

**DRAGON CAPITAL (CYPRUS) LIMITED**

SUMMARY FINANCIAL STATEMENTS

For the year ended 31 December 2019

**DRAGON CAPITAL (CYPRUS) LIMITED**

**SUMMARY FINANCIAL STATEMENTS**

For the year ended 31 December 2019

**C O N T E N T S**

	<u>Page</u>
Independent Auditors' report	1 & 2
Summary statement of financial position	3
Summary statement of profit or loss and other comprehensive income	4
Summary statement of changes in equity	5
Summary statement of cash flows	6
Notes to the summary financial statements	7



KPMG Limited  
Chartered Accountants  
14 Esperidon Street, 1087 Nicosia, Cyprus  
P.O. Box 21121, 1502 Nicosia, Cyprus  
T: +357 22 209000, F: +357 22 678200

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF**

### **DRAGON CAPITAL (CYPRUS) LIMITED**

#### **Report on the Summary Financial Statements**

#### **Opinion**

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2019, the summary statements of profit and loss and other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited financial statements of Dragon Capital (Cyprus) Limited ("the Company") for the year ended 31 December 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS - EU) and the Cyprus Companies Law, Cap. 113, as amended from time to time.

#### **Summary Financial Statements**

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards as adopted by the European Union (IFRS - EU) and the Cyprus Companies Law, Cap. 113 as amended from time to time. Reading the summary financial statements and our report thereon, therefore is not a substitute for reading the audited financial statements and our report thereon.

Limassol  
P.O. Box 50161, 3601  
T: +357 25 869000  
F: +357 25 363842

Paphos  
P.O. Box 60288, 8101  
T: +357 26 943050  
F: +357 26 943062

Polis Chrysochous  
P.O. Box 66014, 8330  
T: +357 26 322098  
F: +357 26 322722

Larnaca  
P.O. Box 40075, 6300  
T: +357 24 200000  
F: +357 24 200200

Paralimni / Ayia Napa  
P.O. Box 33200, 5311  
T: +357 23 820080  
F: +357 23 820084

## **The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audit financial statements in our report dated 30 April 2020.

## **Management's Responsibility for the Summary Financial Statements**

Management is responsible for the preparation of the summary financial statements on the basis described in Note "Basis for preparation" on page 7 of the summary financial statements.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on whether the summary financial statements are consistent in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (IAS) 810 (Revised) "Engagements to Report on Summary Financial Statements".



Michalis P. Michael, FCCA  
Certified Public Accountant and Registered Auditor  
for and on behalf of

KPMG Limited  
Certified Public Accountants and Registered Auditors  
14 Esperidon Street  
1087 Nicosia  
Cyprus

30 April 2020

**DRAGON CAPITAL (CYPRUS) LIMITED**

SUMMARY STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	2019 US\$	2018 US\$
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	193	698
Financial assets at fair value through profit or loss	5.364.509	2.387.137
Contribution to Investor Compensation Fund	<u>90.306</u>	<u>92.351</u>
<b>Total non-current assets</b>	<u>5.455.008</u>	<u>2.480.186</u>
<b>Current assets</b>		
Trade and other receivables	256.969	2.745.361
Loans receivable	500.527	661.961
Financial assets at fair value through profit or loss - trading	21.818.510	34.589.065
Refundable tax	28.607	95.090
Cash and cash equivalents	<u>6.890.859</u>	<u>4.982.389</u>
<b>Total current assets</b>	<u>29.495.472</u>	<u>43.073.866</u>
<b>Total assets</b>	<u>34.950.480</u>	<u>45.554.052</u>
<b>Equity</b>		
<b>Equity and reserves</b>		
Share capital	10.107	10.107
Share premium	22.677.657	22.677.657
Reserves	<u>6.510.391</u>	<u>5.105.884</u>
<b>Total equity</b>	<u>29.198.155</u>	<u>27.793.648</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Short term loans	5.000.000	15.000.000
Financial liabilities at fair value through profit or loss	697.117	2.041.171
Trade and other payables	<u>55.208</u>	<u>719.233</u>
<b>Total current liabilities</b>	<u>5.752.325</u>	<u>17.760.404</u>
<b>Total equity and liabilities</b>	<u>34.950.480</u>	<u>45.554.052</u>

On 30 April 2020 the Board of Directors of Dragon Capital (Cyprus) Limited approved and authorised these financial statements for issue.

.....  
Oleksandr Fedorov  
Director



.....  
Apollon Athanasiades  
Director

The notes on page 7 are an integral part of these financial statements.

**DRAGON CAPITAL (CYPRUS) LIMITED**

**SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended 31 December 2019

	2019	2018
	US\$	US\$
<b>Income</b>		
Dividend income	242.317	2.013.526
Interest income	1.649.855	2.041.598
Net gains/(losses) on financial assets at fair value through profit or loss	5.885.871	(1.910.699)
Net exchange loss	(152.856)	(191.176)
Fees and commission income	<u>1.529.019</u>	<u>143.903</u>
	<u>9.154.206</u>	<u>2.097.152</u>
<b>Expenses</b>		
Staff costs	(380.697)	(309.224)
Depreciation	(505)	(537)
Reversal of impairment/(impairment loss) on receivables	148.982	(99.840)
Administration and other expenses	<u>(1.980.251)</u>	<u>(1.880.413)</u>
	<u>(2.212.471)</u>	<u>(2.290.014)</u>
<b>Operating profit/(loss)</b>	6.941.735	(192.862)
Net finance expenses	<u>(502.192)</u>	<u>(636.781)</u>
<b>Profit/(loss) before tax</b>	6.439.543	(829.643)
Tax	<u>(35.036)</u>	<u>-</u>
<b>Profit/(loss) for the year</b>	<u>6.404.507</u>	<u>(829.643)</u>
<b>Other comprehensive income</b>	<u>-</u>	<u>-</u>
<b>Total comprehensive income/(expense) for the year</b>	<u><u>6.404.507</u></u>	<u><u>(829.643)</u></u>

The notes on page 7 are an integral part of these financial statements.

**DRAGON CAPITAL (CYPRUS) LIMITED**

**SUMMARY STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2019

	Share capital US\$	Share premium US\$	Retained earnings US\$	Total US\$
Balance at 1 January 2018	10.107	22.677.657	5.935.527	28.623.291
<b>Comprehensive income</b>				
Loss for the year	-	-	(829.643)	(829.643)
Balance at 31 December 2018	<u>10.107</u>	<u>22.677.657</u>	<u>5.105.884</u>	<u>27.793.648</u>
Balance at 1 January 2019	10.107	22.677.657	5.105.884	27.793.648
<b>Comprehensive income</b>				
Profit for the year	-	-	6.404.507	6.404.507
<b>Contributions and distributions</b>				
Dividends	-	-	(5.000.000)	(5.000.000)
Balance at 31 December 2019	<u>10.107</u>	<u>22.677.657</u>	<u>6.510.391</u>	<u>29.198.155</u>

The notes on page 7 are an integral part of these financial statements.

**DRAGON CAPITAL (CYPRUS) LIMITED**

**SUMMARY STATEMENT OF CASH FLOWS**

For the year ended 31 December 2019

	2019 US\$	2018 US\$
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year	6.404.507	(829.643)
Adjustments for:		
Depreciation of property, plant and equipment	505	537
Loss from the sale of financial assets at fair value through profit or loss	4.749.965	1.520.070
Fair value (gains)/losses on financial assets at fair value through profit or loss	(1.013.408)	3.414.437
(Reversal of impairment)/impairment charge - loans	(104.554)	110.388
Reversal of impairment of trade receivables	(44.428)	(10.548)
Dividend income	(242.317)	(2.013.526)
Interest income	(1.649.855)	(2.041.598)
Interest expense	502.192	636.781
Income tax expense	35.036	-
	<u>8.637.643</u>	<u>786.898</u>
Decrease/(increase) in trade and other receivables	2.532.820	(1.988.687)
Decrease/(increase) in financial assets at fair value through profit or loss	7.648.680	(10.302.706)
(Decrease)/increase in financial liabilities at fair value through profit or loss	(1.344.054)	1.308.292
(Decrease)/increase in trade and other payables	(664.025)	300.052
Decrease in contribution to Investor Compensation Fund	2.045	4.291
<b>Cash generated from/(used in) operations</b>	<u>16.813.109</u>	<u>(9.891.860)</u>
Interest received	12.356	2.306
Dividends received	242.317	2.013.526
Tax refunded/(paid)	31.447	(29.648)
Loans granted	(397.000)	(1.345.575)
Loans repayments received	708.433	607.923
<b>Net cash generated from/(used in) operating activities</b>	<u>17.410.662</u>	<u>(8.643.328)</u>
<b>Cash flows from investing activities</b>	<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(10.000.000)	(10.000.000)
Proceeds from borrowings	-	20.000.000
Interest paid	(502.192)	(636.781)
Dividends paid	(5.000.000)	-
<b>Net cash (used in)/generated from financing activities</b>	<u>(15.502.192)</u>	<u>9.363.219</u>
<b>Net increase in cash and cash equivalents</b>	1.908.470	719.891
Cash and cash equivalents at beginning of the year	<u>4.982.389</u>	<u>4.262.498</u>
<b>Cash and cash equivalents at end of the year</b>	<u>6.890.859</u>	<u>4.982.389</u>

The notes on page 7 are an integral part of these financial statements.



**DRAGON CAPITAL (CYPRUS) LIMITED****NOTES TO THE SUMMARY FINANCIAL STATEMENTS**

For the year ended 31 December 2019

**1. BASIS OF PREPARATION**

These summary financial statements of the Company have been prepared by extraction, without any modification, of the financial position as at 31 December 2019, the statement of profit and loss and other comprehensive income, changes in equity and cash flows for the year then ended from the financial statements of the Company prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS - EU) and the Cyprus Companies Law, Cap. 113, as amended from time to time.

The financial statements, which the summary financial statements have been derived from, are available from Dragon Capital (Cyprus) Limited upon request at 1 Poseidonos Street, Ledra Business Centre, Engomi, 2406 Nicosia, Cyprus.