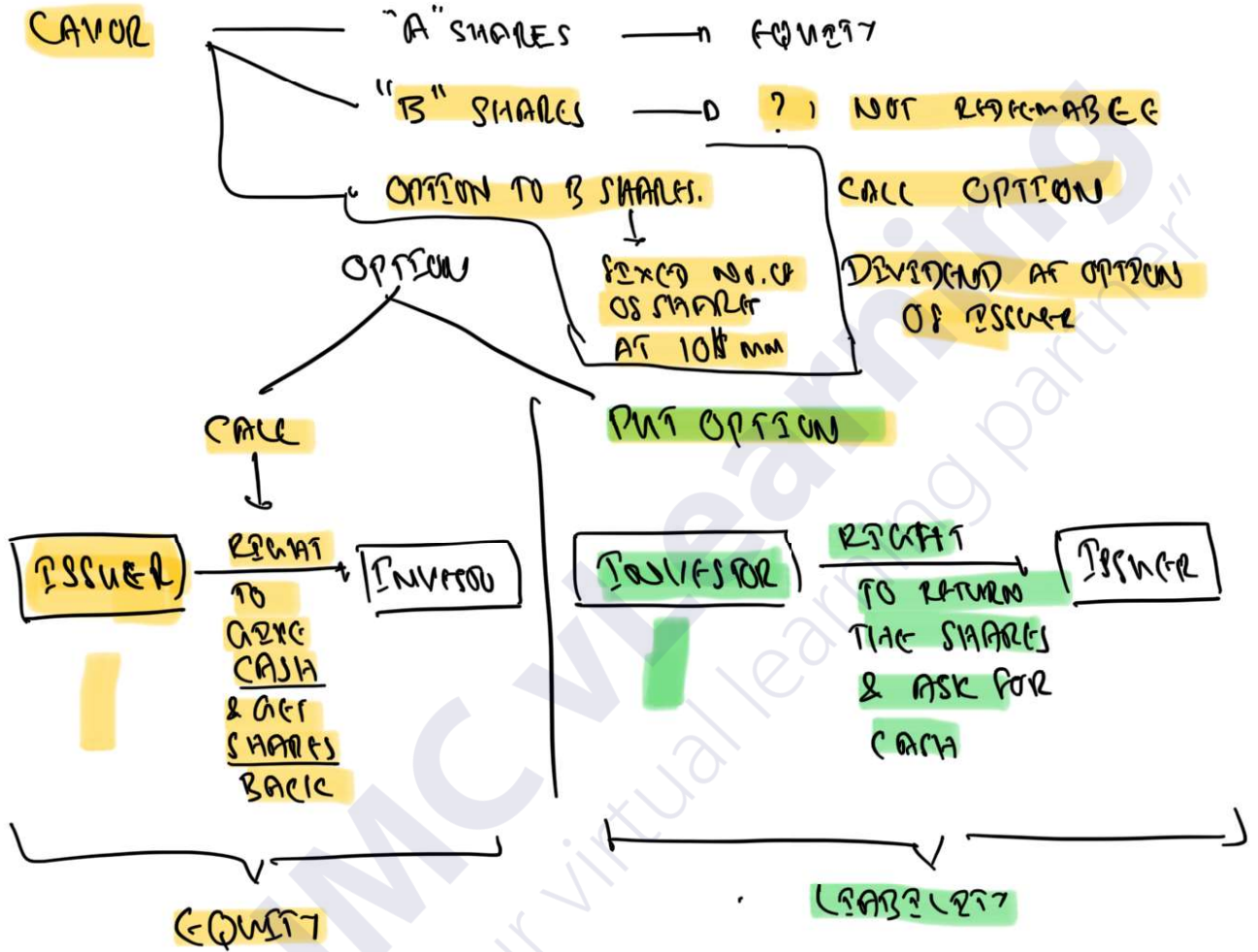


Q11 - CAVOR & LEAVEN

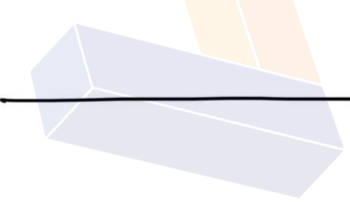


LIDAN ["A" SHARES → EQUITY
 "B" SHARES.]
 → 2mn SHARES × 10\$ = 20mn\$
 → PAYABLE AT THE OPTION
 OF THE ISSUER

AT CASH 20mn\$ (NOMINAL VALUE) ✓
 DEBT 1mn "A" SHARES
 MARKET = 10\$
 = 10\$ mn

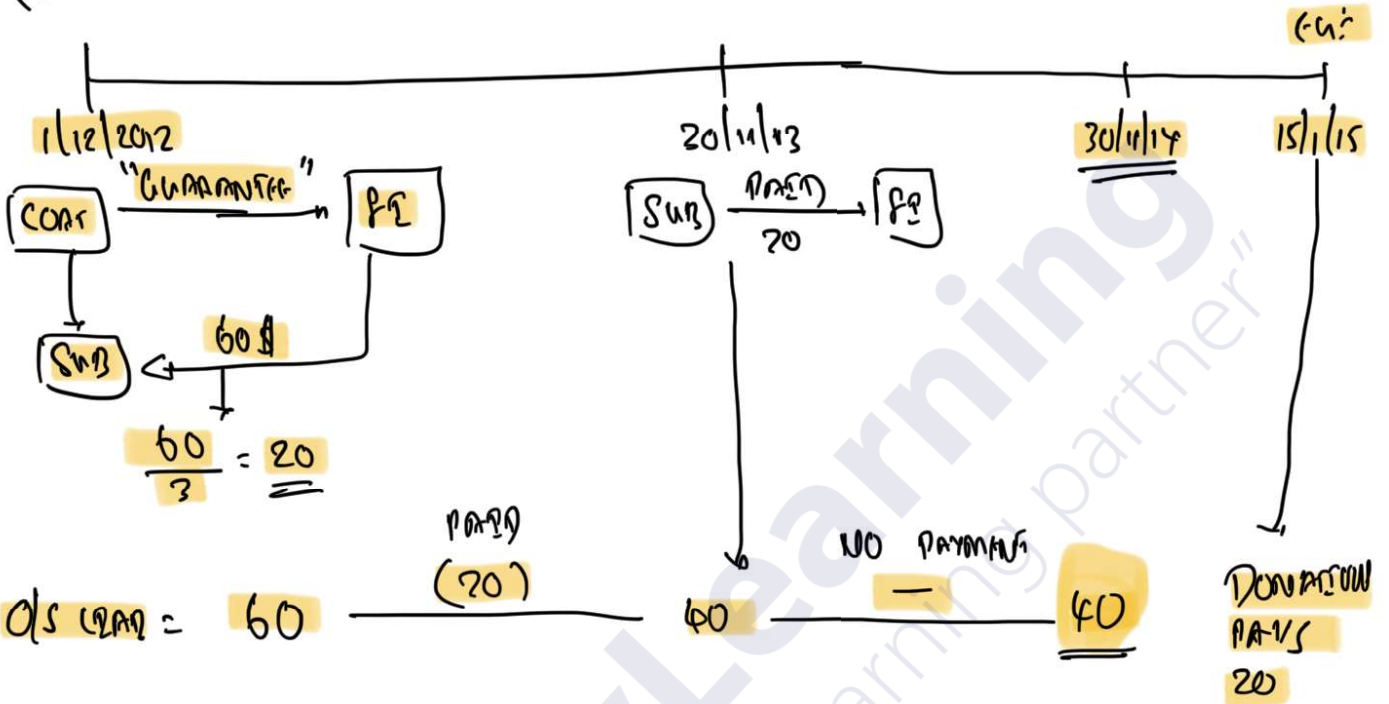
PRICE DISPARITY - LIDAN
 WILL PAY CASH
 ∴ LIABILITY

CAVOR - B SHARES - EQUITY
 LIDAN - B - LIABILITY



Q12 COMMITMENT - FINANCIAL GUARANTEE

(€'mn)



60 €
 $\frac{60}{3} = 20$

PV OF GUARAN = 1.2

P&L DR 1.2

FIN. LIAB CR 1.2
 - LEAS

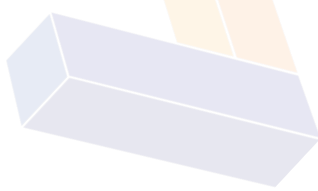
$\frac{1.2}{3} = 0.4$
 P&L CR
 LEAS DR

0.4
 P&L CR
 LEAS DR

DEFAULT COMMITMENT WILL ACCRUE FOR THE FULL LEAS

39.6 DR (0.4 CR)
39.2 DR

LEAS CR 39.6
 P&L DR 39.6



$$\text{LIAB} = \underline{\underline{40}} \\ \text{ASST}$$

ON 15/1/15

EMERGENT TAX LIAB

LIAB DR 39.6

PRC CR 39.6

BY 30/11/15

GUARANTEE AMORTISATION

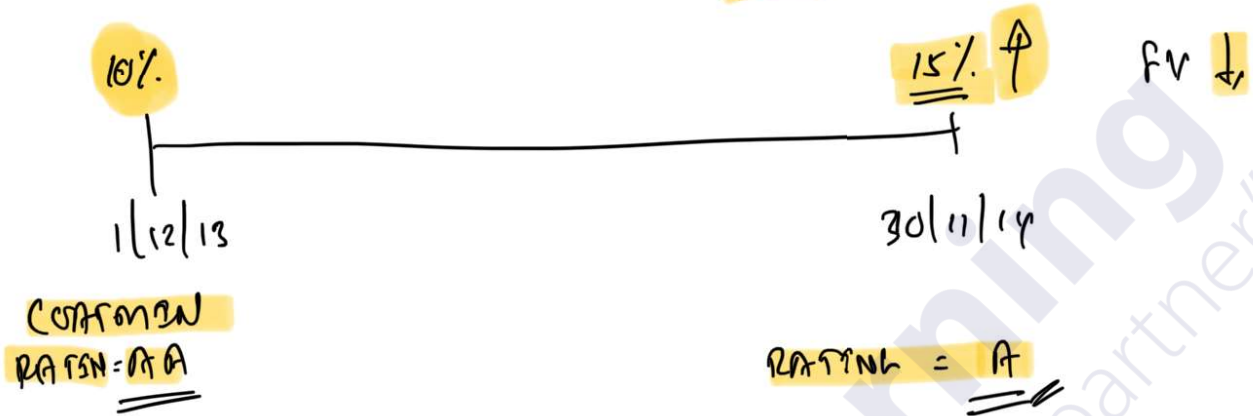
LIAB DR 0.4

PRC CR 0.4

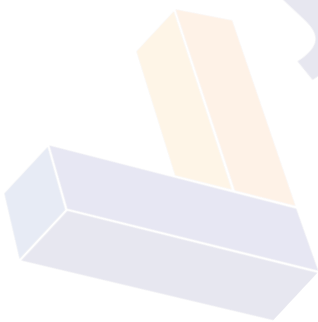
Q14 - FC - FVPL
(\$'m)



∴ If FV chance is due credit risk of issuer that component to OCS



INVESTORS WILL NOW EXPECT A HIGHER RETURN WHEN THERE'S A REDUCTION IN CREDIT WORTHINESS.





LIAB	DR	5	
<u>OCI</u>	<u>CR</u>	<u>5</u>	(FV CHANGE DUE TO REDUCTION IN CREDIT WORTHINESS)

LIAB	CR	55	
P&L	<u>DR</u>	<u>55</u>	(FV CHANGE DUE TO MARKET CIRCUMSTANCES)

