

DRAGON CAPITAL (CYPRUS) LIMITED
SUMMARY REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2017

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Independent Auditors' report
to the Members of
DRAGON CAPITAL (CYPRUS) LIMITED

Report on the audit of the financial statements

Opinion

The accompanying summary financial statements, which comprise the summary statement of financial position, as at 31 December 2017, the summary statements of 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 2017.

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 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.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 27 April 2018.

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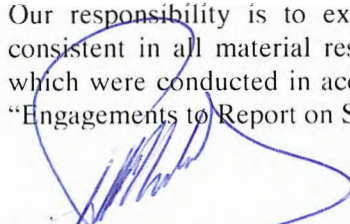
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Management's Responsibility for the Summary Financial Statements

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.

Auditor's 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 (ISA) 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

27 April 2018

DRAGON CAPITAL (CYPRUS) LIMITED**SUMMARY STATEMENT OF COMPREHENSIVE INCOME****For the year ended 31 December 2017**

	2017	2016
	US\$	US\$
Income		
Interest and dividend	1.684.931	964.821
Net gain on financial assets at fair value through profit or loss	9.489.308	4.944.353
Foreign exchange transactions profit	143.667	459
Fee and commission income	<u>354.974</u>	<u>91.465</u>
	<u>11.672.880</u>	<u>6.001.098</u>
Expenses		
Administrative expenses	(2.816.926)	(1.867.673)
Net finance expenses	<u>(302.000)</u>	<u>(300.822)</u>
	<u>(3.118.926)</u>	<u>(2.168.495)</u>
Profit for the year	<u>8.553.954</u>	<u>3.832.603</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u><u>8.553.954</u></u>	<u><u>3.832.603</u></u>

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

DRAGON CAPITAL (CYPRUS) LIMITED

SUMMARY STATEMENT OF FINANCIAL POSITION

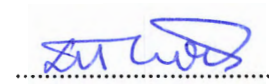
As at 31 December 2017

	2017 US\$	2016 US\$
Assets		
Non-current assets		
Property, plant and equipment	1.235	1.117
Financial assets at fair value through profit or loss	3.509.277	739.570
Loan receivable	-	5.039.668
Contribution to Investor Compensation Fund	96.642	84.701
Total non-current assets	<u>3.607.154</u>	<u>5.865.056</u>
Current assets		
Trade and other receivables	801.843	125.420
Financial assets at fair value through profit or loss-trading	26.094.131	17.428.849
Loans receivable	-	4.652.688
Current income tax asset	65.442	42.970
Cash and cash equivalents	4.262.498	2.552.437
Total current assets	<u>31.223.914</u>	<u>24.802.364</u>
Total assets	<u>34.831.068</u>	<u>30.667.420</u>
Equity		
Equity and reserves		
Share capital	10.107	10.106
Share premium	22.677.657	20.251.140
Reserves	5.991.244	4.937.290
Total equity	<u>28.679.008</u>	<u>25.198.536</u>
Liabilities		
Current liabilities		
Loans and borrowings	5.000.000	5.000.000
Financial liabilities at fair value through profit or loss	732.879	363.003
Trade and other payables	419.181	105.881
Total current liabilities	<u>6.152.060</u>	<u>5.468.884</u>
Total equity and liabilities	<u>34.831.068</u>	<u>30.667.420</u>

On 27 April 2018 the Board of Directors of Dragon Capital (Cyprus) Limited approved and authorised these financial statements for issue.



 Aleksandr Fedorov
 Director



 Sotirios Eliofotou
 Director

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 2017

	Share capital US\$	Share premium US\$	Retained earnings US\$	Total US\$
Balance at 1 January 2016	10.006	20.051.240	1.104.687	21.165.933
Comprehensive income				
Profit for the year	-	-	3.832.603	3.832.603
Issue of share capital	100	199.900	-	200.000
Balance at 31 December 2016	<u>10.106</u>	<u>20.251.140</u>	<u>4.937.290</u>	<u>25.198.536</u>
Balance at 1 January 2017	10.106	20.251.140	4.937.290	25.198.536
Comprehensive income				
Profit for the year	-	-	8.553.954	8.553.954
Issue of share capital	1	2.426.517	-	2.426.518
Dividends	-	-	(7.500.000)	(7.500.000)
Balance at 31 December 2017	<u>10.107</u>	<u>22.677.657</u>	<u>5.991.244</u>	<u>28.679.008</u>

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 17% will be payable on such deemed dividend to the extent that the ultimate shareholders at the end of the period of two years from the end of the year of assessment to which the profits refer are both Cyprus tax resident and Cyprus domiciled. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the company for the account of the shareholders.

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 2017**

	2017 US\$	2016 US\$
Cash flows from operating activities		
Profit for the year	8.553.954	3.832.603
Adjustments for:		
Depreciation of office equipment	498	739
Fair value gain on financial assets at fair value through profit or loss	(1.414.368)	(5.896.149)
Interest expense	<u>302.000</u>	<u>300.822</u>
	7.442.084	(1.761.985)
Increase in trade and other receivables	(676.423)	(45.590)
Increase in financial assets at fair value through profit or loss	(7.594.103)	(6.364.686)
Increase in financial liabilities at fair value through profit or loss	369.876	363.003
Increase/(decrease) in trade and other payables	313.300	(489.261)
(Increase)/decrease in contribution to Investor Compensation Fund	<u>(11.941)</u>	<u>2.778</u>
Cash used in operations	(157.207)	(8.295.741)
Tax paid	<u>(22.472)</u>	<u>(13.866)</u>
Net cash used in operating activities	<u>(179.679)</u>	<u>(8.309.607)</u>
Cash flows from investing activities		
Payment for acquisition of office equipment	(616)	-
Loans granted	(2.751.328)	(9.567.712)
Loans repayments received	<u>12.443.684</u>	<u>-</u>
Net cash generated from/(used in) investing activities	<u>9.691.740</u>	<u>(9.567.712)</u>
Cash flows from financing activities		
Proceeds from issue of share capital	-	200.000
Interest paid	(302.000)	(300.822)
Dividends paid	<u>(7.500.000)</u>	<u>-</u>
Net cash used in financing activities	<u>(7.802.000)</u>	<u>(100.822)</u>
Net increase/(decrease) in cash and cash equivalents	1.710.061	(17.978.141)
Cash and cash equivalents at the beginning of the year	<u>2.552.437</u>	<u>20.530.578</u>
Cash and cash equivalents at the end of the year	<u>4.262.498</u>	<u>2.552.437</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 2017

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 2017, the statements of 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, from which the summary financial statements have been derived, are available from Dragon Capital (Cyprus) Limited upon request at 1 Poseidonos Street, Ledra Business Centre, Engomi, 2406 Nicosia, Cyprus.