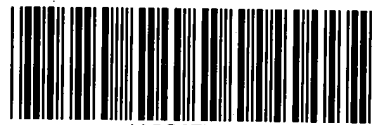


REGISTERED NUMBER: 06882304 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
FOR
2CONNECT UK LIMITED**

SATURDAY



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for the Year Ended 31 December 2015**

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COMPANY INFORMATION
for the Year Ended 31 December 2015

DIRECTORS:

L J Hunt
H A A Alamer

SECRETARY:

L J Hunt

REGISTERED OFFICE:

Lakeside House
1 Furzeground Way
Uxbridge
UB11 1BD

REGISTERED NUMBER:

06882304 (England and Wales)

AUDITORS:

Oury Clark Chartered Accountants
Statutory Auditors
Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2015**

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

2Connect UK Limited is a private company limited by shares domiciled in England & Wales.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a telecommunications service provider.

DIRECTORS

The directors who have held office during the period from 1 January 2015 to the date of this report are as follows:

F Alshirawi - resigned 29 December 2015

L J Hunt - appointed 29 December 2015

H A A Alamer was appointed as a director after 31 December 2015 but prior to the date of this report.

R Hillson ceased to be a director after 31 December 2015 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

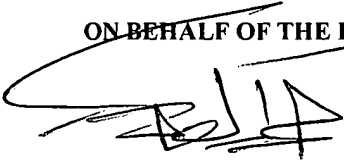
The auditors, Oury Clark Chartered Accountants, are deemed to be re-appointed under Section 487 (2) of the Companies Act 2006.

2CONNECT UK LIMITED (REGISTERED NUMBER: 06882304)

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2015**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'H A A Alamer', written over a horizontal line.

H A A Alamer - Director

22 September 2016

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF 2CONNECT UK LIMITED

We have audited the financial statements of 2Connect UK Limited for the year ended 31 December 2015 on pages six to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

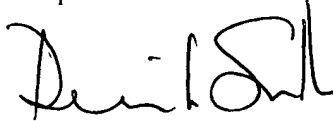
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
2CONNECT UK LIMITED**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



Derrick Smith (Senior Statutory Auditor)
for and on behalf of Oury Clark Chartered Accountants
Statutory Auditors
Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1PG

Date: 22 September 2016

STATEMENT OF PROFIT OR LOSS
for the Year Ended 31 December 2015

	Notes	31.12.15 £	31.12.14 £
CONTINUING OPERATIONS			
Revenue		86,221	114,966
Cost of sales		(82,115)	(74,410)
GROSS PROFIT		4,106	40,556
Administrative expenses		(50,366)	(61,985)
OPERATING LOSS		(46,260)	(21,429)
Finance income	3	630	281
LOSS BEFORE INCOME TAX	4	(45,630)	(21,148)
Income tax	5	-	-
LOSS FOR THE YEAR		(45,630)	(21,148)

The notes form part of these financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2015

	31.12.15 £	31.12.14 £
LOSS FOR THE YEAR	(45,630)	(21,148)
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>(45,630)</u></u>	<u><u>(21,148)</u></u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 December 2015

	Notes	31.12.15 £	31.12.14 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	262	5,735
CURRENT ASSETS			
Trade and other receivables	7	30,008	28,536
Cash and cash equivalents	8	10,771	40,733
		40,779	69,269
TOTAL ASSETS		<u>41,041</u>	<u>75,004</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	9	1,000	1,000
Retained earnings	10	(317,107)	(271,477)
TOTAL EQUITY		<u>(316,107)</u>	<u>(270,477)</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	357,148	345,481
TOTAL LIABILITIES		<u>357,148</u>	<u>345,481</u>
TOTAL EQUITY AND LIABILITIES		<u>41,041</u>	<u>75,004</u>

The financial statements were approved by the Board of Directors on 22 September 2016 and were signed on its behalf by:



H A A Alamer - Director

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2015

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2014	1,000	(250,329)	(249,329)
Changes in equity			
Total comprehensive income	-	(21,148)	(21,148)
Balance at 31 December 2014	<u>1,000</u>	<u>(271,477)</u>	<u>(270,477)</u>
Changes in equity			
Total comprehensive income	-	(45,630)	(45,630)
Balance at 31 December 2015	<u><u>1,000</u></u>	<u><u>(317,107)</u></u>	<u><u>(316,107)</u></u>

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
for the Year Ended 31 December 2015

		31.12.15 £	31.12.14 £
Cash flows from operating activities			
Cash generated from operations	1	(30,033)	(9,095)
Net cash from operating activities		<u>(30,033)</u>	<u>(9,095)</u>
Cash flows from investing activities			
Interest received		630	281
Net cash from investing activities		<u>630</u>	<u>281</u>
Cash flows from financing activities			
Intercompany funding		(559)	-
Net cash from financing activities		<u>(559)</u>	<u>-</u>
Decrease in cash and cash equivalents		<u>(29,962)</u>	<u>(8,814)</u>
Cash and cash equivalents at beginning of year	2	40,733	49,547
Cash and cash equivalents at end of year	2	<u><u>10,771</u></u>	<u><u>40,733</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
for the Year Ended 31 December 2015

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	31.12.15	31.12.14
	£	£
Loss before income tax	(45,630)	(21,148)
Depreciation charges	5,473	9,072
Finance income	(630)	(281)
	<u>(40,787)</u>	<u>(12,357)</u>
Increase in trade and other receivables	(1,472)	(2,431)
Increase in trade and other payables	12,226	5,693
	<u>(1,472)</u>	<u>(2,431)</u>
Cash generated from operations	<u>(30,033)</u>	<u>(9,095)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	10,771	40,733
	<u>10,771</u>	<u>40,733</u>

Year ended 31 December 2014

	31.12.14	1.1.14
	£	£
Cash and cash equivalents	40,733	49,547
	<u>40,733</u>	<u>49,547</u>

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The company has obtained a letter of support from its immediate parent company, Infonas W.L.L (please refer to note 16). The Directors of Infonas W.L.L have provided a commitment to provide any financial support which may be necessary in order that the company can meet its liabilities, as they fall due, for the foreseeable future. As a result of this commitment the Directors have continued to adopt the going concern basis in preparing these financial statements.

Revenue recognition

Revenue represents net invoiced sales of goods and services, excluding VAT. Revenue in relation to goods is recognised on dispatch. Revenue in relation to service contracts is recognised by reference to stage of completion.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 20% on cost

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

Statement of cash flows

The cash flow statement is presented using the indirect method.

2. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2015 nor for the year ended 31 December 2014.

	31.12.15	31.12.14
	£	£
Directors' remuneration	-	-
	<u> </u>	<u> </u>

3. NET FINANCE INCOME

	31.12.15	31.12.14
	£	£
Finance income:		
Interest received	630	281
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015

4. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	31.12.15	31.12.14
	£	£
Cost of inventories recognised as expense	-	4,559
Other operating leases	18,968	16,386
Depreciation - owned assets	5,473	9,072
Auditors' remuneration	5,780	11,000
Auditors' remuneration for non audit work	350	8,641
Foreign exchange differences	819	148
	<u>819</u>	<u>148</u>

5. INCOME TAX**Analysis of tax expense**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 nor for the year ended 31 December 2014.

The company has a potential deferred tax asset of £63,059 in relation to available tax losses. No deferred tax asset has been recognised due to the fact that based on forecasts the directors cannot be certain that the company is to make profits in the foreseeable future.

6. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment £
COST	
At 1 January 2015	
and 31 December 2015	45,358
DEPRECIATION	
At 1 January 2015	39,623
Charge for year	5,473
	<u>45,096</u>
At 31 December 2015	
NET BOOK VALUE	
At 31 December 2015	262
	<u>5,735</u>
At 31 December 2014	

7. TRADE AND OTHER RECEIVABLES

	31.12.15	31.12.14
	£	£
Current:		
Other debtors	4,098	4,080
VAT	4,994	4,372
Prepayments and accrued income	20,916	20,084
	<u>30,008</u>	<u>28,536</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015

8. CASH AND CASH EQUIVALENTS

	31.12.15	31.12.14
	£	£
Bank accounts	<u>10,771</u>	<u>40,733</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.15	31.12.14
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

10. RESERVES

	Retained earnings £
At 1 January 2015	(271,477)
Deficit for the year	<u>(45,630)</u>
At 31 December 2015	<u><u>(317,107)</u></u>

11. TRADE AND OTHER PAYABLES

	31.12.15	31.12.14
	£	£
Current:		
Trade creditors	19,279	3,106
Amounts owed to group undertakings	309,717	310,276
Deferred income	17,952	15,929
Accrued expenses	10,200	16,170
	<u>357,148</u>	<u>345,481</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.15	31.12.14
	£	£
Within one year	<u>12,232</u>	<u>12,232</u>

13. ULTIMATE PARENT COMPANY

The ultimate parent company is 2Connect International Holdings Co Bs(c) a Company incorporated in Bahrain.

14. RELATED PARTY DISCLOSURES

During the year the company entered into transactions with its immediate parent company 2Connect W.L.L. 2Connect W.L.L provided funding to 2Connect UK Limited and at the balance sheet date the total amount due to 2Connect W.L.L was £309,717 (2014: £310,276). The loan is interest free, has no fixed repayment date and no repayment schedule.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015

15. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party of 2Connect UK Limited.

16. POST BALANCE SHEET EVENTS

After the balance sheet date, but before the signing of the audit report, the ownership of 2Connect UK Limited changed from 2Connect W.L.L to Infonas W.L.L.

Infonas W.L.L has provided a commitment to provide any financial support in order that the company can meet its liabilities as they fall due, for the foreseeable future.