Limited and its subsidiary undertakings as described in note 22.. As set out in note 26, at the date of approval of these financial statements the balance had been settled in full by way of receipt by the Company of US$15 million in Treasury Shares and US$5 million in cash.

19. Net debt reconciliation

The below table sets out an analysis of net debt and the movement in net debt for the years presented:

	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Cash and cash equivalents	17	456

	Cash and cash equivalents US$'000	Loan from a shareholder US$'000	Total US$'000
Net debt as at 31 December 2016	**2,223**	**(10,716)**	**(8,493)**
Cash flow	(1,853)	(605)	(2,458)
Effect of foreign exchange	86	69	155
Other non-cash movement	-	(2,438)	(2,438)
Conversion of debt to equity	-	13,759	13,759
Net debt as at 31 March 2018	456	69	525
Cash flow	(439)	(923)	(1,362)
Effect of foreign exchange	-	-	-
Net debt as at 31 March 2019	17	(854)	(837)

Amounts due from a shareholder

At 31 December 2016, the Group had a loan from a shareholder in ADA Holdings Limited (ADA) of US$ 8,483,000. The loan from the shareholder was interest-bearing at 50% per annum, to reduce yearly by 10% per annum to a final rate of 10% per annum, was unsecured, and had no fixed term of repayment. The carrying amount approximated to its fair value.

During the period ended 31 March 2018, the principal loan amount together with accumulated interest, was converted to equity upon issuance of Redeemable, Cumulative and Convertible Preference Shares ("RCCPS") pursuant to subscription agreement between ADA and the shareholder and subsequently converted into ordinary shares in the Company on completion of the share exchange transaction under which the Company became the holding company of the Group.

20. Capital Management

Capital comprises share capital and reserves. The Group's objective when managing capital is to provide sufficient resources to allow the continued investment in new restaurants and products that is required in the rapidly changing market in which the Group operates and to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders.

21. Financial Instruments

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivable, amount due from a related company, trade and other payable and amount due to a shareholder. The Group's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial assets, financial liability and equity instrument are set out in Note 4. The Group does not use financial instruments for speculative purposes.

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Financial assets		
Loan and receivables		
Trade and other receivables	57	902
Amount due from related companies	20,000	1,885
Amount due from shareholders	-	314
Cash and cash equivalents	17	456
Total financial assets	**20,074**	**3,557**
Financial liabilities measure at amortised costs		
Trade and other payables	132	1,731
Amount due to a shareholder	854	245
Amount due to director	14	103
Total financial assets	**1,000**	**2,079**

Financial risk management

Exposure to foreign currency, credit, liquidity and cash flow interest rate risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

Foreign currency risk

The Group has some exposure to foreign currency risk. The Group purchases and sells in various foreign currencies, mainly Renminbi that exposes it to foreign currency risk arising from such purchases and sales and the resulting receivables and the payables. However, the Group continuously monitors its foreign currency position.

The carrying amounts of the Group's financial instruments are denominated in the following currencies at each reporting year:

	RMB	DKK	HKD	EUR	GBP	USD	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 31 March 2019							
Financial assets							
Trade and other receivables	-	35	-	-	2	20,020	20,057
Cash and cash equivalents	-	-	-	-	9	8	17
	-	35	-	-	11	20,028	20,074
Financial liabilities							
Trade and other payables	-	5	-	7	3	117	132
Amount due to a shareholder	-	-	-	-	-	854	854
Amount due to director	-	-	-	-	-	14	14
	-	5	-	7	3	985	1,000
Net financial asset/(liabilities)	-	30	-	(7)	8	19,043	19,074

	RMB	DKK	HKD	EUR	GBP	USD	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 31 March 2018							
Financial assets							
Trade and other receivables	478	12	-	-	12	400	902
Amount due from related companies	-	-	-	-	-	1,885	1,885
Amount due from shareholders	-	-	-	-	-	314	314
Cash and cash equivalents	191	-	-	-	257	8	456
	669	12	-	-	269	2,607	3,557
Financial liabilities							
Trade and other payables	1,498	36	22	-	57	118	1,731
Amount due to a shareholder	-	-	-	-	-	245	245
Amount due to director	-	-	-	-	-	103	103
	1,498	36	22	-	57	466	2,079
Net financial asset/(liabilities)	(829)	(24)	(22)	-	212	2,141	1,478

The sensitivity analysis in the table below details the impact of changes in foreign exchange rates on the Group's post-tax profit or loss for each reporting period.

It is assumed that the named currency is strengthening or weakening against all other currencies, while all the other currencies remain constant.

If the USD strengthened or weakened by 10% against the other currencies, with all other variables in each case remaining constant, then the impact on the Group's post-tax profit or loss would be gains or losses as follows:

	Strengthen US$'000	Weaken US$'000
For the period ended 31 March 2019		
DKK	(3)	3
EUR	1	(1)
GBP	(1)	1

	Strengthen US$'000	Weaken US$'000
For the period ended 31 March 2018		
RMB	(79)	79
DKK	(1)	1
GBP	(20)	20

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at the end of reporting period in relation to each class of recognized financial assets is the carrying amounts of those assets as stated in the statement of financial position.

To minimise this risk the Group has a policy of only dealing with customers who have either demonstrated creditworthiness or can provide sufficient collateral. To determine previous creditworthiness the Group makes use of independent rating agencies, other publicly available financial information and its own trading records. The Group's exposure and its customers creditworthiness is continually monitored so that any potential problems are detected at an early stage. In addition credit limits are set in order to minimise credit exposure.

Ageing analysis
The ageing analysis of trade and other receivables at the end of the reporting periods as follow:

	Gross amount US$'000	Individual impairment US$'000	Carrying value US$'000
At 31 March 2019			
Not past due	57	-	57
	57	-	57

	Gross amount US$'000	Individual impairment US$'000	Carrying value US$'000
At 31 March 2018			
Not past due	781	-	781
Past due			
- Less than 3 months	-	-	-
- Over 3 months	400	-	400
	1,181	-	1,181

The Group's normal trade credit term range from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis. No impairment provision made against the carrying value of the trade receivables at each reporting period. Of the receivables above, amounts of $400,000 are past due and not impaired.

As set out in note 2, there is a material uncertainty in relation to credit risk in respect of the amount outstanding due from Ada Venture (Malaysia) Sdn Bhd, a related company as described in note 19, at the date of approval of the financial statements.

Liquidity risk

The directors have ultimate responsibility for liquidity risk management in maintaining adequate reserves, banking facilities and reserve borrowing facilities. They do this by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. As set out in note 2, there is a material uncertainty in relation to liquidity risk at the date of approval of the financial statements.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group can be required to pay.

	Carrying amount US$'000	Within 1 year or on demand US$'000	Over 1 year but less than 5 years US$'000
Accrual and other payables	132	132	-
Amount due to a shareholder	854	854	-
Amount due to a director	14	14	-
	1000	1000	-

Interest rate risk

The Group's exposure to interest rate risk mainly arises from its bank balances and loans from shareholders. As set out in note 21, the Group converted the interest bearing shareholder's loan into equity of the subsidiary undertaking prior to the admission. As a result, the exposure of interest rate risk is considered not significant. The Group does not use any other derivative instruments to reduce its economic exposure to changes in interest rates.

22. Disposal of subsidiary group

In accordance to Share Sale Agreement entered between the Company and Ada Ventures (Malaysia) Sdn Bhd ("Ada Venture Malaysia") effective 30 July 2018, HRC Asia Ltd and its subsidiaries was disposed to Ada Ventures Malaysia for consideration of US$20,000,000 net of current liabilities payable by HRC Asia Ltd as at transaction date.

Financial performance and cash flow information:

	Year ended 31 March 2019 US$'000	**15 months to 31 March 2018** US$'000
Turnover	923	7,417
Cost of sales	(327)	(6,132)
Gross profit	596	1,285
Other income	-	1
Selling and marketing expenses	(35)	(957)
General and administrative expenses	(1,819)	(4,063)
Loss from operation	(1,258)	(3,734)
Finance cost	-	(2,438)
Loss before tax	(1,258)	(6,172)
Income tax expense	-	-
Loss after tax	(1,258)	(6,172)
Gain on sale of the subsidiary group after tax	15,028	-
Profit/(loss) from discontinued operation	13,770	(6,172)

The net cash flows incurred by the disposed subsidiary group, as follow:

	Year ended 31 March 2019 US$'000	**15 months to 31 March 2018** US$'000
Operating	(29)	(1,598)
Investing	-	(1,117)
Financing	-	605
Net cash inflow/(outflow)	**(29)**	**(2,110)**

Loss per share from discontinued operations

Basic earning/(loss) per shares (cent)	9.18	(17.5)

Information on business segments is not presented on a basis of allocation of assets, capital expenditure and operations as this information is not included in the internal reporting provided to the chief operating decision maker

Revenue

	Geographical segment	**Year ended 31 March 2019** US$'000	**15 months to 31 March 2018** US$'000
Café operation	China	923	3,817
Event management	Hong Kong	-	3,600
		923	7,417

Management measures revenues by reference to the Group's core services and products and related services, which underpin such income

Details of the sale of the subsidiary

Gain on disposal

	US$'000
Consideration receivable	20,000
Less: forgiveness of debt owed by Ada Venture Malaysia	(1,783)
Net proceed	18,217
Disposal group net assets	(3,336)
Exchange differences reclassified	147
Gain on disposal	15,028

The major classes of assets and liabilities of HRC Asia Limited and its subsidiary undertaking (collectively "disposed group") as at the date of disposal, as follow:

	31 July 2018 US$'000
Property, plant and equipment	2,372
Intangible assets	1,206
Inventory	125
Trade and other receivables	1,101
Cash and cash equivalent	170
Trade and other payables	(1,638)
Net assets disposed of	**(3,336)**

23. Operating lease commitment

There Group's future minimum lease payments under non-cancellable operating leases are as follows:

Land & buildings	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Not later than one year	120	1,618
Between 1 to 3 years	120	3,405
More than 3 years	-	2,569
	240	7,592

The Group's significant leasing arrangements relate to operating leases on restaurant premises.

24. Capital commitments

There Group's capital commitment are as follows:

	At 31 March 2018 US$'000	At 31 March 2018 US$'000
Restaurant Franchise Agreement fee	-	250
Construction cost	-	1,054
	-	1,304

25. Ultimate controlling party

There is no known ultimate controlling party.

26. Subsequent events

On 10 July 2019 the Company announced that it had entered into a settlement arrangement with Ada Ventures (Malaysia) Sdn Bhd (AVM) for the settlement of the US$20,000,000.00 owed by AVM to the Company pursuant to a Share Sale Agreement (SSA) entered by parties for the sale of HRC Asia Ltd for a consideration sum of US$20,000,000.00 to AVM on 27 July 2018. The arrangement consisted of settlement of US$15,000,000 by way of transferring to the Company 11,154,904 ordinary shares of the Company held by AVM's beneficial owner, Datuk Noorusaadah Othman (DNO) and the payment of the balance of US$5,000,000 in cash. Separately the Company had intended to use the proceeds from the SSA to repurchase shares of the Company based on authority to do so obtained at the Company's Annual General Meeting held on 23 August 2018. Accordingly, the Company has treated the 11,154,904 ordinary shares transfer to be under the settlement arrangement as an off-market share buyback with a 15% discount to the lowest traded share price since IPO, resulting in a buyback value of €1.19 each, totalling to approximately €13,274,335.76 (approximately US$15,000,000 based on EUR/USD of 1.13). This was undertaken in line with, and before the expiry of, its current share buyback authorities and the shares have been treated as Treasury Shares in the books of the Company. The share buyback is within the limits of the available reserves in the Company. The Company received the balance of US$5,000,000 in cash due to it on 24 July 2019.

HRC World plc
(England & Wales Company No. 10829936)

Company Statement of Financial Position
As at 31 March 2019

	Note	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Other assets			
Investments in subsidiaries	4	71	2,872
Current assets			
Prepayments and other receivables		57	24
Amounts due from shareholder	5	20,000	314
Cash and cash equivalents		17	257
		20,074	**595**
Current Liabilities			
Accrual and other payables	6	132	197
Amounts due to shareholder		854	-
Amount due to group undertakings		71	-
Amounts due to director		14	-
		1,071	**197**
Net Current Asset		**19,003**	**393**
Total Assets less Current Liabilities		**19,074**	**3,270**
Capital and reserve			
Share capital		1,849	1,849
Share premium		1,808	1,808
Accumulated profit/(loss)		15,417	(387)
Total Equity		**19,074**	**3,270**

The profit for the Company for the year ended 31 March 2019 was US$15,804,000.

The notes to the financial statements form an integral part of these financial statements.

This report was approved and authorised for issue by the Board of Directors on 2 August 2019 and signed on behalf by:

THONG Teong Bun
Director

Company Statement of Changes in Equity
to 31 March 2019

	Share capital US$'000	Share Premuim US$'000	Accumulated profit/loss US$'000	Total US$'000
Issuance of the shares	1,849	1,830	-	3,679
Issuance cost	-	(22)	-	(22)
Loss for the period	-	-	(387)	(387)
As at 31 March 2018	1,849	1,808	(387)	3,270
Profit for the year	-	-	15,804	15,804
As at 31 March 2019	1,849	1,808	15,417	19,074

Share capital comprises the ordinary issued share capital of the Company.

Share premium comprises the excess above the nominal value of the new ordinary shares issued during the period.

Retained earnings represent the aggregate retained earnings of the Company.

The notes to the financial statements form an integral part of these financial statements.

1. General information

The Company is a public limited company with registered number 10829936. It was incorporated on 21 June 2017 as a public limited company in England and Wales with the name Hard ADA Rock plc.

On 28 November 2017 the Company was renamed HRC World plc.

The financial statements are presented in United States dollars ("US$"), which is also the functional currency of the Company, and rounded to the nearest thousands (US$'000) unless it is stated otherwise.

2. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the historical cost convention. The financial statements have been prepared in accordance with FRS 101 – The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006. The principal accounting policies are described below. They have all been applied consistently throughout the period.

The company meets the definition of a qualifying entity under FRS 101 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

The Company has taken advantage of section 408 of the Companies Act 2006 and, consequently, a profit and loss account for the Company alone has not been presented. The Company's profit for the financial period was approximately $15,804,000.

Investment

Investments in subsidiaries are stated at cost less provision for impairment.

Cash and cash equivalents

Cash in the statement of financial position is cash held on call with banks.

Financial assets

The directors classify the company's financial assets as loans and receivables held at amortised cost less provisions for impairment.

The directors determine the classification of its financial assets at initial recognition.

Financial liabilities

Financial liabilities are classified as financial liabilities measured at amortised cost.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

3. Staff costs

There is no employees employed by the company other than the directors. The directors are regarded as the key management and their remunerations are disclosed in note 7 to the consolidated financial statements.

4. Investments in subsidiaries

	Cost of investment US$'000	Loan to group undertakings US$'000	Total US$'000
Additions	1,760	-	1,760
Movement of intercompany loans	-	1,112	1,112
At 31 March 2018	1,760	1,112	2,872
Disposal	(1,689)	-	(1,689)
Movement of intercompany loans	-	884	884
Impairment loss	-	(1,996)	(1,996)
At 31 March 2019	71	-	71

The details of the subsidiary are set out in the note 9 to the consolidated financial statements.

5. Amounts due to shareholders

The details of the amounts from shareholders are set out in the note 18 to the consolidated financial statements.

6. Accruals and other payables

	At 31 March 2019 US$'000	At 31 March 2018 US$'000
Accruals	-	10
Other payables	132	187
	132	197

7. Share capital and share premium

The details are set out in the note 15 to the consolidated financial statements.

At 31 March 2019, the total number of issued ordinary shares of the Company was 150,000,000.