

DRAGON CAPITAL (CYPRUS) LIMITED

SUMMARY FINANCIAL STATEMENTS

For the year ended 31 December 2021

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For the year ended 31 December 2021

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

DRAGON CAPITAL (CYPRUS) LIMITED

Independent Auditors' Report on Summary Financial Statements

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2021, the summary statements of profit or 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 2021.

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.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements with an emphasis of matter paragraph on material uncertainty related to going concern in our report dated 31 May 2022.

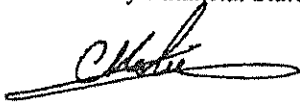
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Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note "Basis of 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 Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."



Costas A. Kalias, FCA, 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

31 May 2022

DRAGON CAPITAL (CYPRUS) LIMITED

SUMMARY STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	2021 US\$	2020 US\$
Assets		
Non-current assets		
Property, plant and equipment	-	38
Intangible assets	43,010	-
Contribution to Investor Compensation Fund	<u>91,570</u>	<u>98,384</u>
Total non-current assets	<u>134,580</u>	<u>98,422</u>
Current assets		
Trade and other receivables	338,559	10,411,657
Financial assets at fair value through profit or loss - trading	32,957,475	21,554,785
Refundable tax	65,491	14,499
Cash and cash equivalents	<u>2,000,600</u>	<u>9,675,270</u>
Total current assets	<u>35,362,125</u>	<u>41,656,211</u>
Total assets	<u>35,496,705</u>	<u>41,754,633</u>
Equity		
Equity and reserves		
Share capital	10,107	10,107
Share premium	22,677,657	22,677,657
Reserves	<u>4,566,051</u>	<u>3,120,850</u>
Total equity	<u>27,253,815</u>	<u>25,808,614</u>
Liabilities		
Current liabilities		
Bank overdrafts	227,836	79,304
Short term loans	5,000,000	5,000,000
Financial liabilities at fair value through profit or loss	1,701,436	1,671,283
Trade and other payables	<u>1,313,618</u>	<u>9,195,432</u>
Total current liabilities	<u>8,242,890</u>	<u>15,946,019</u>
Total equity and liabilities	<u>35,496,705</u>	<u>41,754,633</u>

On 31 May 2022 the Board of Directors of Dragon Capital (Cyprus) Limited approved and authorised these financial statements for issue.

.....
Oleksandr Bedorov
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 2021

	2021	2020
Income		
Dividend income	172.175	2.844.054
Interest income	1.460.810	1.059.399
Net income from financial instruments at fair value through profit or loss	2.610.404	4.736.300
Net exchange profit/(loss)	48.392	(1.721)
Commission income and other fees	<u>2.053.499</u>	<u>416.839</u>
	<u>6.345.280</u>	<u>9.054.871</u>
Expenses		
Staff costs	(467.176)	(370.150)
Depreciation of property, plant and equipment	(38)	(155)
Administrative and other expenses	(808.889)	(804.370)
Reversal of impairment - receivables	<u>211</u>	<u>5.834</u>
	<u>(1.275.892)</u>	<u>(1.168.841)</u>
Operating profit	5.069.388	7.886.030
Interest expense	<u>(347.122)</u>	<u>(337.721)</u>
Profit before tax	4.722.266	7.548.309
Tax	<u>(277.065)</u>	<u>(29.850)</u>
Profit for the year	<u>4.445.201</u>	<u>7.518.459</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>4.445.201</u>	<u>7.518.459</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 2021

	Share capital US\$	Share premium US\$	Retained earnings US\$	Total equity US\$
Balance at 1 January 2020	10.107	22.677.657	6.510.391	29.198.155
Comprehensive income				
Profit for the year	-	-	7.518.459	7.518.459
Contributions and distributions				
Dividends	<u>-</u>	<u>-</u>	<u>(10.908.000)</u>	<u>(10.908.000)</u>
Balance at 31 December 2020	<u>10.107</u>	<u>22.677.657</u>	<u>3.120.850</u>	<u>25.808.614</u>
Balance at 1 January 2021	10.107	22.677.657	3.120.850	25.808.614
Comprehensive income				
Profit for the year	-	-	4.445.201	4.445.201
Contributions and distributions				
Dividends	<u>-</u>	<u>-</u>	<u>(3.000.000)</u>	<u>(3.000.000)</u>
Balance at 31 December 2021	<u>10.107</u>	<u>22.677.657</u>	<u>4.566.051</u>	<u>27.253.815</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, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31st of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits refer. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, from 2019 (deemed dividend distribution of year 2017 profits), the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65% (31.12.2019 1,70%), when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

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 2021

	2021 US\$	2020 US\$
Cash flows from operating activities		
Profit for the year	4.445.201	7.518.459
Adjustments for:		
Depreciation of property, plant and equipment	38	155
Unrealised exchange (profit)/loss	(48.392)	1.721
Profit from sale of financial assets at fair value through profit or loss	(2.558.853)	(7.411.890)
Fair value (gain)/loss on financial assets at fair value through profit or loss	(51.551)	2.675.590
Reversal of impairment - loans receivable	-	(5.834)
Dividend income	(172.175)	(2.844.054)
Interest income	(1.460.810)	(1.059.399)
Interest expense	347.122	337.721
Income tax expense	277.065	29.850
Reversal of impairment - trade and other receivables	(211)	-
Cash generated from/(used in) operations before working capital changes	<u>777.434</u>	<u>(757.681)</u>
Decrease/(increase) in trade and other receivables	10.073.309	(10.148.854)
(Increase)/decrease in financial assets at fair value through profit or loss	(8.982.210)	10.534.887
Decrease in financial liabilities at fair value through profit or loss	30.153	974.166
(Decrease)/increase in trade and other payables	(7.863.122)	9.032.224
(Increase)/decrease in contribution to Investor Contribution Fund	<u>6.814</u>	<u>(8.078)</u>
Cash (used in)/generated from operations	<u>(5.957.622)</u>	<u>9.626.664</u>
Interest received	1.650.734	900.754
Dividends received	172.175	2.844.054
Tax paid	(328.057)	(41.415)
Loans repayments received	<u>-</u>	<u>512.772</u>
Net cash (used in)/generated from operating activities	<u>(4.462.770)</u>	<u>13.842.829</u>
Cash flows from investing activities		
Payment for acquisition of intangible assets	<u>(43.010)</u>	<u>-</u>
Net cash used in investing activities	<u>(43.010)</u>	<u>-</u>
Cash flows from financing activities		
Repayment of borrowings	-	(5.000.000)
Proceeds from borrowings	-	5.000.000
Interest paid	(347.122)	(337.721)
Dividends paid	<u>(2.970.300)</u>	<u>(10.800.000)</u>
Net cash used in financing activities	<u>(3.317.422)</u>	<u>(11.137.721)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(7.823.202)</u>	<u>2.705.108</u>
Cash and cash equivalents at beginning of the year	<u>9.595.966</u>	<u>6.890.858</u>
Cash and cash equivalents at end of the year	<u><u>1.772.764</u></u>	<u><u>9.595.966</u></u>

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

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

For the year ended 31 December 2021

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 2021, 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.