



MAZU ALLIANCE LIMITED

4 August 2015

ANNOUNCEMENT FOR RELEASE TO THE MARKET

MAZU ALLIANCE LIMITED

ASX: MZU

Restated Financial Statements

RESTATED FINANCIAL STATEMENTS

Further to the Company's announcement on 7 July 2015, the Company announces its restated financial accounts arising from a change in the accounting standards adopted.

The Company previously recognised and disclosed land usage rights in China as Property under AASB 116, on the basis that such land in China is synonymous with freehold land because the lessee has renewal rights at the expiration of any lease term. On this basis, the treatment complies with AASB 116 which allows recognition of such assets at fair value at each balance date. This method of recognition previously adopted by the Company is consistent with the recognition method utilised by a number of other companies including ASX listed entities. However, given the deviation of opinions and the differing industry practice, the board has noted the very recent preferences expressed by Australian regulators and as such, has now adopted the alternative recognition of the asset as an intangible asset under AASB138 which does not provide for annual fair value increases to be recognised, although the impairment losses (if any) are still recognised.

The restated financial accounts follow this announcement.

ENQUIRIES

Enquiries can be directed to the Company at the contact details below.



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