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## **DYNAMIC DRAGONS & CO**

**NAMESPHERE HOLDINGS LIMITED**

**FINANCIAL STATEMENT  
FOR THE YEAR ENDED 30TH SEPTEMBER 2012**

**NAMESPHERE HOLDINGS LIMITED**

**AUDITOR'S REPORT  
FOR THE YEAR ENDED 30TH SEPTEMBER 2012**

NAMESPHERE HOLDINGS LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the audited financial statements for the period 29th March 2012 (Date of incorporation) to 30th September 2012.

**PRINCIPAL ACTIVITY**

The principal activity of the company was inactive.

**FINANCIAL STATEMENTS**

The company's results for the period ended 30th September 2012 are set out in the income statement on page 5.

The state of affairs of the company as at 30th September 2012 is set out in the balance sheet on page 6.

**RESERVE AND APPROPRIATIONS**

The directors do not recommend the payment of a dividend or the transfer of any amount to reserve for the period ended 30th September 2012.

**DIRECTORS**

The directors of the company during the period and up to the date of this report was -

Namesphere Limited

In accordance with the company's Articles of Association, the director retires from office and, being eligible, offers himself for re-election.

**AUDITOR**

The auditor, Chan Kin Cheong, Certified Public Accountant, who retire and, being eligible, offer themselves for re-appointment. The Board agrees to indemnify auditors regarding financial loss arising from non-supply of audit evidence.

NAMESPHERE HOLDINGS LIMITED  
REPORT OF THE DIRECTORS (CONT'D)

**DIRECTOR'S INTEREST IN CONTRACTS OF SIGNIFICANCE**

No contract of significance to which the Company, any of its holding companies or fellow subsidiaries was a party and in which directors of the Company had a material interest, whether directly, subsisted at the end of the period or at any time during the period.

**MANAGEMENT CONTRACTS**

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the period.

On behalf of the Board:

  
\_\_\_\_\_  
Chairman

Hong Kong - 6 MAR 2014

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF****NAMESPHERE HOLDINGS LIMITED**  
(Incorporated in Hong Kong with limited liability)

I have audited the financial statements of NAMESPHERE HOLDINGS LIMITED set out on pages 5 to 9, which comprise the balance sheet as at 30th September 2012 and the income statement for the period ended, and a summary of significant accounting policies and other explanatory notes.

**Director's responsibility for the financial statements**

The directors are responsible for the preparation and presentation of these financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants, and for such internal control as the directors determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In addition, section 141D of the Companies Ordinance requires that the balance sheet together with the notes thereon should be prepared in accordance with the requirements of the Eleventh Schedule to that Ordinance.

**Auditors' responsibility**

My responsibility is to express an opinion on these financial statements based on my audit and to report my opinion solely to you, as a body, in accordance with section 141D of the Company Ordinance, and for no other purpose. I do not assume responsibility towards or accept liability to any other person for the contents of this report.

I conducted my audit in accordance with Hong Kong Standards on Auditing and with reference to PN900 (Clarified) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard" issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF**

**NAMESPHERE HOLDINGS LIMITED**

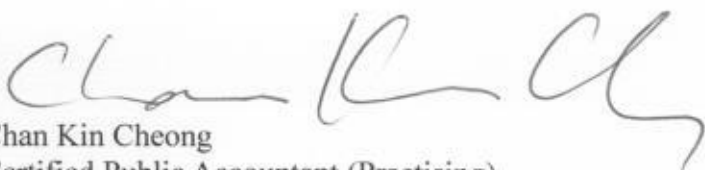
(Incorporated in Hong Kong with limited liability)

**Opinion**

In my opinion, the financial statements have been properly prepared, in all material respects, in accordance with the SME-FRS. In additions, in our opinion the balance sheet together with the notes thereon is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs as at 30th September 2012 according to the best of my information and explanations given to me, and as shown by the books of the Company.

**Report on other matter under section 141D of the Hong Kong Companies Ordinance**

I report that I have obtained all the information and explanations which I have required.



Chan Kin Cheong  
Certified Public Accountant (Practising)  
Hong Kong, - 6 MAR 2013

Room 1206, 12/F., Tower 1, Silvercord, 30 Canton Road, Hong Kong  
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NAMESPHERE HOLDINGS LIMITEDINCOME STATEMENTFOR THE PERIOD ENDED 29TH MARCH 2012 TO 30TH SEPTEMBER 2012

(Expressed in United States Dollars)

	<u>Note</u>	<u>For the period</u> <u>from 21.03.2012</u> <u>to 30.09.2012</u> US\$
Turnover	2	-
Administrative, operating and selling expenses	APPENDIX 1	<u>73,926.67</u>
Loss before tax	3	(73,926.67)
Tax	4	-
Net loss for the period		<u><u>(73,926.67)</u></u>

The net loss for the period is the only component of the statement of change in equity during the period.

The notes on pages 7 to 9 form an integral part of these financial statements.

NAMESPHERE HOLDINGS LIMITEDBALANCE SHEET AS AT 30TH SEPTEMBER 2012

(Expressed in United States Dollars)

		<u>2012</u>
	<u>Note</u>	<u>US\$</u>
<b><u>NON CURRENT ASSET</u></b>		
Investment in associates	<b>6</b>	<u>10,290.56</u>
<b><u>CURRENT ASSETS</u></b>		
Amount due from a shareholder / related company	<b>7</b>	367,823.56
Cash and cash equivalents	<b>8</b>	<u>-</u>
		<u>367,823.56</u>
<b><u>CURRENT LIABILITIES</u></b>		
Accrued charges		463.91
Amount due to related companies	<b>9</b>	<u>450,290.56</u>
		<u>450,754.47</u>
NET CURRENT LIABILITIES		<u>(82,930.91)</u>
NET LIABILITIES		<u>(72,640.35)</u>
<b><u>SHAREHOLDERS' EQUITY</u></b>		
Issued capital	<b>10</b>	1,286.32
Accumulated loss		<u>(73,926.67)</u>
TOTAL DEFICIT		<u>(72,640.35)</u>

Approved by the Board of directors on **- 6 MAR 2014**  
and signed on its behalf

  
\_\_\_\_\_  
Director

The notes on pages 7 to 9 form an integral part of these financial statements.



NAMESPHERE HOLDINGS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE PERIOD ENDED FROM 29TH MARCH 2012 TO 30TH SEPTEMBER 2012**REPORTING ENTITY**

NAMESPHERE HOLDINGS LIMITED is a company incorporated in Hong Kong with limited liability. The Company's registered office is located at 12/F., Daily House, 35-37 Haiphong Road, Tsim Sha Tsui, Hong Kong. The principal activity of the company was inactive.

**1. BASIS OF PREPARATION AND ACCOUNTING POLICIES****Accounting principles and standards**

The Company qualified under the Companies Ordinance to prepare and present its financial statements in accordance with section 141D of that Ordinance. The Company's shareholders have unanimously agreed in writing to apply section 141D with respect to the Company's financial statements for the period ended 30th September 2012.

These financial statements have been prepared in accordance with generally accepted accounting principles in Hong Kong and comply with the Small and Medium-sized Entity Financial Reporting Standards ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under historical cost convention, the accrual basis of accounting and on the basis that the Company is a going concern.

**a) Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method at the following annual rates:-

**b) Revenue Recognition**

Gross inflow of economic benefits resulting from the Company's ordinary activities is considered "revenue". The sales of goods are recognized when the reporting entity has transferred significant risks and rewards of ownership of the goods to buyer; the reporting entity does not retain either continuing managerial involvement or effective control over the goods sold; the quantum of revenue to be recognized can be measured reliably; the probability that economic benefits related to the transaction will flow to the reporting entity exists; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NAMESPHERE HOLDINGS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE PERIOD ENDED 29TH MARCH 2012 TO 30TH SEPTEMBER 2012**c) Foreign Currencies transactions**

The reporting currency is United States Dollars. Foreign currency transactions are converted at exchange rate applicable at the transaction date. Foreign currency monetary items are translated into United States Dollars using exchange rates applicable at the balance sheet date. Gains and profits on foreign exchange are recognized in the income

**d) Taxation**

Income tax expense represents current tax expense. The income tax payable represents the amount expected to be paid to the taxation authority, using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred taxes are not recognized.

**e) Employee benefits**

Employee benefits are all form of consideration to employees in exchange services

**f) Cash and cash equivalents**

Cash in hand, demand deposits with financial institutions and short term highly liquid investments in financial instruments which are readily convertible into known amount of cash within three months of maturity when acquired, less bank advance, including overdraft, of similar maturity are classified under cash and cash equivalents.

**2. REVENUE**

	<u>2012</u> <u>US\$</u>
Turnover	-

**3. LOSS BEFORE TAX**

	<u>2012</u> <u>US\$</u>
The loss before tax is stated after charging	
Auditors' remuneration	360.82
Legal and professional fee	103.09

**4. TAX**

As the company has no net assessable profit for the period, no provision for taxation is considered necessary.

There are no material deferred tax liabilities or assets exist at the balance sheet date.

**5. DIRECTORS' REMUNERATION**

During the period ended 30th September 2012, no director's remuneration has been or is payable to directors of the company

NAMESPHERE HOLDINGS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE PERIOD ENDED 29TH MARCH 2012 TO 30TH SEPTEMBER 2012**6. INVESTMENTS IN ASSOCIATES**2012US\$Balances as at 30 September

NS1 Limited	1,286.32
GTLD Limited	1,286.32
NS2 Limited	1,286.32
NS3 Limited	1,286.32
NS4 Limited	1,286.32
MoFi Inc Limited	1,286.32
CTLD Limited	1,286.32
DotArt Limited	1,286.32
	<u>10,290.56</u>

**7. AMOUNT DUE FROM A SHAREHOLDER / RELATED COMPANY**

Pursuant to S161B the Companies Ordinance, the relevant disclosure is as follows:

<u>Name of a shareholder / related company</u>	<u>Maximum during the year</u>	<u>Balance on 30.09.2012</u>
	<u>US\$</u>	<u>US\$</u>
DotAsia Organisation Limited	366,537.24	366,537.24
Namesphere Limited	<u>1,286.32</u>	<u>1,286.32</u>
		<u>367,823.56</u>

The balances are interest free, unsecured and have no fixed repayment terms.

**8. CASH AND CASH EQUIVALENTS**2012US\$

Cash at bank and on hand

-**9. AMOUNT DUE TO RELATED COMPANIES**

The balance are unsecured, interest free and repayable on demand.

**10. ISSUED SHARE CAPITAL**2012US\$

Authorized, issued and fully paid

10,000 ordinary shares of HK\$1.00 each

1,286.32**11. RELATED PARTIES TRANSACTIONS**

There are no material related parties transactions and provision at the balance sheet dates.

**12. APPROVAL OF THE FINANCIAL STATEMENTS**The financial statements were approved and authorised for issue by the broad of directors  
on **- 6 MAR 2014**

NAMESPHERE HOLDINGS LIMITEDDETAILED INCOME STATEMENTFOR THE PERIOD ENDED 29TH MARCH 2012 TO 30TH SEPTEMBER 2012

(Expressed in United States Dollars)

	<u>For the period</u> <u>from 29.03.2012</u> <u>to 30.09.2012</u> US\$
Turnover	<u>-</u>
<u>Less: Administrative, operating and selling expenses</u>	
Application fee	70,000.00
Auditor's remuneration	360.82
Data escrow setup fee	2,925.00
Incorporation fee	537.76
Legal and professional fee	<u>103.09</u>
	<u>73,926.67</u>
Loss before tax	<u><u>(73,926.67)</u></u>

NAMESPHERE HOLDINGS LIMITED

PROPOSED PROFITS TAX COMPUTATION

YEAR OF ASSESSMENT 2012/2013

Basis Period: Year ended 30th September 2012

Loss as per account

Adjusted loss

US\$

(73,927)

(73,927)