



warwyck

PHOENIX PCC



ANNUAL REPORT 2017

CONTENTS

PAGES

Corporate data	2 - 3
Annual report	4 - 6
Corporate governance report	7 - 16
Statement of compliance with Code of Corporate Governance	17
Certificate from the secretary	18
Independent auditors' report	19 - 23
Statement of financial position	24 - 27
Statement of comprehensive income	28 - 31
Statement of changes in equity	32 - 43
Statement of cash flows	44 - 47
Notes to the financial statements	48 - 99

CORPORATE DATA

		Date appointed	Date resigned
Directors	:		
	Avinash Renga Sunassee	10 October 2014	-
	Frank Brusco	10 October 2014	-
	Christophe Emmanuel Marie Aynaud	10 October 2014	31 August 2017
	Edith Jeanne Georgette Parat	10 October 2014	31 March 2017
	Pascal Dulau	16 June 2016	-
	Mohammad Shameer Mohuddy	20 January 2017	-
	Ramdhony Youmeshwar	10 April 2017	-
	Ramlochun Ashwin Bhimal	10 April 2017	-
Administrator and Secretary	Anex Management Services Ltd 9 th Floor, Ebene Tower 52 Cybercity Ebene 72201 Republic of Mauritius		
Registered office	Warwyck House Nalletamby Road, Phoenix 73538 Republic of Mauritius		
Auditors	:		
	Grant Thornton		
	Ebene Tower		
	52 Cybercity		
	Ebene 72201		
	Republic of Mauritius		
Bankers	:		
	Warwyck Private Bank Ltd		
	UBS (Monaco) SA		
	SAXO Bank A/S		
	Natixis		
	Interactive Brokers LLC		
	Barclays Bank Mauritius Limited		
	Banque des Mascareignes Ltée		
	Pictet		

CORPORATE DATA (CONTD)

Custodians : Warwyck Private Bank Ltd
Warwyck House
Nalletamby Road, Phoenix 73538
Republic of Mauritius

Interactive Brokers LLC
8 Greenwich Office Park
Greenwich CT 06830
United States of America

Brokers : Warwyck Phoenix Securities Ltd
Warwyck House
Nalletamby Road, Phoenix 73538
Republic of Mauritius

Interactive Brokers LLC
8 Greenwich Office Park
Greenwich CT 06830
United States of America

Investment advisors : Warwyck Private Bank Ltd
LEMVI S.A
Prolific Research LLP

Legal advisor : Mardemootoo Solicitors
Les Jamalacs
Vieux Conseil Street
Port Louis
Republic of Mauritius

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The Board of Directors of Warwyck Phoenix PCC (the “Company”) is pleased to present the annual report together with the audited financial statements of the Company for the year ended 31 December 2017. The Company comprises of twelve protected cells (each “Cell”) as at 31 December 2017 which are illustrated below:

- Cell 1 – Warwyck Prolific Fund (*formerly Warwyck Phoenix Protection Fund*)
- Cell 2 – Warwyck Phoenix Income Fund
- Cell 3 – Warwyck Phoenix Balanced Fund
- Cell 4 – Warwyck Phoenix Re (*formerly Warwyck Phoenix Dynamic Fund*)
- Cell 5 – Warwyck Multi Calex (*formerly Warwyck Phoenix Alternative Fund*)
- Cell 6 – Warwyck Phoenix Global Invest Fund 1
- Cell 7 – Warwyck Phoenix Global Invest Fund 2
- Cell 8 – Warwyck Phoenix Invest Fund 3
- Cell 9 – Warwyck Value Calex Fund (*formerly Warwyck Phoenix Global Invest Fund 4*)
- Cell 10 – Warwyck Phoenix Global Invest Fund 5
- Cell 11 – Warwyck Phoenix Global Invest Fund 6
- Cell 12 – Warwyck Athlaas (*formerly Warwyck Phoenix Global Invest Fund 7*)

Each Cell has its own distinct name and designation.

The assets and liabilities of each Cell are segregated from each Cell.

Cell 4 had not yet started its activities during the year ended 31 December 2017.

Incorporation

The Company was incorporated in the Republic of Mauritius on 21 August 2014 as a private company limited by shares. Pursuant to a special resolution of the sole shareholder dated 03 May 2016, the status of the Company was changed to a public company with liability limited by shares. Thereafter, eight out of its twelve active Cells became listed on the Stock Exchange of Mauritius Ltd.

Principal activity

The Company is a Protected Cell Company (PCC) organised as a Collective Investment Scheme (CIS) and is categorised as an expert fund pursuant to the Securities Act 2005 and the regulation made hereunder.

Results and dividends

The results for the year ended 31 December 2017 for the Company and each Cell are as shown on pages 28 to 29.

The directors have declared and paid dividend of USD 753,869 for the year under review (2016: USD 1,555,305).

Directors

The present membership of the Board is set out on page 2.

Directors’ responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

ANNUAL REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2017

Directors' responsibilities in respect of the financial statements (Contd)

- correctly record and explain the transactions of the Company;
- disclose with reasonable accuracy at any time the financial position of the Company; and
- would enable them to ensure that the financial statements are prepared in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The Directors confirm that:

- the financial statements present fairly the financial position of the Company as at the reporting date and the results of operations and cash flows for the reporting year;
- the external auditors are responsible for reporting on whether the financial statements are presented fairly;
- adequate accounting records and an effective system of internal control have been maintained;
- the financial statements have been prepared in accordance with International Financial Reporting Standards;
- appropriate accounting policies are supported by reasonable and prudent judgements and estimates have been used consistently;
- the financial statements have been prepared on the going concern basis;
- they are responsible for safeguarding the assets of the Company;
- they have taken reasonable steps for the prevention and detection of fraud and other irregularities; and
- the Company has adhered to the Code of Corporate Governance.

Internal Control

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. The internal audit function is outsourced to Warwyck Private Bank Limited. The Internal Auditor reports to the Audit and Risk Committee. It helps the Company accomplish its objectives by applying a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes. The Internal Auditor has unrestricted access to all records, necessary for discharging its responsibilities.

Risk Management

The Board of directors is responsible for determining the overall strategic direction and the proper risk management strategy and policies of the Company. It sets the appropriate risk level and tolerance of the Company. The risk strategy covers all the major risk areas in which the Company has significant exposure.

Contracts of significance

There were no contracts of significance to which the Company was a party and in which a Director was materially interested either directly or indirectly.

ANNUAL REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2017

Going concern statement

On the basis of current projections, the directors are confident that the Company has adequate resources to continue operations for the foreseeable future and consider that the going concern basis in preparing the financial statements be adopted.

Directors' share interests

As at 31 December 2017, Mr. Frank Brusco had indirect interest of 3% in the shares of the Company and an indirect interest of 3.7% in the issued redeemable participating shares of Warwyck Athlaas (Cell 12).

Directors' remuneration

Total emoluments and other benefits paid to the Directors were as follows:

	2017	2016
	USD	USD
Non-executive directors	36,458	66,664

Donations

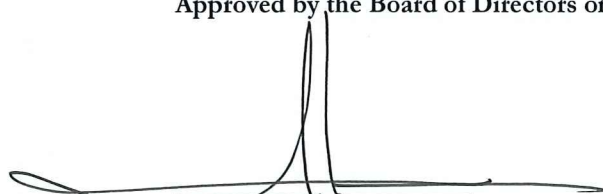
No donations made by the Company.

External auditors

The external auditors, **Grant Thornton**, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting.

	2017	2016
	USD	USD
Fees for audit services (VAT exclusive)	40,000	34,000
Fees for non-audit services	5,000	46,450

Approved by the Board of Directors on 27 March 2018 and signed on its behalf by:



Director



Director

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

1. General Information

Warwyck Phoenix PCC, formerly known as Warwyck Pheonip PCC (the “Company”), was incorporated in the Republic of Mauritius on 21 August 2014 as a private company with liability limited by shares. It is also a protected cell company and was converted into a public company by special resolution on the 03 May 2016. The principal objective of the Company is capital appreciation and income by investing across a broad range of global equities and bonds and any other instruments that the Board of Directors of the Company will approve. The Company holds a Category 1 Global Business Licence issued by the Financial Services Commission and on 08 October 2014, the Company was converted into a ‘Collective Investment Scheme’.

The Company operates as:

- a Collective Investment Scheme under section 97 of the Securities Act 2005;
- an Expert Fund under Regulation 79 of the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008;
- a self-managed scheme under section 103 of the Securities Act 2005; and
- a reporting issuer under section 86 of the Securities Act 2005.

Additionally, the Stock Exchange of Mauritius Ltd (“SEM”) has approved, on the 21 October 2016, the listing of the participating redeemable shares of the following cells of the Company on the Official Market of the SEM:

1. Warwyck Prolific Fund (*formerly Warwyck Phoenix Protection Fund*);
2. Warwyck Phoenix Income Fund;
3. Warwyck Phoenix Balanced Fund;
4. Warwyck Phoenix Global Invest Fund 1;
5. Warwyck Phoenix Global Invest Fund 2;
6. Warwyck Phoenix Invest Fund 3;
7. Warwyck Phoenix Global Invest Fund 5; and
8. Warwyck Phoenix Global Invest Fund 6.

2. Compliance statement

The Company is committed to high standards of corporate governance with the Board being accountable to the shareholder(s) for good governance. The Company has taken cognizance of the FSC Circular Letter dated 28 January 2018 (CL280218). Pursuant to same, the Company shall take the appropriate measures as from the next Financial Year to comply with the new Code of Corporate Governance.

3. Shareholding

At 31 December 2017, the stated capital of the Company stood at USD 100, represented by 100 Management shares with par value USD 1.

Warwyck Investment Holdings Ltd holds 100% of the Management shares.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

3. Shareholding (Contd)

As at 31 December 2017, the issued participating redeemable shares of the cells of the Company are summarised below:

	Cell	Number of shares
1.	Warwyck Prolific Fund	18,880.69
2.	Warwyck Phoenix Income Fund	3,451.92
3.	Warwyck Phoenix Balanced Fund	87.36
4.	Warwyck Multi Calex	17,032.98
5.	Warwyck Phoenix Global Invest Fund 1	291,343.45
6.	Warwyck Phoenix Global Invest Fund 2	204,803.04
7.	Warwyck Phoenix Invest Fund 3	3,828.27
8.	Warwyck Value Calex Fund (<i>Previously Warwyck Phoenix Global Invest Fund 4</i>)	3,504.54
9.	Warwyck Phoenix Global Invest Fund 5	24,417.95
10.	Warwyck Phoenix Global Invest Fund 6	22,924.54
11.	Warwyck Athlaas (<i>Previously known as Warwyck Phoenix Global Invest Fund 7</i>)	18,425.07

4. Board of Directors

The Board is responsible for directing the affairs of the Company in the best interests of shareholders, in conformity with legal and regulatory framework, and consistent with its constitution and best governance practices.

5. Composition of the Board

The Board is composed of 6 directors coming from different sectors. Every director has drawn from his professional background and expertise in positively contributing to the Board's activities. The Board is currently made up of two executive directors and four non-executive directors out of which two are independent. Only one of the directors is non-resident, namely Frank Brusco. Profiles of directors are given hereafter.

6. Directors' profile

Avinash Renga Sunassee - Age 40

Independent Non-Executive Chairman

Date of appointment: 10 October 2014

Avinash Sunassee was born in the Republic of Ireland. He has studied law at the London School of Economics and Political Science and is a practising Barrister in Mauritius. He specialises in commercial matters and financial services, a sizeable proportion of which is in the banking sector. His practice consists of advising on transactions and leading litigation (including arbitrations) in commercial, financial services and regulatory matters.

Directorship in other listed companies: none

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

6. Directors' profile (Contd)

Youmeshwar Ramdhony - Age 40

Chief Executive Officer

Date of appointment: 10 April 2017

Youmeshwar is an Associate of the Chartered Institute for Securities and Investment (U.K.) and of the Chartered Management Institute (U.K.), a Fellow of the Institute of Chartered Secretaries and Administrators (U.K.), Member of the Society of Trust & Estate Practitioners (U.K.) while also holding an Executive MBA and B.A. in Economics. He has equally undergone management training from Harvard Business School Publishing of Harvard Business School, U.S.A. and the Singapore Institute of Management.

He has held various senior positions in the banking and global business sectors with local and international organisations in Mauritius, Guernsey, Jersey and Singapore. Youmeshwar has been involved in the management of global business companies, international SPVs and in providing estate and wealth planning solutions to High-Net-Worth Individual (HNWI) around the world. He has also served on the board of directors of several Global Business companies for investment holding and fund structures.

Youmeshwar joined the company as Fund Manager in May 2016 and was, subsequently, appointed as Chief Executive Officer and to the Board of Directors in April 2017.

Directorship in other listed companies: none

Ashwin Bhimal Ramlochun - Age 28

Executive Director

Date of appointment: 10 April 2017

Ashwin Ramlochun is a member of the Association of Chartered Certified Accountants of the U.K. Prior to joining Warwyck Phoenix PCC, Ashwin started his career with Crowe Horwath in 2011 as Auditor and moved to Deutsche Bank in 2012 where he took on the position of Private Equity Fund Accountant serving one of the world largest alternative asset managers.

Ashwin joined the company as Fund Accountant in August 2016 and was, subsequently, appointed as Fund Manager and to the Board of Directors in April 2017.

Directorship in other listed companies: none

Mohammad Shameer Mohuddy - Age 42

Independent Non-Executive Director

Date of appointment: 20 January 2017

Shameer Mohuddy is an independent legal practitioner in Mauritius with main areas of practice being corporate law, commercial law, employment law and taxation. He was previously a Partner at Legis & Partners, a legal consultancy firm. He is currently also serving as a Member of the Commission on the Prerogative of Mercy and was a former Commissioner of the Equal Opportunities Commission and also a former Vice-Chairperson of the National Economic and Social Council. Shameer has studied at the University of London, UK.

Directorship in other listed companies: none

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

6. Directors' profile (Contd)

Frank Brusco - Age 39

Non-Executive Director

Date of appointment: 10 October 2014

Frank Brusco, an accomplished businessman, has set up multiple businesses around the world. He holds a degree in Banking and Finance.

Frank Brusco has been active in the finance industry for many years and is currently the Director of Acquisition of Participations at Vicgest, a corporate/business consultancy firm.

Directorship in other listed companies: none

Pascal Dulau - Age 49

Non-Executive Director

Date of appointment: 16 June 2016

Pascal Dulau is of French Nationality and is a Mauritian resident. Pascal holds an MBA in International Finance and Tax and a Master in Economics and Finance. He is a recognised leader with strong experience in change management and is familiar with managing multicultural and highly skilled team in challenging environments. He has twenty years' experience in Private Banking and Asset Management with the BNP PARIBAS Group. Pascal started as portfolio manager and ended at the top management of BNP PARIBAS Switzerland. In his last position, he has been the head of credit offering for Switzerland and International Markets and has been a member of the Swiss Wealth Management Executive Committee. Previously, as CEO of BNP Paribas Bahamas, Pascal used to be director of different in-house Mutual funds and Private Equity Funds (PAI Europe LBO III, IV, V) and was involved in investment committees.

Directorship in other listed companies: none

Christophe Emmanuel Marie Aynaud - Age 49

Non-Executive Director

Date of appointment: 16 June 2016 | **Date of Resignation:** 31 August 2017

Christophe Aynaud holds a Master in Business Administration, finance option, IAE de Paris, La Sorbonne University and a Master in Engineering, ESME Sudria in Paris.

Christophe has worked as Manager for banking strategic projects (AML, Compliance, Internal fraud, eBanking), audit manager in international bank (AML, KYC, Cross-border, QI, EU Tax) and Manager for the mapping of operational risks and internal controls in the process.

Directorship in other listed companies: none

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

6. Directors' profile (Contd)

Edith Jeanne Georgette Parat – Age 55

Non-Executive Director

Date of appointment: 10 October 2014 | **Date of Resignation:** 31 March 2017

Edith Parat holds a 'Maitrise de Gestion (AES)' at Lyon III with option Administration of Enterprises.

Edith has been Head of Capital Market and Communication of Oddo & Cie and Responsible for Professional Banking Coverage for BNP Paribas (Suisse) S.A and has occupied several posts like manager of Funds and Director General.

Directorship in other listed companies: none

7. Directors' Interest in Shares of the Company and in the issued redeemable participating shares of its cells

As at 31 December 2017, Mr. Frank Brusco had indirect interest of 3% in the Management shares of the Company and indirect interest of 3.7% in the issued redeemable participating shares of Warwyck Athlaas.

8. Board evaluation

No Board evaluation was carried out by the Company during the financial year ended 31 December 2017.

The methodology that the Company intends to adopt for conducting the Board assessment is through questionnaires to be filled by each member of the Board of Directors and members of the Committees. An analysis of the findings will be presented to the Board prior to the financial year ending 31 December 2018.

The Company shall carry out a formal Board appraisal with the following objectives:

- To assess the performance of the Board against the vision, objectives and strategy of the Company;
- To assist the Board and its committees in highlighting their key competencies and strengths; and
- To identify and correct weaknesses and provide opportunities for sound development of the Board.

9. Dividend Policy

Dividend policy is subject to the financial performance of the Company. A dividend of USD 753,869 has been declared by the Company for the financial year ended 31 December 2017 (31 December 2016: USD 1,555,305).

10. Constitution

The Company adopted a new constitution on 05 May 2017. It is in line with the SEM Listing Rules and the Mauritius Companies Act 2001, as per the legal certificate issued by BLC Robert & Associates.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

11. Board Meetings

The Board normally meet once a quarter, and in addition, board meetings are convened as and when required. The matters being considered at the meetings are as follows:

- to examine all statutory matters;
- to approve the audited financial statements and review important accounting issues;
- to review the Company's performance;
- to ensure compliance of the Company with the legislations;
- to take note of changes in the legislations which may affect the Company;
- to approve the quarterly management accounts; and
- to discuss any other business.

The Board papers are usually sent to the directors one week in advance, except where urgent meetings are convened.

The Board promotes, encourages and expects open and frank discussions at meetings. Board meetings provide a forum for challenging and constructive debate.

During the year under review, the Board met four times and the table below shows the attendance of directors either physically or by alternates at meetings held during the year ended 31 December 2017:

Directors	Attendance at Board
Avinash Renga Sunassee	3/4
Pascal Dulau	4/4
Frank Brusco	3/4
Christophe Emmanuel Marie Aynaud (appointed on 10 October 2014 and resigned on 31 August 2017)	2/3*
Mohammad Shameer Mohuddy (appointed on 20 January 2017)	3/4
Youmeshwar Ramdhony (appointed on 10 April 2017)	3/3**
Ashwin Bhimal Ramlochun (appointed on 10 April 2017)	3/3**

* was not a director for board meeting held on 07 November 2017

** was not a director for board meeting held on 31 March 2017

12. Board Committees

The Board of Directors collectively considers the measures in respect of the Code of Corporate Governance issues.

The main objects and functions of the Board in relation to corporate governance are to:

- determine, agree and develop the Company's general policy on corporate governance in accordance with the applicable Code of Corporate Governance;
- consider and decide on all aspects of corporate governance and new Board appointments;
- prepare the Corporate Governance Report; and
- review the terms and conditions of all service agreements between the Company and service providers.

The Board members are satisfied they have discharged their responsibilities for the year in respect of Corporate Governance.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

12. Board Committees (Contd)

- (i) The Company has set-up an Audit & Risk Committee whose purpose is to assist the board in fulfilling its corporate governance duties and overseeing its responsibilities in relation to the Company's financial reporting, internal control system, risk management system and internal and external audit functions. Its role is to provide advice and recommendations to the board within the scope of its terms of reference as approved by the board. The following table shows the members of the Audit & Risk committee:

Name of Directors / Members	Type of Membership
Mohammad Shameer Mohuddy	Current Chairman
Avinash Renga Sunassee	Current Member
Ashwin Bhimal Ramlochun	Current Member

The Chairman of the Audit Committee does not have substantial accounting or financial experience as required by the Code. The Board is of the view that the spirit of the Code is met through the attendance and participation of the other members of the committee who have sufficient financial literacy.

- (ii) The Company has set-up an Investment committee whose purpose is to maintain the prudent and effective investment and to formulate and oversee the investment policies and management. The following table shows the members of the Investment committee:

Name of Directors / Members	Type of Membership
Frank Brusco	Current Member
Pascal Dulau	Current Chairman
Ashwin Bhimal Ramlochun	Current Member
Christophe Emmanuel Marie Aynaud	Former Member
Patrice Bouche	Member-at-large

13. Statement of Remuneration Policy

Setting a Statement of Remuneration Policy is to attract, retain and motivate the right level high calibre personnel and reward in alignment with their individual as well as joint contribution towards the achievement of the Company's objective and performance, whilst taking into consideration the current market conditions and the Company's financial position. The Directors are remunerated for their knowledge, experience and insight given to the Board and Committees.

The directors' fee amounts to USD 3,125 per quarter.

Directors who are in full time employment with the Company are entitled to a fixed salary as per their contract of employment. They do not receive any additional remuneration for attending the Board meetings and Committees.

The below table shows the Directors' fees on an individual basis:

Name of Directors	Fees in USD
Pascal Dulau*	3,125
Edith Jeanne Georgette Parat*	3,125
Avinash Renga Sunassee	12,500
Frank Brusco*	3,125
Christophe Emmanuel Marie Aynaud*	3,125
Mohammad Shameer Mohuddy	11,458
Total Amount	36,458

**As from the 01st of April 2017, the remuneration of the non-independent non-executive directors was included in the service fee payable to Warwyck Private Bank Ltd in accordance with the Service Level Agreement.*

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

14. Risk Management

The Board has overall responsibility for the Company's systems of risk management and internal control and for reviewing their effectiveness. The responsibility for setting risk strategy is remaining with the Board but the responsibility for assessing and assuring the quality of the risk management process has been delegated to the Audit Committee.

15. Internal Audit

The Company has entered into a Service Level Agreement with Warwyck Private Bank Ltd for various services, including general internal audit support.

16. Financial risk factors

The financial risk factors have been set out in Note 4 of these financial statements.

17. Avoidance of conflict

The Directors shall never use their position to achieve personal gains. The Directors shall make full disclosure of any matter which may affect the impartiality of any Board decision. The Directors shall never make use by themselves or through any other person of any inside information.

18. Related party transactions

The related party transactions have been set out in Note 28 of these financial statements.

19. Sustainability reporting

Where applicable, the Company shall develop and implement social, safety, health and environmental policies and practices that in all material respects comply with existing legislative and regulatory frameworks.

20. Health, safety and environment

Due to the nature of its activities, the Company has no adverse impact on the environment.

21. Corporate social responsibility ("CSR"), charitable donations and political donations.

During the year, the Company has not made any donations since CSR and donations are not applicable to Global Business companies.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

22. Third party management agreement

There was no third-party management agreement with the Company for the year under review.

23. Nature of business

The principal activity of the Company is that of a Collective Investment Scheme.

24. Code of ethics

In accordance with the requirements of the Stock Exchange of Mauritius, the Board of Directors has adopted this Code of Ethics (this “Code”) to encourage honest and ethical conduct, including fair dealing and the ethical handling of conflicts; all directors, officers and employees of the Company are expected to be familiar with the Code and to adhere to those principles and procedures set forth in the Code.

Honest and Ethical Conduct

Each director, officer, employee owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and ethical. This includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Deceit and subordination of principle are inconsistent with integrity.

Each director, officer and employee must:

- act with integrity, including being honest and ethical while still maintaining the confidentiality of information where required or consistent with the Company’s policies.
- Observe both the form and spirit of laws and governmental rules and regulations and accounting standards.
- Adhere to a high standard of business ethics.
- Accept no improper or undisclosed material personal benefits from third parties as a result of any transaction or transactions of the Company.

25. Auditor’s Report and financial statements

The auditor’s report is set out on pages 19 and 23 and the statement of comprehensive income is set out on page 28 to 31 of this financial statements.

26. Audit fees and non-audit fees to auditor

Audit fees payable to Grant Thornton for the year under review amounted to USD 40,000 (31 December 2016: USD 34,000).

Additionally, non-audit fees for tax services for the year under review amounted to USD 5,000 (31 December 2016: USD 46,450).

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

27. Appreciation

The Board expresses its appreciation and gratitude to all those involved for their contribution during the year.

28. Time table of important events

Month	Events
May 2018	Publication of 1 st quarter results
June 2018	Annual meeting
August 2018	Publication of 2 nd quarter results
November 2018	Publication of 3 rd quarter results
December 2018	Financial year end

STATEMENT OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act 2004)

Name of Public Interest Entity ('PIE'):

Warwyck Phoenix PCC

Reporting Period:

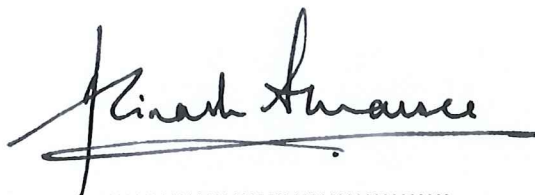
Financial year ended 31 December 2017

We, the directors of Warwyck Phoenix PCC, (the 'Company'), hereby confirm to the best of our knowledge that the Company has complied with all its obligations and requirements under the Code of Corporate Governance (the 'Code') except for the following sections:

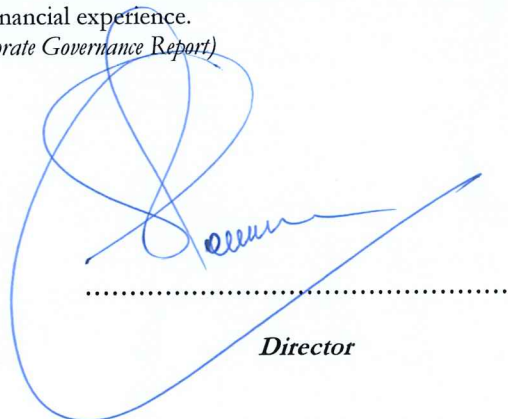
- | | |
|------------------|--------------------------------|
| 1. Section 2.10: | Board and Directors Appraisal |
| 2. Section 3.5: | Corporate Governance Committee |
| 3. Section 3.9.1 | Audit Committee - composition |

The reasons of non-compliance with the above Sections of the Code are provided in the Corporate Governance Report as follows:

- | | | |
|----------------------------------|-------|---|
| 1. Board and Directors Appraisal | 2.10 | No Board or Director's appraisal has been carried.
(Note 8 of Corporate Governance Report) |
| 2. Board Committees | 3.5 | The Company does not have a corporate governance committee.
(Note 12 of Corporate Governance Report) |
| 3. Board Committees | 3.9.1 | The Chairman of the Audit Committee does not have substantial accounting or financial experience.
(Note 12 of Corporate Governance Report) |



.....
Director



.....
Director

Certificate from the Secretary to the members of Warwyck Phoenix PCC

We certify, to the best of our knowledge and belief, that the Company has filed with the Registrar of Companies all such returns as required by the Company under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 December 2017.



Anex Management Services Ltd
Secretary

9th Floor, Ebene Tower
52 Cybercity
Ebene 72201
Republic of Mauritius

Date: 27 MAR 2018



Independent auditors' report To the members of Warwyck Phoenix PCC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Warwyck Phoenix PCC, the "Company", which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 24 to 99 give a true and fair view of the financial position of the Company as at 31 December 2017 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Loans and Notes receivable

The directors have assessed the recoverability of the amounts due to the Company amounting to USD 590,758,761 (Notes 12 and 13) and concluded that no risk of impairment has been identified.

The financial statements do not include any adjustments that may be deemed necessary if either part or the full amount becomes impaired.

Our opinion is not modified in this respect.

Key Audit Matter

Key audit matter is matter that, in our professional judgement, was of most significance in our audit of the financial statements for the financial year ended 31 December 2017. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.



Independent auditors' report (Contd) To the members of Warwyck Phoenix PCC

Report on the Audit of the Financial Statements (Contd)

Key Audit Matter (Contd)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation of unquoted financial assets held at fair value</p> <p>Fair value of unquoted investment is determined by using valuation techniques including liquidation method which is considered to be appropriate.</p> <p>The directors make significant judgements because of the complexity of the techniques and assumptions used in valuing level 3 investment and unobservable data to support such valuation.</p>	<p>In evaluating the fair value, we reviewed the valuation calculation. We performed various procedures, including the following:</p> <ul style="list-style-type: none"> (i) Evaluated the appropriateness of the valuation methodology and model used; (ii) Assessed the reasonableness of the valuation assumption and tested the underlying source information of the significant valuation assumptions; and (iii) Verified the mathematical accuracy of the valuation. <p>We considered the assumptions and disclosure in the financial statements to be appropriate.</p>

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information")

Management is responsible for the Other Information. The Other Information comprises the information included in the Corporate Data, Annual Report, Corporate Governance Report, Statement of Compliance and Report from the Company's secretary as required by the Mauritius Companies Act 2001 but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.



Independent auditors' report (Contd) To the members of Warwyck Phoenix PCC

Report on the Audit of the Financial Statements (Contd)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent auditors' report (Contd) **To the members of Warwyck Phoenix PCC**

Report on the Audit of the Financial Statements (Contd)

Auditors' Responsibilities for the Audit of the Financial Statements (Contd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matter communicated with those charged with governance, we determine this matter that was of most significance in the audit of the financial statements of the current year and is therefore a key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

(a) Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.



Independent auditors' report (Contd) **To the members of Warwyck Phoenix PCC**

Report on Other Legal and Regulatory Requirements (Contd)

(b) *Financial Reporting Act 2004*

The directors are responsible for preparing the Corporate Governance Report (the "Report"). Our responsibility is to report on the extent of compliance with the Code of Corporate Governance (the "Code") as disclosed in the Report and on whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosure in the Report is consistent with the requirements of the Code.

Other matter

Our report is made solely to the members of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Grant Thornton

Grant Thornton

Chartered Accountants


JUNAID HAJEE ABDOULA, FCCA

Licensed by FRC

Date: 27 MAR 2018

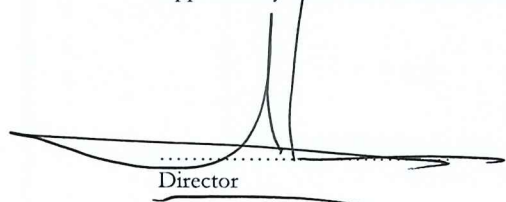
Ebene 72201, Republic of Mauritius

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

		Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
Notes		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Assets															
Non-Current															
Financial assets at fair value through profit and loss	8	-	-	450,888	-	-	6,138,208	9,756,559	5,720,204	1,639,926	5,633,344	22,311,786	13,393,251	-	65,044,166
Held-to-maturity investments	9	-	-	-	-	-	-	-	69,004,345	-	-	-	-	-	69,004,345
Derivative financial instruments	11	-	-	-	-	-	-	11,005	-	-	66,541	-	-	-	77,546
Intangible assets	10	-	-	-	-	-	4,414,938	1,025,814	-	256,454	-	871,942	1,590,012	1,025,814	9,184,974
Loan receivable	12	-	-	-	-	-	-	314,573,770	207,992,602	-	-	-	-	-	522,566,372
Notes receivable	13	-	-	-	-	-	-	-	300,125	-	-	-	-	-	300,125
Non-current assets		-	-	450,888	-	-	10,553,146	325,367,148	283,017,276	1,896,380	5,699,885	23,183,728	14,983,263	1,025,814	666,177,528
Current															
Notes receivable	13	-	-	-	-	-	-	30,774,424	6,071,519	-	-	-	-	-	36,845,943
Loans receivable	12	-	-	-	-	-	-	26,415,703	4,630,618	-	-	-	-	-	31,046,321
Other receivables	14	809,306	590	590	256	-	264	590	590	590	250	590	590	73,427	887,633
Current tax asset	7	-	-	3	3,073	-	-	-	-	11,903	479	-	-	-	15,458
Cash and cash equivalents	15	535,584	28,868,701	9,810,408	119,524	20,999,975	13,676,953	8,072,733	1,139,084	1,408,006	22,580	27,489,454	26,343,635	22,120,813	160,607,450
Current assets		1,344,890	28,869,291	9,811,001	122,853	20,999,975	13,677,217	65,263,450	11,841,811	1,420,499	23,309	27,490,044	26,344,225	22,194,240	229,402,805
Total Assets		1,344,890	28,869,291	10,261,889	122,853	20,999,975	24,230,363	390,630,598	294,859,087	3,316,879	5,723,194	50,673,772	41,327,488	23,220,054	895,580,333

Approved by the Board of Directors on **March 27, 2018** and signed on its behalf by:


Director


Director

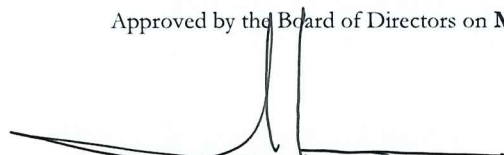
The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017 (CONTD)

		Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
Notes		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Equity and Liabilities															
Equity															
Stated capital	16	100	-	-	-	-	-	-	-	-	-	-	-	-	100
Retained earnings/ (accumulated losses)		1,017,311	1,742,231	469,744	(9,417)	-	832,676	36,452,941	38,191,040	(1,006,150)	(101,076)	2,691,301	2,551,305	(998,516)	81,833,390
Other reserves		-	1,608,628	359,303	10,178	-	1,399,908	(1,233,685)	5,801,223	401,990	-	2,680,485	2,970,597	584,056	14,582,683
Participating shares	18	-	25,127,549	4,016,112	116,510	-	20,894,992	355,186,770	249,029,724	3,894,869	3,504,543	27,577,494	19,773,492	22,499,612	731,621,667
Total equity		1,017,411	28,478,408	4,845,159	117,271	-	23,127,576	390,406,026	293,021,987	3,290,709	3,403,467	32,949,280	25,295,394	22,085,152	828,037,840
Liabilities															
Non-current liabilities															
Derivative financial instruments	11	-	-	-	-	-	107,134	125,810	-	-	-	39,617	-	22,004	294,565
Current															
Borrowings	19	-	-	5,343,951	-	-	-	-	26	-	2,305,941	17,424,741	15,643,208	-	40,717,867
Payables and accruals	20	314,466	30,733	72,779	5,582	20,999,975	95,278	79,645	62,089	26,170	13,786	260,134	388,886	152,498	22,502,021
Subscription in advance	17	-	360,150	-	-	-	900,375	-	1,620,675	-	-	-	-	960,400	3,841,600
Current tax liability	7	13,013	-	-	-	-	-	19,117	154,310	-	-	-	-	-	186,440
Current liabilities		327,479	390,883	5,416,730	5,582	20,999,975	995,653	98,762	1,837,100	26,170	2,319,727	17,684,875	16,032,094	1,112,898	67,247,928
Total liabilities		327,479	390,883	5,416,730	5,582	20,999,975	1,102,787	224,572	1,837,100	26,170	2,319,727	17,724,492	16,032,094	1,134,902	67,542,493
Total equity and liabilities		1,344,890	28,869,291	10,261,889	122,853	20,999,975	24,230,363	390,630,598	294,859,087	3,316,879	5,723,194	50,673,772	41,327,488	23,220,054	895,580,333
Net assets value per share	25	-	1,508.34	1,403.61	1,342.39	-	1,357.81	1,340.02	1,430.75	859.58	971.16	1,349.39	1,103.42	1,198.65	-

Approved by the Board of Directors on **March 27, 2018** and signed on its behalf by:


Director


Director

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

Notes	Non- cellular											
	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total		
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD		
Assets												
Non-Current												
Financial assets at fair value through profit and loss	8	-	-	3,945,949	615,049	4,156,718	5,995	-	1,027,810	32,417,730	13,900,253	56,069,504
Held-to-maturity investments	9	-	-	-	-	-	-	57,569,770	-	-	-	57,569,770
Derivative financial instruments	11	-	-	-	-	332,114	257,251	-	140,065	117,187	257,251	1,103,868
Loan receivable	12	-	-	-	-	-	239,539,146	85,934,860	-	-	-	325,474,006
Non-current assets		-	-	3,945,949	615,049	4,488,832	239,802,392	143,504,630	1,167,875	32,534,917	14,157,504	440,217,148
Current												
Notes receivable	13	-	-	-	-	-	25,014,335	-	-	-	-	25,014,335
Loans receivable	12	-	-	-	-	-	89,765,737	154,917,971	-	-	-	244,683,708
Other receivables	14	208,612	234	235	237	266	235	197	237	235	10,752	221,240
Current tax asset	7	-	-	-	-	-	84,734	-	-	-	-	84,734
Cash and cash equivalents	15	241,000	9,795,217	5,925,038	1,182,836	4,280,458	14,028,983	4,640,115	2,891,918	17,395,858	7,183,946	67,565,369
Current assets		449,612	9,795,451	5,925,273	1,183,073	4,280,724	128,894,024	159,558,283	2,892,155	17,396,093	7,194,698	337,569,386
Total assets		449,612	9,795,451	9,871,222	1,798,122	8,769,556	368,696,416	303,062,913	4,060,030	49,931,010	21,352,202	777,786,534

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016 (CONTD)

		Non- cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
Notes		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Equity and Liabilities												
Equity												
Stated capital	16	100	-	-	-	-	-	-	-	-	-	100
Retained earnings/ (accumulated losses)		209,921	588,278	(151,327)	210,667	439,883	65,058,213	30,864,991	(1,147,203)	(49,721)	(3,498,653)	92,525,049
Other reserves		-	(491,499)	(477,443)	(65,561)	(470,049)	(51,605,544)	(39,065,044)	(131,418)	(1,208,595)	(102,015)	(93,617,168)
Participating shares	18	-	9,572,366	8,665,012	1,590,215	8,609,327	355,186,770	310,626,385	5,294,932	27,362,114	14,051,866	740,958,987
Total equity		210,021	9,669,145	8,036,242	1,735,321	8,579,161	368,639,439	302,426,332	4,016,311	26,103,798	10,451,198	739,866,968
Liabilities												
Non-current												
Derivative financial instruments	11	-	-	-	-	85,833	27,305	-	8,208	6,631	20,520	148,497
Current												
Borrowings	19	-	-	1,778,516	-	-	-	-	-	23,793,573	10,842,786	36,414,875
Payables and accruals	20	195,015	126,306	56,464	58,215	104,562	29,672	259,419	19,549	27,008	37,698	913,908
Current tax liability	7	44,576	-	-	4,586	-	-	377,162	15,962	-	-	442,286
Current liabilities		239,591	126,306	1,834,980	62,801	104,562	29,672	636,581	35,511	23,820,581	10,880,484	37,771,069
Total liabilities		239,591	126,306	1,834,980	62,801	190,395	56,977	636,581	43,719	23,827,212	10,901,004	37,919,566
Total equity and liabilities		449,612	9,795,451	9,871,222	1,798,122	8,769,556	368,696,416	303,062,913	4,060,030	49,931,010	21,352,202	777,786,534
Net assets value per share	25	-	1,201.40	1,035.19	1,190.79	1,105.16	1,265.31	1,177.42	780.95	1,077.22	797.80	-

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

		Non- cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
Notes		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
INCOME														
Management income	21	708,445	-	-	-	-	-	-	-	-	-	-	-	708,445
Subscription and redemption income	22	418,396	-	-	-	-	-	-	-	-	-	-	-	418,396
Performance income	23	1,408,644	-	-	-	-	-	-	-	-	-	-	-	1,408,644
Net gain on investments		-	2,834,889	138,422	56,730	1,148,107	-	2,925,191	-	-	3,259,919	5,064,486	-	15,427,744
Other income	24	118,339	-	1,182	-	-	-	-	287,571	-	-	-	182,406	589,498
		2,653,824	2,834,889	139,604	56,730	1,148,107	-	2,925,191	287,571	-	3,259,919	5,064,486	182,406	18,552,727
EXPENSES														
Net loss on investments		-	-	-	-	-	206,175	-	269,896	85,593	-	-	687,329	1,248,993
Salaries and related costs		147,608	-	-	-	-	-	-	-	-	-	-	-	147,608
Directors' fees		36,458	10,394	10,434	7,507	10,432	10,433	10,433	10,433	1,750	10,433	10,433	5,916	135,056
Insurance fees		18,525	-	-	-	-	-	-	-	-	-	-	-	18,525
Legal and professional fees		3,479	4,831	4,830	4,613	4,829	4,817	4,649	4,649	800	4,829	4,829	3,005	50,160
Management fees		-	-	60,756	9,158	140,331	103,625	92,670	43,428	5,790	14,864	255,684	65,063	791,369
Custodian fees		-	48,702	20,325	3,281	4,389	134,477	118,088	10,994	500	26,511	75,122	3,128	445,517
Investment advisory fees		-	-	42,412	6,319	89,285	119,168	106,565	29,965	3,474	34,187	176,422	45,029	652,826
Listing fees		-	6,903	6,903	7,209	-	6,903	6,903	6,903	-	12,500	12,500	-	66,724
Administration fees		17,488	5,114	5,114	3,980	5,159	5,114	5,117	5,115	600	5,114	5,114	2,477	65,506
Licence fees		625	500	501	752	534	502	461	504	577	501	501	6,841	12,799
Audit fees		4,230	4,461	4,461	4,461	4,461	4,463	4,461	4,461	667	4,461	4,461	2,551	47,599
Performance Fees		-	1,434,640	111,270	916	236,806	-	-	4,687	456	397,860	669,052	292,015	3,147,702
Service fees		874,800	-	-	-	-	-	-	-	-	-	-	-	874,800
Other expenses		35,747	11,191	29,322	189	9,618	17,410	279,952	9,166	159	492	183,753	62,563	639,562
		1,138,960	1,526,736	296,328	48,385	505,844	613,087	629,299	400,201	100,366	511,752	1,397,871	1,175,917	8,344,746

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

		Non- cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
	Notes	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Operating profit/(loss)	9, 12 & 13	1,514,864	1,308,153	(156,724)	8,345	642,263	(613,087)	2,295,892	(112,630)	(100,366)	2,748,167	3,666,615	(993,511)	10,207,981
Finance income		-	-	-	-	-	3,676,066	20,446,246	-	-	-	-	-	24,122,312
Net foreign exchange gains/(losses)		90,857	-	462,470	(226)	(104,475)	(31,572,775)	(734,687)	(72,744)	(1,189)	(7,145)	(36,403)	(7,791)	(31,984,108)
Profit/(loss) before tax	27	1,605,721	1,308,153	305,746	8,119	537,788	(28,509,796)	22,007,451	(185,374)	(101,555)	2,741,022	3,630,212	(1,001,302)	2,346,185
(Tax expense)/tax credit	7	(44,462)	-	2	-	-	(95,476)	(582,525)	-	479	-	-	-	(721,982)
Profit/(loss) for the year		1,561,259	1,308,153	305,748	8,119	537,788	(28,605,272)	21,424,926	(185,374)	(101,076)	2,741,022	3,630,212	(1,001,302)	1,624,203
Other comprehensive income:														
<i>Items that will not be reclassified subsequently to profit or loss:</i>														
Gain on revaluation of intangible asset		-	-	-	-	209,175	-	-	-	-	-	-	-	209,175
<i>Items that will be reclassified subsequently to profit or loss:</i>														
Currency translation difference		-	2,100,127	836,746	75,739	1,660,782	50,371,859	44,866,267	533,408	-	3,889,080	3,072,612	584,056	107,990,676
Other comprehensive income for the year, net of tax		-	2,100,127	836,746	75,739	1,869,957	50,371,859	44,866,267	533,408	-	3,889,080	3,072,612	584,056	108,199,851
Total comprehensive income for the year		1,561,259	3,408,280	1,142,494	83,858	2,407,745	21,766,587	66,291,193	348,034	(101,076)	6,630,102	6,702,824	(417,246)	109,824,054
Earning per share ("EPS")	26	15,612.59	69.29	88.57	92.94	31.57	(98.18)	104.61	(48.42)	(28.84)	112.25	158.35	(54.34)	-

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

		Non- cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Total
Notes		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
INCOME													
Management income	21	444,878	-	-	-	-	-	-	-	-	-	-	444,878
Subscription and redemption income	22	869,399	-	-	-	-	-	-	-	-	-	-	869,399
Performance income	23	462,963	-	-	-	-	-	-	-	-	-	-	462,963
Net gain on investments		-	1,620,611	120,678	106,672	585,732	-	-	-	130,975	703,842	-	3,268,510
Other income	24	324	-	-	219,843	-	-	-	580,499	315,593	-	-	1,116,259
		1,777,564	1,620,611	120,678	326,515	585,732	-	-	580,499	446,568	703,842	-	6,162,009
EXPENSES													
Net loss on investments		-	-	-	-	-	1,213,647	-	1,016,566	-	-	1,250,375	3,480,588
Salaries and related costs		76,926	-	-	-	-	-	-	-	-	-	-	76,926
Director's fees		66,664	8,187	9,230	10,488	4,472	9,931	10,645	10,489	3,432	9,933	10,490	153,961
Insurance fees		9,978	-	-	-	-	-	-	-	-	-	-	9,978
Legal and professional fees		218,280	3,384	4,467	7,613	1,882	7,028	7,613	7,613	3,807	4,741	6,760	273,188
Management fees		-	-	67,678	16,512	33,445	69,886	63,997	41,024	6,580	18,303	127,453	444,878
Custodian fees		-	11,486	14,072	3,449	1,541	4,611	17,685	8,093	1,216	18,934	23,743	104,830
Investment advisory fees		-	-	40,607	9,907	20,067	69,731	63,997	24,617	3,948	21,144	76,472	330,490
Listing fees		-	6,125	6,125	6,125	-	6,125	6,125	6,125	-	553	553	37,856
Administration fees		13,401	2,733	3,164	3,596	1,489	3,600	3,603	3,591	1,157	3,406	3,596	43,336
License fees		3,116	252	251	493	771	497	536	494	159	251	498	7,318
Audit fees		5,927	3,910	3,910	3,910	3,910	3,910	3,910	3,910	-	3,910	3,910	41,117
Performance Fees		-	793,135	62,081	53,996	78,115	-	-	12,049	17,031	280,280	-	1,296,687
Service fees		150,000	-	-	-	-	-	-	-	-	-	-	150,000
Software fees		114,104	-	-	-	-	-	-	-	-	-	-	114,104
Other expenses		76,093	70	13,437	13,685	157	333,327	261,799	21,346	66	3,145	51,209	774,334
		734,489	829,282	225,022	129,774	145,849	1,722,293	439,910	1,155,917	37,396	364,600	1,555,059	7,339,591

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTD)

		Non- cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Total
Notes		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Operating profit/(loss)		1,043,075	791,329	(104,344)	196,741	439,883	(1,722,293)	(439,910)	(575,418)	409,172	339,242	(1,555,059)	(1,177,582)
Finance income	9, 12 & 13	-	-	-	-	-	3,873,572	20,030,954	-	2,365	-	-	23,906,891
Net foreign exchange gains/(losses)		7,699	-	(46,983)	(2,415)	-	43,500,457	1,249,403	29,106	-	(388,963)	(25,064)	44,323,240
Profit/(loss) before tax	27	1,050,774	791,329	(151,327)	194,326	439,883	45,651,736	20,840,447	(546,312)	411,537	(49,721)	(1,580,123)	67,052,549
(Tax expense)/tax credit	7	(32,472)	-	-	(4,586)	-	344,532	(421,578)	(2,228)	-	-	77,488	(38,844)
Profit/(loss) for the year		1,018,302	791,329	(151,327)	189,740	439,883	45,996,268	20,418,869	(548,540)	411,537	(49,721)	(1,502,635)	67,013,705
Other comprehensive income:													
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	-	-	-	-	-	-	-	-	-	-	-
<i>Items that will be reclassified subsequently to profit or loss:</i>													
Currency translation difference		-	(491,499)	(477,443)	(70,937)	(470,049)	(14,948,892)	(12,287,531)	(197,377)	(36,854)	(1,208,595)	(388,245)	(30,577,422)
Other comprehensive income for the year, net of tax		-	(491,499)	(477,443)	(70,937)	(470,049)	(14,948,892)	(12,287,531)	(197,377)	(36,854)	(1,208,595)	(388,245)	(30,577,422)
Total comprehensive income for the year		1,018,302	299,830	(628,770)	118,803	(30,166)	31,047,376	8,131,338	(745,917)	374,683	(1,258,316)	(1,890,880)	36,436,283
Earnings per share ("EPS")	26	10,183.02	98.32	(19.49)	130.20	56.67	157.88	79.50	(106.66)	-	(2.05)	(114.67)	-

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER

NON- CELLULAR	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	100	-	209,921	-	210,021
Profit for the year	-	-	1,561,259	-	1,561,259
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	1,561,259	-	1,561,259
Dividends paid (Note 16.1)	-	-	(753,869)	-	(753,869)
Transactions with the shareholder	-	-	(753,869)	-	(753,869)
At 31 December 2017	100	-	1,017,311	-	1,017,411

NON- CELLULAR	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2016	100	-	746,924	-	747,024
Profit for the year	-	-	1,018,302	-	1,018,302
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	1,018,302	-	1,018,302
Dividends paid (Note 16.1)	-	-	(1,555,305)	-	(1,555,305)
Transactions with the shareholder	-	-	(1,555,305)	-	(1,555,305)
At 31 December 2016	100	-	209,921	-	210,021

CELL 1	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	9,572,366	588,278	(491,499)	9,669,145
Issue of shares	-	17,310,442	-	-	17,310,442
Redemption of shares	-	(1,755,259)	(154,200)	-	(1,909,459)
Transaction with the shareholders	-	15,555,183	(154,200)	-	15,400,983
Profit for the year	-	-	1,308,153	-	1,308,153
Other comprehensive income	-	-	-	2,100,127	2,100,127
Total comprehensive income for the year	-	-	1,308,153	2,100,127	3,408,280
At 31 December 2017	-	25,127,549	1,742,231	1,608,628	28,478,408

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 1	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
Issue of shares	-	11,823,709	-	-	11,823,709
Redemption of shares	-	(2,251,343)	(203,051)	-	(2,454,394)
Transaction with the shareholders	-	9,572,366	(203,051)	-	9,369,315
Profit for the year	-	-	791,329	-	791,329
Other comprehensive income	-	-	-	(491,499)	(491,499)
Total comprehensive income for the year	-	-	791,329	(491,499)	299,830
At 31 December 2016	-	9,572,366	588,278	(491,499)	9,669,145

CELL 2	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	8,665,012	(151,327)	(477,443)	8,036,242
Issue of shares	-	3,451,540	-	-	3,451,540
Redemption of shares	-	(8,100,440)	315,323	-	(7,785,117)
Transaction with the shareholders	-	(4,648,900)	315,323	-	(4,333,577)
Profit for the year	-	-	305,748	-	305,748
Other comprehensive income	-	-	-	836,746	836,746
Total comprehensive income for the year	-	-	305,748	836,746	1,142,494
At 31 December 2017	-	4,016,112	469,744	359,303	4,845,159

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 2	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
Issue of shares	-	8,665,012	-	-	8,665,012
Redemption of shares	-	-	-	-	-
Transaction with the shareholders	-	8,665,012	-	-	8,665,012
Loss for the year	-	-	(151,327)	-	(151,327)
Other comprehensive income	-	-	-	(477,443)	(477,443)
Total comprehensive income for the year	-	-	(151,327)	(477,443)	(628,770)
At 31 December 2016	-	8,665,012	(151,327)	(477,443)	8,036,242

CELL 3	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	1,590,215	210,667	(65,561)	1,735,321
Issue of shares	-	116,510	-	-	116,510
Redemption of shares	-	(1,590,215)	(228,203)	-	(1,818,418)
Transaction with the shareholders	-	(1,473,705)	(228,203)	-	(1,701,908)
Profit for the year	-	-	8,119	-	8,119
Other comprehensive income	-	-	-	75,739	75,739
Total comprehensive income for the year	-	-	8,119	75,739	83,858
At 31 December 2017	-	116,510	(9,417)	10,178	117,271

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 3	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2016	-	1,590,215	20,927	5,376	1,616,518
Issue of shares	-	-	-	-	-
Redemption of shares	-	-	-	-	-
Transaction with the shareholders	-	-	-	-	-
Profit for the year	-	-	189,740	-	189,740
Other comprehensive income	-	-	-	(70,937)	(70,937)
Total comprehensive income for the year	-	-	189,740	(70,937)	118,803
At 31 December 2016	-	1,590,215	210,667	(65,561)	1,735,321

CELL 5	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Revaluation reserves	Total
	USD	USD	USD	USD	USD	USD
At 01 January 2017	-	8,609,327	439,883	(470,049)	-	8,579,161
Issue of shares	-	13,202,850	-	-	-	13,202,850
Redemption of shares	-	(917,185)	(144,995)	-	-	(1,062,180)
Transaction with the shareholders	-	12,285,665	(144,995)	-	-	12,140,670
Profit for the year	-	-	537,788	-	-	537,788
Other comprehensive income	-	-	-	1,660,782	209,175	1,869,957
Total comprehensive income for the year	-	-	537,788	1,660,782	209,175	2,407,745
At 31 December 2017	-	20,894,992	832,676	1,190,733	209,175	23,127,576

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 5	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
Issue of shares	-	8,609,327	-	-	8,609,327
Transaction with the shareholders	-	8,609,327	-	-	8,609,327
Profit for the year	-	-	439,883	-	439,883
Other comprehensive income	-	-	-	(470,049)	(470,049)
Total comprehensive income for the year	-	-	439,883	(470,049)	(30,166)
At 31 December 2016	-	8,609,327	439,883	(470,049)	8,579,161

CELL 6	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	355,186,770	65,058,213	(51,605,544)	368,639,439
Transaction with the shareholders	-	-	-	-	-
Loss for the year	-	-	(28,605,272)	-	(28,605,272)
Other comprehensive income	-	-	-	50,371,859	50,371,859
Total comprehensive income for the year	-	-	(28,605,272)	50,371,859	21,766,587
At 31 December 2017	-	355,186,770	36,452,941	(1,233,685)	390,406,026

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 6	Stated capital	Share application monies	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD	USD
At 01 January 2016	-	5,464,481	358,779,080	19,791,011	(36,656,652)	347,377,920
Share application monies	-	(5,464,481)	-	-	-	(5,464,481)
Issue of shares	-	-	5,635,073	-	-	5,635,073
Redemption of shares	-	-	(9,227,383)	(729,066)	-	(9,956,449)
Transaction with the shareholders	-	(5,464,481)	(3,592,310)	(729,066)	-	(9,785,857)
Profit for the year	-	-	-	45,996,268	-	45,996,268
Other comprehensive income	-	-	-	-	(14,948,892)	(14,948,892)
Total comprehensive income for the year	-	-	-	45,996,268	(14,948,892)	31,047,376
At 31 December 2016	-	-	355,186,770	65,058,213	(51,605,544)	368,639,439

CELL 7	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	310,626,385	30,864,991	(39,065,044)	302,426,332
Issue of shares	-	15,274,065	-	-	15,274,065
Redemption of shares	-	(76,870,726)	(14,098,877)	-	(90,969,603)
Transaction with the shareholders	-	(61,596,661)	(14,098,877)	-	(75,695,538)
Profit for the year	-	-	21,424,926	-	21,424,926
Other comprehensive income	-	-	-	44,866,267	44,866,267
Total comprehensive income for the year	-	-	21,424,926	44,866,267	66,291,193
At 31 December 2017	-	249,029,724	38,191,040	5,801,223	293,021,987

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 7	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2016	-	333,619,114	13,967,153	(26,777,513)	320,808,754
Issue of shares	-	17,460,642	-	-	17,460,642
Redemption of shares	-	(40,453,371)	(3,521,031)	-	(43,974,402)
Transaction with the shareholders	-	(22,992,729)	(3,521,031)	-	(26,513,760)
Profit for the year	-	-	20,418,869	-	20,418,869
Other comprehensive income	-	-	-	(12,287,531)	(12,287,531)
Total comprehensive income for the year	-	-	20,418,869	(12,287,531)	8,131,338
At 31 December 2016	-	310,626,385	30,864,991	(39,065,044)	302,426,332

CELL 8	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	5,294,932	(1,147,203)	(131,418)	4,016,311
Issue of shares	-	1,109,935	-	-	1,109,935
Redemption of shares	-	(2,509,998)	326,427	-	(2,183,571)
Transaction with the shareholders	-	(1,400,063)	326,427	-	(1,073,636)
Loss for the year	-	-	(185,374)	-	(185,374)
Other comprehensive income	-	-	-	533,408	533,408
Total comprehensive income for the year	-	-	(185,374)	533,408	348,034
At 31 December 2017	-	3,894,869	(1,006,150)	401,990	3,290,709

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 8	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2016	-	4,214,705	(608,316)	65,959	3,672,348
Issue of shares	-	1,790,317	-	-	1,790,317
Redemption of shares	-	(710,090)	9,653	-	(700,437)
Transaction with the shareholders	-	1,080,227	9,653	-	1,089,880
Loss for the year	-	-	(548,540)	-	(548,540)
Other comprehensive income	-	-	-	(197,377)	(197,377)
Total comprehensive income for the year	-	-	(548,540)	(197,377)	(745,917)
At 31 December 2016	-	5,294,932	(1,147,203)	(131,418)	4,016,311

CELL 9	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	-	-	-	-
Issue of shares	-	3,504,543	-	-	3,504,543
Transaction with the shareholders	-	3,504,543	-	-	3,504,543
Loss for the year	-	-	(101,076)	-	(101,076)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	(101,076)	-	(101,076)
At 31 December 2017	-	3,504,543	(101,076)	-	3,403,467

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 9	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2016	-	2,153,084	(341,025)	36,854	1,848,913
Issue of shares	-	-	-	-	-
Redemption of shares	-	(2,153,084)	(70,512)	-	(2,223,596)
Transaction with the shareholders	-	(2,153,084)	(70,512)	-	(2,223,596)
Profit for the year	-	-	411,537	-	411,537
Other comprehensive income	-	-	-	(36,854)	(36,854)
Total comprehensive income for the year	-	-	411,537	(36,854)	374,683
At 31 December 2016	-	-	-	-	-

CELL 10	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	27,362,114	(49,721)	(1,208,595)	26,103,798
Issue of shares	-	215,380	-	-	215,380
Transaction with the shareholders	-	215,380	-	-	215,380
Profit for the year	-	-	2,741,022	-	2,741,022
Other comprehensive income	-	-	-	3,889,080	3,889,080
Total comprehensive income for the year	-	-	2,741,022	3,889,080	6,630,102
At 31 December 2017	-	27,577,494	2,691,301	2,680,485	32,949,280

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 10	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2016	-	-	-	-	-
Issue of shares	-	27,362,114	-	-	27,362,114
Transaction with the shareholders	-	27,362,114	-	-	27,362,114
Loss for the year	-	-	(49,721)	-	(49,721)
Other comprehensive income	-	-	-	(1,208,595)	(1,208,595)
Total comprehensive income for the year	-	-	(49,721)	(1,208,595)	(1,258,316)
At 31 December 2016	-	27,362,114	(49,721)	(1,208,595)	26,103,798

CELL 11	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2017	-	14,051,866	(3,498,653)	(102,015)	10,451,198
Issue of shares	-	20,542,622	-	-	20,542,622
Redemption of shares	-	(14,820,996)	2,419,746	-	(12,401,250)
Transaction with the shareholders	-	5,721,626	2,419,746	-	8,141,372
Profit for the year	-	-	3,630,212	-	3,630,212
Other comprehensive income	-	-	-	3,072,612	3,072,612
Total comprehensive income for the year	-	-	3,630,212	3,072,612	6,702,824
At 31 December 2017	-	19,773,492	2,551,305	2,970,597	25,295,394

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

CELL 11	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
At 01 January 2016	-	14,177,703	(2,023,734)	286,230	12,440,199
Redemption of shares	-	(125,837)	27,716	-	(98,121)
Transaction with the shareholders	-	(125,837)	27,716	-	(98,121)
Loss for the year	-	-	(1,502,635)	-	(1,502,635)
Other comprehensive income	-	-	-	(388,245)	(388,245)
Total comprehensive income for the year	-	-	(1,502,635)	(388,245)	(1,890,880)
At 31 December 2016	-	14,051,866	(3,498,653)	(102,015)	10,451,198

CELL 12	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD
Issue of shares	-	22,698,020	-	-	22,698,020
Redemption of shares	-	(198,408)	2,786	-	(195,622)
Transaction with the shareholders	-	22,499,612	2,786	-	22,502,398
Loss for the year	-	-	(1,001,302)	-	(1,001,302)
Other comprehensive income	-	-	-	584,056	584,056
Total comprehensive income for the year	-	-	(1,001,302)	584,056	(417,246)
At 31 December 2017	-	22,499,612	(998,516)	584,056	22,085,152

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER (CONTD)

TOTAL	Stated Capital	Participating Shares	Retained Earnings	Translation Reserves	Revaluation Reserves	Total
	USD	USD	USD	USD		USD
At 01 January 2017	100	740,958,987	92,525,049	(93,617,168)	-	739,866,968
Issue of shares	-	97,425,907	-	-	-	97,425,907
Redemption of shares	-	(106,763,227)	(11,561,993)	-	-	(118,325,220)
Dividends paid			(753,869)		-	(753,869)
Transaction with the shareholders	-	(9,337,320)	(12,315,862)	-	-	(21,653,182)
Profit for the year	-	-	1,624,203	-	-	1,624,203
Other comprehensive income	-	-	-	107,990,676	209,175	108,199,851
Total comprehensive income for the year	-	-	1,624,203	107,990,676	209,175	109,824,054
At 31 December 2017	100	731,621,667	81,833,390	14,373,508	209,175	828,037,840

TOTAL	Stated Capital	Share application monies	Participating Shares	Retained Earnings	Translation Reserves	Total
	USD	USD	USD	USD	USD	USD
At 01 January 2016	100	5,464,481	714,533,901	31,552,940	(63,039,746)	688,511,676
Share application monies	-	(5,464,481)	-	-	-	(5,464,481)
Issue of shares	-		81,346,194	-	-	81,346,194
Redemption of shares	-	-	(54,921,108)	(4,486,291)	-	(59,407,399)
Dividends paid	-	-	-	(1,555,305)	-	(1,555,305)
Transaction with the shareholders	-	(5,464,481)	26,425,086	(6,041,596)	-	14,919,009
Profit for the year	-	-	-	67,013,705	-	67,013,705
Other comprehensive income	-	-	-	-	(30,540,568)	(30,577,422)
Total comprehensive income for the year	-	-	-	67,013,705	(30,540,568)	36,436,283
At 31 December 2016	100	-	740,958,987	92,525,049	(93,617,168)	739,866,968

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Operating activities														
Profit/(loss) before tax	1,605,721	1,308,153	305,746	8,119	-	537,788	(28,509,796)	22,007,451	(185,374)	(101,555)	2,741,022	3,630,212	(1,001,302)	2,346,185
Adjustment for:					-									
Translation reserves on participating shares	-	2,100,127	836,746	75,739	-	1,660,782	50,371,859	44,866,267	533,408	-	3,889,080	3,072,612	584,056	107,990,676
Foreign exchange losses	-	-	-	889	-	209,175	5,959	29,365	401	-	-	-	-	245,789
<i>Changes in working capital:</i>					-									
Changes in loans receivable	-	-	-	-	-	-	(12,315,608)	(64,469,751)	-	-	-	-	-	(76,785,359)
Change in other receivables	(600,694)	(356)	(355)	(19)	-	2	84,379	(393)	(353)	(250)	(355)	10,162	(73,427)	(581,659)
Change in payables and accruals	119,451	264,577	16,314	(52,633)	20,999,975	891,091	49,973	1,423,345	6,621	13,786	233,126	351,188	1,112,898	25,429,712
Taxes paid	(76,025)	-	-	(8,548)	-	-	(82,318)	(840,551)	(28,266)	-	-	-	-	(1,035,708)
Net cash from operating activities	1,048,453	3,672,501	1,158,451	23,547	20,999,975	3,298,838	9,604,448	3,015,733	326,437	(88,019)	6,862,873	7,064,174	622,225	57,609,636
Investing activities														
Investment in bonds and stocks	-	-	3,495,061	615,049	-	(1,981,490)	(9,750,564)	(5,720,204)	(612,116)	(5,629,925)	12,029,835	507,002	-	(7,047,352)
Investment in precious metals	-	-	-	-	-	-	-	-	-	-	(1,923,891)	-	-	(1,923,891)
Investment in derivative financial assets	-	-	-	-	-	332,114	246,246	-	140,065	(69,960)	117,187	257,251	-	1,022,903
Investment in derivative financial liabilities	-	-	-	-	-	21,301	98,505	-	(8,208)	-	32,986	(20,520)	22,004	146,068
Investment in intangible assets	-	-	-	-	-	(4,414,938)	(1,025,814)	-	(256,454)	-	(871,942)	(1,590,012)	(1,025,814)	(9,184,974)
Issue of promissory note	-	-	-	-	-	-	(5,129,071)	(5,426,256)	-	-	-	-	-	(10,555,327)
Loans granted	-	-	-	-	-	-	-	(7,082,950)	-	-	-	-	-	(7,082,950)
Loans repayment	-	-	-	-	-	-	-	87,402,349	-	-	-	-	-	87,402,349
Net cash from/ (used in) investing activities	-	-	3,495,061	615,049	-	(6,043,013)	(15,560,698)	69,172,939	(736,713)	(5,699,885)	9,384,175	(846,279)	(1,003,810)	52,776,826

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTD)

	Non- cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financing activities														
Proceeds from issue of participating shares	-	17,310,442	3,451,540	116,510	-	13,202,850	-	15,274,065	1,109,935	3,504,543	215,380	20,542,622	22,698,020	97,425,907
Redemption of participating shares	-	(1,909,459)	(7,785,117)	(1,818,418)	-	(1,062,180)	-	(90,963,794)	(2,183,571)	-	-	(12,401,250)	(195,622)	(118,319,411)
Dividends paid	(753,869)	-	-	-	-	-	-	-	-	-	-	-	-	(753,869)
Net cash flows (used in)/from financing activities	(753,869)	15,400,983	(4,333,577)	(1,701,908)	-	12,140,670	-	(75,689,729)	(1,073,636)	3,504,543	215,380	8,141,372	22,502,398	(21,647,373)
Net change in cash and cash equivalents	294,584	19,073,484	319,935	(1,063,312)	20,999,975	9,396,495	(5,956,250)	(3,501,057)	(1,483,912)	(2,283,361)	16,462,428	14,359,267	22,120,813	88,739,089
Cash and cash equivalents at the beginning of the year	241,000	9,795,217	4,146,522	1,182,836	-	4,280,458	14,028,983	4,640,115	2,891,918	-	(6,397,715)	(3,658,840)	-	31,150,494
Cash and cash equivalents at end of the year	535,584	28,868,701	4,466,457	119,524	20,999,975	13,676,953	8,072,733	1,139,058	1,408,006	(2,283,361)	10,064,713	10,700,427	22,120,813	119,889,583
Cash and cash equivalents made up of:														
Cash at bank (Note 15)	535,584	28,868,701	9,810,408	119,524	20,999,975	13,676,953	8,072,733	1,139,084	1,408,006	22,580	27,489,454	26,343,635	22,120,813	160,607,450
Bank overdrafts (Note 19)	-	-	(5,343,951)	-	-	-	-	(26)	-	(2,305,941)	(17,424,741)	(15,643,208)	-	(40,717,867)
	535,584	28,868,701	4,466,457	119,524	20,999,975	13,676,953	8,072,733	1,139,058	1,408,006	(2,283,361)	10,064,713	10,700,427	22,120,813	119,889,583

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Non- cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Operating activities												
Profit/(loss) before tax	1,050,774	791,329	(151,327)	194,326	439,883	45,651,736	20,840,447	(546,312)	411,537	(49,721)	(1,580,123)	67,052,549
Adjustment for:												
Translation reserves on participating shares	-	(491,499)	(477,443)	(70,937)	(470,049)	(14,948,892)	(12,287,531)	(197,377)	(36,854)	(1,208,595)	(388,245)	(30,577,422)
Foreign exchange (gains)/ losses	-	-	-	-	-	170,104	-	-	-	-	-	170,104
Changes in working capital:												
Changes in loans receivable	-	-	-	-	-	(19,381,853)	80,964,049	-	-	-	-	61,582,196
Change in other receivables	722,537	(234)	(235)	494	(266)	22,474	75,027	5	242	(235)	(10,509)	809,300
Change in payables and accruals	(6,928)	126,306	56,464	29,452	104,562	(175,731)	(1,352,995)	(15,367)	(21,581)	27,008	(46,998)	(1,275,808)
Taxes paid	(5,507)	-	-	-	-	(441,888)	(470,754)	-	(14,316)	-	-	(932,465)
Net cash from/ (used in) operating activities	1,760,876	425,902	(572,541)	153,335	74,130	10,895,950	87,768,243	(759,051)	339,028	(1,231,543)	(2,025,875)	96,828,454
Investing activities												
Investment in bonds and stocks	-	-	(3,945,949)	299,599	(4,156,718)	6,520,402	(56,791,800)	276,088	101,173	(20,287,970)	(1,426,338)	(79,411,513)
Investment in precious metals	-	-	-	-	-	-	-	-	-	(12,129,760)	(5,984,299)	(18,114,059)
Investment in derivative financial assets	-	-	-	6,536	(332,114)	(257,251)	-	(140,065)	-	(117,187)	(201,350)	(1,041,431)
Investment in derivative financial liabilities	-	-	-	(615)	85,833	(299,693)	-	(57,127)	(65,335)	6,631	(306,154)	(636,460)
Issue of promissory note	-	-	-	-	-	-	-	-	-	-	-	-
Net cash (used in)/from investing activities	-	-	(3,945,949)	305,520	(4,402,999)	5,963,458	(56,791,800)	78,896	35,838	(32,528,286)	(7,918,141)	(99,203,463)

The notes on pages 48 to 99 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTD)

	Non- cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financing activities												
Proceeds from issue of participating shares	-	11,823,709	8,665,012	-	8,609,327	-	17,460,642	1,790,317	-	27,362,114	-	75,711,121
Redemption of participating shares	-	(2,454,394)	-	-	-	(9,956,449)	(43,974,402)	(700,437)	(2,223,596)	-	(98,121)	(59,407,399)
Dividends paid	(1,555,305)	-	-	-	-	-	-	-	-	-	-	(1,555,305)
Net cash flows from/ (used in) financing activities	(1,555,305)	9,369,315	8,665,012	-	8,609,327	(9,956,449)	(26,513,760)	1,089,880	(2,223,596)	27,362,114	(98,121)	14,748,417
Net change in cash and cash equivalents	205,571	9,795,217	4,146,522	458,855	4,280,458	6,902,959	4,462,683	409,725	(1,848,730)	(6,397,715)	(10,042,137)	12,373,408
Cash and cash equivalents at the beginning of the year	35,429	-	-	723,981	-	7,126,024	177,432	2,482,193	1,848,730	-	6,383,297	18,777,086
Cash and cash equivalents at end of period	241,000	9,795,217	4,146,522	1,182,836	4,280,458	14,028,983	4,640,115	2,891,918	-	(6,397,715)	(3,658,840)	31,150,494
Cash and cash equivalents made up of:												
Cash at bank (Note 15)	241,000	9,795,217	5,925,038	1,182,836	4,280,458	14,028,983	4,640,115	2,891,918	-	17,395,858	7,183,946	67,565,369
Bank overdrafts (Note 19)	-	-	(1,778,516)	-	-	-	-	-	-	(23,793,573)	(10,842,786)	(36,414,875)
	241,000	9,795,217	4,146,522	1,182,836	4,280,458	14,028,983	4,640,115	2,891,918	-	(6,397,715)	(3,658,840)	31,150,494

The notes on pages 48 to 99 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information and statement of compliance with International Financial Reporting Standards (“IFRS”)

Warwyck Phoenix PCC, the “Company”, was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 21 August 2014 as a private company with liability limited by shares. It holds a Category 1 Global Business Licence issued by the Financial Services Commission. The Company is licensed to act as Collective Investment Scheme Manager pursuant to the Securities Act 2005. The Company’s registered office is Warwyck House, Nalletamby Road, Phoenix 73538, Republic of Mauritius.

Pursuant to a special resolution of the sole shareholder dated 03 May 2016, the status of the Company was changed to a public company with liability limited by shares. On 24 October 2016, eight Cells of the Company became listed on the Stock Exchange of Mauritius Ltd.

The Company is a Protected Cell Company (PCC) organised as a Collective Investment Scheme (CIS) and is categorised as an expert fund pursuant to the Securities Act 2005 and the regulation made hereunder.

For each series of Shares issued, the Company establishes a separate and distinct Protected Cell in order to segregate assets and liabilities attributable to a particular Class of Share of the Company from the assets and liabilities attributable to other classes of Shares.

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”).

The Cells commenced trading on the dates as listed below:

Cells	Date of commencement of trading
Cell 1	25 March 2016
Cell 2	16 February 2016
Cell 3	27 February 2015
Cell 5	01 August 2016
Cell 6	31 December 2014
Cell 7	31 December 2014
Cell 8	10 February 2015
Cell 9	01 April 2015
Cell 10	22 January 2016
Cell 11	10 February 2015
Cell 12	01 June 2017

Cell 4 had not yet started its activities during the year ended 31 December 2017.

These financial statements present the financial statements of each Cell which represent the assets, liabilities and returns attributable to each Class of Shareholders.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

2. Adoption of new and revised International Financial Reporting Standards

2.1 New and revised standards that are effective for the annual period beginning on 01 January 2017

In the current year, the following new and revised standards issued by the IASB became mandatory for the first time for the financial year beginning on 01 January 2017:

IAS 7, Disclosure Initiative (*Amendments to IAS 7 Statement of Cash Flows*)

The amendments require an entity to provide disclosures that enable users to evaluate changes in liabilities arising from financing activities. The Company categorises those changes arising from cash flows and non-cash changes with further sub-categories as required by IAS 7.

IAS 12, Recognition of Deferred Tax Assets for Unrealised Losses

The focus of the amendments is to clarify how to account for deferred tax assets related to debt instruments measured at fair value, particularly where changes in the market interest rate decrease the fair value of a debt instrument below cost.

IFRS for SMEs, Amendments to the International Financial Reporting Standard for Small and Medium Sized Entities

The amendments issued are a result of its first comprehensive review, which commenced in 2012, three years after the standard's release in 2009. The aim of the review was to consider whether the IFRS for SMEs needed amending for any implementation issues identified or for any changes made to full IFRS.

Management has assessed the impact of these new and revised standards and concluded that only *IAS 7, Disclosure Initiative (Amendments to IAS 7)* has an impact on the disclosure of the Company's financial statements.

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards, amendments to existing standards and interpretations have been published but are not yet effective, and have not been adopted early by the Company.

Management anticipates that all of the relevant pronouncements, as relevant to the Company's activities, will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncements. Information on the new standards, amendments to existing standards and interpretations is provided below:

IFRS 9, Financial Instruments (2014)

The complete version of IFRS 9 replaces most of the guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

2. Adoption of new and revised International Financial Reporting Standards (Contd)

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company (Contd)

IFRS 16, Leases

The new standard requires lessees to account for leases 'on-balance sheet' by recognising a 'right of use' asset and a lease liability. It will affect most companies that report under IFRS and are involved in leasing, and will have a substantial impact on the financial statements of lessees of property with high value equipment.

IFRS 15, Revenue from Contracts with Customers

This is the converged standard on revenue recognition. It replaces IAS 11, 'Construction contracts', IAS 18, 'Revenue' and related interpretations.

IFRS 2, Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)

The amendments bring clarification on the following matters:

- the accounting for cash-settled share-based payment transactions that include a performance condition;
- the classification of share-based payment transactions with net settlement features; and
- the accounting for modifications of share-based payment transactions from cash-settled to equity-settled.

IFRS 4, Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)

The amendments in Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts' (Amendments to IFRS 4) provide two options for entities that issue insurance contracts within the scope of IFRS 4.

IAS 40, Transfer of Investment Property (Amendments to IAS 40)

Under these amendments an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

IFRIC 22 clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

2. Adoption of new and revised International Financial Reporting Standards (Contd)

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company (Contd)

IFRS 17, Insurance Contracts

IFRS 17 provides guidance on how to assess the significance of insurance risk based on the possibility of a loss on a present value basis (rather than nominal), and how to evaluate changes in the level of insurance risk.

IFRIC 23, Uncertainty over Income Tax Treatments

IFRIC had observed that there was diversity in practice for various issues on the recognition and measurement of a tax liability or asset in circumstances where there is uncertainty in the application of the tax law in concern. IFRIC 23 addresses uncertainty over how tax treatments should affect the accounting for income taxes.

IFRS 9, Prepayments Features with Negative Compensation (Amendments to IFRS 9)

This amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

IAS 28, Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

The amendment clarifies that an entity applies *IFRS 9, Financial Instruments* to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

Annual Improvements to IFRSs 2014-2016

These improvements include amendments to IFRS 1: *First-time Adoption of International Financial Reporting Standards*, IFRS 12: *Disclosure of Interests in Other Entities* and IAS 28: *Investments in Associates and Joint Ventures* which are effective from 01 January 2018 except for amendments to IFRS 12: *Disclosure of Interests in Other Entities* which are effective as from 01 January 2017.

Annual Improvements to IFRSs 2015-2017

These improvements include amendments to IAS 12: *Income Taxes*, IAS 23: *Borrowing Costs*, IFRS 3: *Business Combinations* and IFRS 11: *Joint Arrangements*.

Management have yet to assess the impact of the above standards, amendments and interpretations on the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Financial assets at fair value through profit or loss;
- Held-to-maturity investments; and
- Loans and receivables.

All financial assets except for those at fair value through profit or loss are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

All income and expenses relating to financial assets that are recognised in statement of comprehensive income are presented within finance costs, finance income or other financial items, except for impairment of receivables which is presented within other expenses.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are classified as held for trading. Assets in this category are measured at fair value with gains or losses recognised in the statement of comprehensive income.

The Company's financial assets at fair value through profit or loss consist of investments in stocks, bonds, commodity future contracts, options and forex listed on trading platforms namely SAXO Bank A/S, UBS (Monaco) SA and Interactive Brokers LLC respectively. It also consists of investment in White Knight IX-1, a closed private equity fund manager by LBO France.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies (Contd)

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial assets (Contd)

Financial assets at fair value through profit or loss (Contd)

These financial assets are initially recognised at fair value on the date on which those instruments are purchased and are subsequently re-measured at fair value. Fair values are obtained from quoted /dirty prices in active markets or using a valuation technique where no active market exists.

On disposal, the gain or loss recognised in the statement of comprehensive income is the difference between the proceeds and the initial cost of the financial assets. Any difference between the carrying amount and the initial cost is credited or charged in the statement of comprehensive income within “fair value gains/(losses) on financial assets at fair value through profit or loss”.

Held-to-maturity investments

Held-to-maturity (“HTM”) investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the Company has the intention and ability to hold them until maturity. The Company currently holds unlisted bonds designated into this category.

They are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes in the carrying amount of the investment, including impairment losses, are recognised in the statement of comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss. Discounting, however, is omitted where the effect of discounting is immaterial. The Company’s cash and cash equivalents, notes receivable, loans receivable and other receivables fall into this category of financial instruments.

An allowance for credit losses is established if there is objective evidence that the Company will be unable to collect all amount due.

Classification and subsequent measurement of financial liabilities

The Company’s financial liabilities include derivative financial instruments, borrowings, payables and accruals.

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at financial assets at fair value through profit or loss, which are carried subsequently at fair value with gains or losses recognised in the statement of comprehensive income (other than derivative financial instruments that are designated and effective as hedging instruments).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies (Contd)

3.2 Financial instruments (Contd)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of comprehensive income depends on the nature of the hedge relationship.

The Company has not designated the derivative contracts as a hedging instrument.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and bank overdrafts. Cash equivalents are short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts are shown separately within current liabilities in the statement of financial position.

3.4 Equity, reserves and dividend payments

Stated capital is determined using the value of shares that have been issued.

The management shares are non-redeemable and are classified as equity.

Participating shares may be redeemable upon satisfying certain conditions imposed by the Company and are hence classified as equity. Moreover, the participating shares meet the definition of a puttable instrument in accordance with IAS 32, *Financial Instruments: Presentation* and have met the conditions to achieve the equity classification.

Retained earnings/ (accumulated losses) include all the current year and prior years' results.

Dividend payments to equity shareholders are included in retained earnings when the dividends have been approved by the Board prior to the reporting date.

Other reserves includes translation reserves and revaluation reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies (Contd)

3.4 Equity, reserves and dividend payments (Contd)

Revaluation reserves comprise of fair value differences arising from revaluation of intangible assets.

Translation reserves comprise of foreign currency translation differences arising from the translation of the different cells entities.

3.5 Revenue recognition

- Interest income and management income is accounted on an accrual basis unless collectability is in doubt.
- Subscription and/or redemption income, performance income, dividend income and other income are recognised when the right to receive payment is established.
- Net gain in investments relates to realised and unrealised gain on various investment made.

3.6 Expense recognition

All expenses are accounted for on the accrual basis in the statement of comprehensive income.

3.7 Post-employment benefits and short-term employee benefits

National pension scheme

Contributions to the National Pension Scheme are expensed to the statement of comprehensive income in the year in which they fall due.

Short-term employee benefits

Short-term employee benefits, including passage benefit, holiday entitlements, sick and local leaves are included in salaries and related costs.

3.8 Income tax

Tax expense recognised in the statement of comprehensive income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective year of realisation, provided they are enacted or substantively enacted by the end of the reporting year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies (Contd)

3.8 Income tax (Contd)

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

3.9 Foreign currency translation

Functional and presentation currency

The financial statements are presented in currency United States Dollar ("USD"), which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Translation of the cells' operations and financial positions

The Company has several individual cells whose functional currency is the Euro. Upon combining the cells' results and financial positions with the Company, the following procedures were carried out:

- (a) assets and liabilities for each statement of financial position presented (i.e. including comparatives) shall be translated at the closing rate at the date of that statement of financial position;
- (b) income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- (c) all resulting exchange differences shall be recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies (Contd)

3.10 Impairment of assets

At each reporting date, the Company reviews the carrying amount of its assets to determine whether there is any indication that these assets have suffered an impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.11 Intangible assets

Intangible assets comprise of investment in cryptocurrencies.

Cryptocurrencies meets the definition of an intangible assets since it is identifiable and can be sold, exchanged or transferred individually. It is not a cash and is a non-monetary asset and have no physical form.

The intangible assets are measured at fair value since there is an active market. Fair value gain or loss is recognised in other comprehensive income.

3.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. At the time of the effective payment, the provision is deducted from the corresponding expenses. All known risks at reporting date are reviewed in detail and provision is made where necessary.

3.13 Related party

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.14 Subscription in advance

Subscriptions in advance represent funds received from the shareholder and for which shares have not yet been allotted and subscription fees has already been charged.

Funds received for the purchase of shares but for which no subscription fees have been charged are classified as advance from investors.

3.15 Comparatives

Where necessary, comparatives figures have been adjusted to conform to changes in presentation in the current year.

3.16 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies (Contd)

3.16 Significant management judgements in applying accounting policies and estimation uncertainty (Contd)

Significant management judgement (Contd)

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

Held-to-maturity investments

In accordance with guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, the Company classifies some non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgement. In making this judgement, the Company evaluates its intention and ability to hold such investments to maturity.

If the Company fails to keep these investments to maturity other than for certain specific circumstances, the Company is required to reclassify the entire category as available-for-sale. Accordingly, the investments would be measured at fair value instead of amortised cost.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Allocation of expenses

The directors determine the revenues and expenses directly attributable to each cell. For those revenues and expenses that cannot be directly allocated to their specific cell, the classification between the cells involve significant judgement.

Intangible assets

The directors have assessed the investments made in cryptocurrencies by the cells and concluded that it meets the criteria of an intangible asset as defined by IAS 38, *Intangible Assets*.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Recoverability of loans receivable and notes receivable

The Company reviews its loans receivable and notes receivable at each reporting date to assess whether an impairment loss should be recorded in the statement of comprehensive income. In particular, management judgment is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of accounting policies (Contd)

3.16 Significant management judgements in applying accounting policies and estimation uncertainty (Contd)

Estimation uncertainty (Contd)

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, the directors must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of these cash flows.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets as described in Note 8 to these financial statements. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

4. Financial instrument risk

Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Company's financial assets and liabilities by category are summarised below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

Financial assets and financial liabilities

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<i>Financial assets at fair value through profit or loss:</i>														
Non-current														
Investment in quoted companies	-	-	450,888	-	-	6,138,208	9,756,559	5,720,204	1,639,926	5,633,344	22,311,786	13,393,251	-	65,044,166
Derivative financial instruments	-	-	-	-	-	-	11,005	-	-	66,541	-	-	-	77,546
<i>Held to maturity investments:</i>														
Bonds	-	-	-	-	-	-	-	69,004,345	-	-	-	-	-	69,004,345
<i>Loans and receivables:</i>														
Loans receivables	-	-	-	-	-	-	314,573,770	207,992,602	-	-	-	-	-	522,566,372
Notes receivables	-	-	-	-	-	-	-	300,125	-	-	-	-	-	300,125
Current														
<i>Loans and receivables:</i>														
Notes receivables	-	-	-	-	-	-	30,774,424	6,071,519	-	-	-	-	-	36,845,943
Loans receivables	-	-	-	-	-	-	26,415,703	4,630,618	-	-	-	-	-	31,046,321
Other receivables*	809,306	-	-	256	-	-	-	-	-	-	-	-	-	809,562
Cash and cash equivalents	535,584	28,868,701	9,810,408	119,524	20,999,975	13,676,953	8,072,733	1,139,084	1,408,006	22,580	27,489,454	26,343,635	22,120,813	160,607,450
Total financial assets	1,344,890	28,868,701	10,261,296	119,780	20,999,975	19,815,161	389,604,194	294,858,497	3,047,932	5,722,465	49,801,240	39,736,886	22,120,813	886,301,830

*Other receivables considered as financial assets exclude prepayments

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

Financial assets and financial liabilities (Contd)

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets											
<i>Financial assets at fair value through profit or loss:</i>											
Non-current											
Investments in quoted companies	-	-	3,945,949	615,049	4,156,718	5,995	-	1,027,810	32,417,730	13,900,253	56,069,504
Derivative financial instruments	-	-	-	-	332,114	257,251	-	140,065	117,187	257,251	1,103,868
<i>Held-to-maturity investments:</i>											
Bonds	-	-	-	-	-	-	57,569,770	-	-	-	57,569,770
<i>Loans and receivables:</i>											
Loans receivable	-	-	-	-	-	239,539,146	85,934,860	-	-	-	325,474,006
<i>Loans and receivables:</i>											
Current											
Notes receivable	-	-	-	-	-	25,014,335	-	-	-	-	25,014,335
Loans receivable	-	-	-	-	-	89,765,737	154,917,971	-	-	-	244,683,708
Other receivables*	208,612	-	-	-	-	-	-	-	-	10,517	219,129
Cash and cash equivalents	241,000	9,795,217	5,925,038	1,182,836	4,280,458	14,028,983	4,640,115	2,891,918	17,395,858	7,183,946	67,565,369
Total financial assets	449,612	9,795,217	9,870,987	1,797,885	8,769,290	368,611,447	303,062,716	4,059,793	49,930,775	21,351,967	777,699,689

*Other receivables considered as financial assets exclude prepayments

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

Financial assets and financial liabilities (Contd)

2017	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 4 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
Financial liabilities														
<i>Financial liabilities at fair value through profit or loss:</i>														
Non-current														
Derivative financial instruments	-	-	-	-	-	107,134	125,810	-	-	-	39,617	-	22,004	294,565
<i>Financial liabilities measured at amortised cost:</i>														
Current														
Borrowings	-	-	5,343,951	-	-	-	-	26	-	2,305,941	17,424,741	15,643,208	-	40,717,867
Payables and accruals	314,466	30,733	72,779	5,582	-	95,278	79,645	62,089	26,170	13,786	260,134	388,886	152,498	1,502,046
Total financial liabilities	314,466	30,733	5,416,730	5,582	-	202,412	205,455	62,115	26,170	2,319,727	17,724,492	16,032,094	174,502	42,514,478

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

Financial assets and financial liabilities (Contd)

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial liabilities											
<i>Financial liabilities at fair value through profit or loss:</i>											
Non-current											
Derivative financial instruments	-	-	-	-	85,833	27,305	-	8,208	6,631	20,520	148,497
<i>Financial liabilities measured at amortised cost:</i>											
Current											
Borrowings	-	-	1,778,516	-	-	-	-	-	23,793,573	10,842,786	36,414,875
Payables and accruals	195,015	126,306	56,464	58,215	104,562	29,672	259,419	19,549	27,008	37,698	913,908
Total	195,015	126,306	1,834,980	58,215	190,395	56,977	259,419	27,757	23,827,212	10,901,004	37,477,280

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

Financial assets and financial liabilities (Contd)

The main types of risks are market risk, credit risk, liquidity risk and concentration risk. The Company's risk management is coordinated by management in close cooperation with the Board of Directors and focuses on securing the Company's short to medium-term cash flows by minimising the exposure to financial markets.

The Company is engaged in the trading of financial assets for speculative purposes.

The most significant financial risks to which the Company is exposed are described below.

4.1 Market risks analysis

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, which result from both its operating and investing activities.

Foreign currency sensitivity

The Company is exposed to foreign exchange risk arising from its currency exposures, primarily with respect to the EURO (EUR), Swiss Franc (CHF), Australian Dollar (AUD), Japanese Yen (JPY), Canadian Dollar (CAD), Mexican Pesos (MXN) and Mauritian Rupee (MUR). Consequently, the Company is exposed to the risks that the exchange rate of the United States Dollar (USD) relative to the EUR, CHF, AUD, JPY, CAD, MXN and MUR may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are in these currencies. The Company does not use any financial instruments to hedge its foreign exchange risk.

The Company manages its foreign currency exposures by forecasting its need for foreign currencies and also entered into derivative options to mitigate foreign currency risk exposure.

Foreign currencies denominated financial assets and liabilities which expose the Company to currency risks are disclosed below. The amounts shown are those reported to key management translated into USD at the closing rate:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis (Contd)

Foreign currency sensitivity (Contd)

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets														
USD	113,741	-	-	-	20,999,975	7,092,941	558,342	-	1,646,895	5,722,371	12,060,715	11,121,289	59,864	59,376,133
EUR	1,223,213	28,868,701	10,261,296	119,780	-	12,353,398	50,463,095	285,276,602	1,401,037	94	23,147,262	28,539,085	22,060,949	463,714,512
AUD	-	-	-	-	-	66,606	-	-	-	-	478,984	-	-	545,590
JPY	-	-	-	-	-	-	-	-	-	-	5,200,209	-	-	5,200,209
CAD	-	-	-	-	-	302,216	-	155,684	-	-	-	-	-	457,900
CHF	-	-	-	-	-	-	338,582,757	9,426,211	-	-	8,914,070	76,512	-	356,999,550
MUR	7,936	-	-	-	-	-	-	-	-	-	-	-	-	7,936
Total	1,344,890	28,868,701	10,261,296	119,780	20,999,975	19,815,161	389,604,194	294,858,497	3,047,932	5,722,465	49,801,240	39,736,886	22,120,813	886,301,830

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets											
USD	20,253	-	809,814	-	2,371,028	257,251	-	635,393	13,914,633	8,925,318	26,933,690
EUR	429,359	9,795,217	9,061,173	1,797,885	5,753,551	16,969,433	294,178,915	3,424,400	31,129,882	11,613,475	384,153,290
CHF	-	-	-	-	-	351,384,763	8,883,801	-	1,531,522	811,352	362,611,438
AUD	-	-	-	-	82,773	-	-	-	3,354,738	1,822	3,439,333
CAD	-	-	-	-	561,938	-	-	-	-	-	561,938
Total	449,612	9,795,217	9,870,987	1,797,885	8,769,290	368,611,447	303,062,716	4,059,793	49,930,775	21,351,967	777,699,689

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis (Contd)

Foreign currency sensitivity (Contd)

	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
2017													
Financial liabilities													
USD	310,014	15,479	5,355,310	5,582	117,369	16,069	9,687	10,260	2,310,007	12,708,679	11,020,652	30,188	31,909,296
EUR	4,452	15,254	61,420	-	85,043	140,076	52,428	15,910	9,720	287,738	373,852	144,314	1,190,207
JPY	-	-	-	-	-	-	-	-	-	-	-	-	-
AUD	-	-	-	-	-	49,310	-	-	-	-	-	-	49,310
CHF	-	-	-	-	-	-	-	-	-	-	-	-	-
CAD	-	-	-	-	-	-	-	-	-	90,381	-	-	90,381
MXN	-	-	-	-	-	-	-	-	-	4,637,694	4,637,590	-	9,275,284
Total	314,466	30,733	5,416,730	5,582	202,412	205,455	62,115	26,170	2,319,727	17,724,492	16,032,094	174,502	42,514,478

	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 10 USD	Cell 11 USD	Total USD
2016											
Financial liabilities											
USD	195,015	10,001	1,788,119	7,727	7,735	28,336	239,334	16,862	20,849,462	10,395,229	33,537,820
EUR	-	116,305	46,861	50,488	96,828	21,856	20,085	10,895	17,010	27,776	408,104
JPY	-	-	-	-	-	-	-	-	1,345,164	477,999	1,823,163
CHF	-	-	-	-	85,832	6,785	-	-	-	-	92,617
AUD	-	-	-	-	-	-	-	-	1,615,576	-	1,615,576
Total	195,015	126,306	1,834,980	58,215	190,395	56,977	259,419	27,757	23,827,212	10,901,004	37,477,280

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis (Contd)

Foreign currency sensitivity (Contd)

The table below illustrates the sensitivity of profit/(loss) and equity in regards to the Company's financial instruments and the EUR/USD, CHF/USD, AUD/USD, JPY/USD, CAD/USD and MXN/USD and MUR/USD exchange rates "all other things being equal".

It assumes the following percentage changes in the exchange rates:

	2017	2016
	% change	% change
EUR	12.4%	3.7%
CHF	4.4%	7.6%
AUD	8.3%	1.1%
JPY	3.8%	2.8%
CAD	6.5%	3.0%
MXN	5.2%	-
MUR	6.7%	-

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis (Contd)

Foreign currency sensitivity (Contd)

If the USD had strengthened against the stated currencies by the above percentages, then this would have had the following impact:

		Profit/(loss) and equity											
	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
EUR	150,775	3,569,499	1,261,840	14,818	1,517,735	6,225,528	35,285,465	171,356	(1,191)	2,827,982	3,484,359	2,711,336	57,219,502
CHF	-	-	-	-	-	14,852,453	413,495	-	-	391,029	3,356	-	15,660,333
AUD	-	-	-	-	5,554	(4,111)	-	-	-	39,937	-	-	41,380
JPY	-	-	-	-	-	-	-	-	-	197,044	-	-	197,044
CAD	-	-	-	-	(19,562)	-	(10,077)	-	-	(5,850)	-	-	(35,489)
MXN	-	-	-	-	-	-	-	-	-	(239,009)	(239,004)	-	(478,013)
MUR	528	-	-	-	-	-	-	-	-	-	-	-	528
Total	151,303	3,569,499	1,261,840	14,818	1,503,727	21,073,870	35,688,883	171,356	(1,191)	3,211,133	3,248,711	2,711,336	72,605,285

	Profit/(loss) and equity										
	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
EUR	16,050	361,805	(336,962)	65,319	(211,453)	633,514	10,995,887	(127,600)	(1,163,023)	(432,689)	9,800,848
CHF	-	-	-	-	6,485	26,547,754	671,200	-	(115,711)	(61,300)	27,048,428
AUD	-	-	-	-	(896)	-	-	-	(18,820)	(20)	(19,736)
JPY	-	-	-	-	-	-	-	-	37,366	13,278	50,644
CAD	-	-	-	-	(16,720)	-	-	-	-	-	(16,720)
Total	16,050	361,805	(336,962)	65,319	(222,584)	27,181,268	11,667,087	(127,600)	(1,260,188)	(480,731)	36,863,464

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis (Contd)

Foreign currency sensitivity (Contd)

If the USD had weakened against the stated currencies by the above percentages, then this would have had the following impact:

					Profit/(loss) and equity								
	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD		USD	USD		USD
EUR	(150,775)	(3,569,499)	(1,261,840)	(14,818)	(1,517,735)	(6,225,528)	(35,285,465)	(171,356)	1,191	(2,827,982)	(3,484,359)	(2,711,336)	(57,219,502)
CHF	-	-	-	-	-	(14,852,453)	(413,495)	-	-	(391,029)	(3,356)	-	(15,660,333)
AUD	-	-	-	-	(5,554)	4,111	-	-	-	(39,937)	-	-	(41,380)
JPY	-	-	-	-	-	-	-	-	-	(197,044)	-	-	(197,044)
CAD	-	-	-	-	19,562	-	10,077	-	-	5,850	-	-	35,489
MXN	-	-	-	-	-	-	-	-	-	239,009	239,004	-	478,013
MUR	(528)	-	-	-	-	-	-	-	-	-	-	-	(528)
Total	(151,303)	(3,569,499)	(1,261,840)	(14,818)	(1,503,727)	(21,073,870)	(35,688,883)	(171,356)	1,191	(3,211,133)	(3,248,711)	(2,711,336)	(72,605,285)

	Profit/(loss) and equity										
	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
EUR	(16,050)	(361,805)	336,962	(65,319)	211,453	(633,514)	(10,995,887)	127,600	1,163,023	432,689	(9,800,848)
CHF	-	-	-	-	(6,485)	(26,547,754)	(671,200)	-	115,711	61,300	(27,048,428)
AUD	-	-	-	-	896	-	-	-	18,820	20	19,736
JPY	-	-	-	-	-	-	-	-	(37,366)	(13,278)	(50,644)
CAD	-	-	-	-	16,720	-	-	-	-	-	16,720
Total	(16,050)	(361,805)	336,962	(65,319)	222,584	(27,181,268)	(11,667,087)	127,600	1,260,188	480,731	(36,863,464)

Exposures to foreign exchange rates vary during the year depending upon the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis (Contd)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At 31 December 2017, the Company is not exposed to changes in market interest rates as its interest bearing financial assets and financial liabilities carry a fixed interest rates. It should also be noted that for those financial assets which have variable interest rates, interests were calculated on fixed rates as LIBOR/EURIBOR was negative throughout the financial year.

Concentration risk

The Company has invested in an unquoted company whose securities are considered to be illiquid. Such illiquidity may adversely affect the ability of the Company to acquire or dispose of such investment. This investment may be difficult to value and to sell or otherwise liquidate and the risk of investing in such company is much greater than the risk of investing in publicly traded securities. On account of the inherent uncertainty of valuation, the estimated values may differ significantly from the values that would be used had a ready market for the investment existed. However, the directors consider the investment to be a strategic one and the concentration risk is manageable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has policies in place to deal with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company has no history of default clients. The Company continuously monitors defaults of customers and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Non-current														
Financial assets at fair value through profit or loss	-	-	450,888	-	-	6,138,208	9,756,559	5,720,204	1,639,926	5,633,344	22,311,786	13,393,251	-	65,044,166
Derivative financial instruments	-	-	-	-	-	-	11,005	-	-	66,541	-	-	-	77,546
Held to maturity investments	-	-	-	-	-	-	-	69,004,345	-	-	-	-	-	69,004,345
Loan receivables	-	-	-	-	-	-	314,573,770	207,992,602	-	-	-	-	-	522,566,372
Notes receivables	-	-	-	-	-	-	-	300,125	-	-	-	-	-	300,125
Current														
Notes receivables	-	-	-	-	-	-	30,774,424	6,071,519	-	-	-	-	-	36,845,943
Loan receivables	-	-	-	-	-	-	26,415,703	4,630,618	-	-	-	-	-	31,046,321
Other receivables	809,306	-	-	256	-	-	-	-	-	-	-	-	-	809,562
Cash and cash equivalents	535,584	28,868,701	9,810,408	119,524	20,999,975	13,676,953	8,072,733	1,139,084	1,408,006	22,580	27,489,454	26,343,635	22,120,813	160,607,450
Total	1,344,890	28,868,701	10,261,296	119,780	20,999,975	19,815,161	389,604,194	294,858,497	3,047,932	5,722,465	49,801,240	39,736,886	22,120,813	886,301,830

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.2 Credit risk analysis (Contd)

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Non-current											
Financial assets at fair value											
through profit or loss	-	-	3,945,949	615,049	4,156,718	5,995	-	1,027,810	32,417,730	13,900,253	56,069,504
Held-to-maturity investments	-	-	-	-	-	-	57,569,770	-	-	-	57,569,770
Derivative financial instruments	-	-	-	-	332,114	257,251	-	140,065	117,187	257,251	1,103,868
Loans receivable	-	-	-	-	-	239,539,146	85,934,860	-	-	-	325,474,006
Current											
Notes receivable	-	-	-	-	-	25,014,335	-	-	-	-	25,014,335
Loans receivable	-	-	-	-	-	89,765,737	154,917,971	-	-	-	244,683,708
Other receivables	208,612	-	-	-	-	-	-	-	-	10,517	219,129
Cash and cash equivalents	241,000	9,795,217	5,925,038	1,182,836	4,280,458	14,028,983	4,640,115	2,891,918	17,395,858	7,183,946	67,565,369
Total	449,612	9,795,217	9,870,987	1,797,885	8,769,290	368,611,447	303,062,716	4,059,793	49,930,775	21,351,967	777,699,689

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.2 Credit risk analysis (Contd)

The held-for-maturity investments relate to investments in bonds which carry interest at variable rate and are repayable on 28 September 2028.

The loans receivable and notes receivable of USD 553,612,693 and USD 37,146,068 respectively due to the Company by other parties carry interest at fixed/variable interest rates and are secured as disclosed in Notes 12 and 13 respectively in these financial statements. The directors have assessed the recoverability of the loans/notes receivable and confirmed that the carrying values of these financial assets reflect their recoverable amounts at the reporting date.

The credit risk for the other receivables relates to amounts due from the Cells and hence the directors consider that no risk is associated with these balances.

The carrying amount of financial risks recorded in the financial statements represents the Company's maximum exposure to credit risk.

The credit risk for cash and cash equivalents, financial assets at fair value through profit or loss and derivative financial instruments is considered negligible, since the counterparties are reputable banks with high credit-ratings assigned by international credit-rating agencies.

4.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the holding company which also monitors the Company's short, medium and long-term funding and liquidity management requirements. The Company manages its liquidity risk by maintaining adequate bank balances through timely recovery of receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.3 Liquidity risk analysis (Contd)

The Company's financial liabilities have contractual maturities within one year which are summarised below:

31 December 2017	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
Borrowings	-	-	5,343,951	-	-	-	26	-	2,305,941	17,424,741	15,643,208	-	40,717,867
Payables and accruals*	314,466	30,733	72,779	5,582	95,278	79,645	62,089	26,170	13,786	260,134	388,886	152,498	1,502,046
Total	314,466	30,733	5,416,730	5,582	95,278	79,645	62,115	26,170	2,319,727	17,684,875	16,032,094	152,498	42,219,913

31 December 2016	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 10 USD	Cell 11 USD	Total USD
Borrowings	-	-	1,778,516	-	-	-	-	-	23,793,573	10,842,786	36,414,875
Payables and accruals*	195,015	126,306	56,464	58,215	104,562	29,672	259,419	19,549	27,008	37,698	913,908
Total	195,015	126,306	1,834,980	58,215	104,562	29,672	259,419	19,549	23,820,581	10,880,484	37,328,783

* Payables and accruals excludes advance received from investors.

The Company's financial liabilities have contractual maturities more than one year which are summarised below:

31 December 2017	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 4 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
Derivative financial instruments	-	-	-	-	-	107,134	125,810	-	-	-	39,617	-	22,004	294,565

31 December 2016	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 11 USD	Total USD
Derivative financial instruments	-	-	-	-	85,833	27,305	-	8,208	6,631	20,520	148,497

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

5. Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its shareholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The Company was not geared at 31 December 2017 and 31 December 2016 as it does not have any external borrowings except for the following Cells:

	Cell 2	Cell 7	Cell 9	Cell 10	Cell 11
	USD	USD	USD	USD	USD
31 December 2017					
Debts (i)	5,343,951	26	2,305,941	17,424,741	15,643,208
Cash and cash equivalents	(9,810,408)	(1,139,084)	(22,580)	(27,489,454)	(26,343,635)
Net debt	-	-	2,283,361	-	-
Equity	4,845,159	293,021,987	3,403,467	32,949,280	25,295,394
Total capital	4,845,159	293,021,987	5,686,828	32,949,280	25,295,394
Net debt to total capital	-	-	40.15%	-	-
				Cell 10	Cell 11
				USD	USD
31 December 2016					
Debts (i)			23,793,573		10,842,786
Cash and cash equivalents			(17,395,858)		(7,183,946)
Net debt			6,397,715		3,658,840
Equity			26,103,798		10,451,198
Total capital			32,501,513		14,110,038
Net debt to total capital			19.68%		25.93%

(i) Debt is defined as bank overdrafts as detailed in Note 19.

(ii) Equity relates to both capital and reserves.

6. Fair value measurement

6.1 Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

6. Fair value measurement (Contd)

6.1 Fair value measurement of financial instruments (Contd)

The following table shows the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 December 2017:

Level 1	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
31 December 2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets														
Financial asset at fair value														
though profit or loss	-	-	450,888	-	-	6,138,208	9,756,559	2,762,772	1,639,926	5,633,344	22,311,786	13,393,251	-	62,086,734
Derivative financial instruments	-	-	-	-	-	-	11,005	-	-	66,541	-	-	-	77,546
	-	-	450,888	-	-	6,138,208	9,767,564	2,762,772	1,639,926	5,699,885	22,311,786	13,393,251	-	62,164,280
Financial liabilities														
Derivative financial instruments	-	-	-	-	-	(107,134)	(125,810)	-	-	-	(39,617)	-	(22,004)	(294,565)
Level 2														
31 December 2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets and liabilities														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Level 3														
31 December 2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets														
	-	-	-	-	-	-	-	2,957,432	-	-	-	-	-	2,957,432
Financial liabilities														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net fair value														
	-	-	450,888	-	-	6,031,074	9,641,754	5,720,204	1,639,926	5,699,885	22,272,169	13,393,251	(22,004)	64,827,147

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

6. Fair value measurement (Contd)

6.1 Fair value measurement of financial instruments (Contd)

Level 1	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
31 December 2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets											
Financial assets at fair value											
through profit or loss	-	-	3,945,949	615,049	4,156,718	5,995	-	1,027,810	32,417,730	13,900,253	56,069,504
Derivative financial instruments	-	-	-	-	332,114	257,251	-	140,065	117,187	257,251	1,103,868
	-	-	3,945,949	615,049	4,488,832	263,246	-	1,167,875	32,534,917	14,157,504	57,173,372
Financial liabilities											
Derivative financial instruments	-	-	-	-	(85,833)	(27,305)	-	(8,208)	(6,631)	(20,520)	(148,497)
Level 2	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
31 December 2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets and liabilities	-	-	-	-	-	-	-	-	-	-	-
Level 3	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
31 December 2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets and liabilities	-	-	-	-	-	-	-	-	-	-	-
Net fair value	-	-	3,945,949	615,049	4,402,999	235,941	-	1,159,667	32,528,286	14,136,984	57,024,875

There were no transfers between level 1 and Level 2 in 2017 or 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

6. Fair value measurement (Contd)

6.1 Fair value measurement of financial instruments (Contd)

Measurement of fair value of financial instruments

The method used for the purpose of measuring fair value are detailed below:

Listed stocks, bonds and forex (Level 1)

The listed investments are denominated in different currencies and are publicly traded on platforms namely SAXO Bank A/S, UBS (Monaco) SA and Interactive Brokers LLC respectively. Fair values have been determined by reference to their respective quoted closing prices/dirty prices prevailing on the banks' trading platforms at 31 December 2017.

Unquoted investment (Level 3)

The Company has invested in a Closed Private Equity fund managed by LBO France. The fair value of the investment has been estimated by an experience and qualified team of valuers for financial reporting purposes by using generally accepted valuation models such as liquidation value and also making use of assumptions that are based on market conditions existing at the reporting date.

No reconciliation of the carrying amounts of financial instrument within Level 3 has been shown since it is impracticable due to the volume of transactions during the year.

6.2 Fair value measurement of financial instruments not carried at fair value

The Company's other financial assets and financial liabilities are measured at their carrying amounts which approximate their fair values.

6.3 Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets and non-financial liabilities consist of intangible assets, prepayments, current tax asset, current tax liability and subscription in advance respectively for which fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis in the statement of financial position.

7. Taxation

7.1 Income tax

Under current laws and regulations, the Company is liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritian tax payable in respect of its foreign source income, thus reducing its maximum effective tax rate to 3%. No Mauritian capital gains tax is payable on profits arising from sale of securities, and any dividends paid by the Company to its shareholder will be exempt in the Republic of Mauritius from any withholding tax.

The Company has received a tax certificate from the Mauritian tax authorities that it is a tax resident of the Republic of Mauritius, and such certification is renewed on an annual basis subject to satisfying certain conditions.

The Company is subject to the Advance Payment Scheme (APS) under Section 50B and 50C of the Mauritian Income Tax Act 1995 whereby it is required to submit an APS statement and pay tax quarterly on the basis of either last year's income or the income for the current quarter.

At 31 December 2017, the Company had a net income tax liability of **USD 170,982** (2016: USD 357,552) and the income tax charge for the year was **USD 721,982** (2016: USD 38,844).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

7. Taxation (Contd)

7.1 Income tax (Contd)

(i) Statement of comprehensive income

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
2017													
Income (tax expense)/tax credit	(44,462)	-	2	-	-	(95,476)	(582,525)	-	479	-	-	-	(721,982)

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
2016											
Income (tax expense)/tax credit	(32,472)	-	-	(4,586)	-	344,532	(421,578)	(2,228)	-	77,488	(38,844)

(ii) Statement of financial position

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
2017													
Current tax asset	-	-	3	3,073	-	-	-	11,903	479	-	-	-	15,458
Current tax liability	(13,013)	-	-	-	-	(19,117)	(154,310)	-	-	-	-	-	(186,440)
Current tax (liability)/asset	(13,013)	-	3	3,073	-	(19,117)	(154,310)	11,903	479	-	-	-	(170,982)

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
2016											
Current tax asset	-	-	-	-	-	84,734	-	-	-	-	84,734
Current tax liability	(44,576)	-	-	(4,586)	-	-	(377,162)	(15,962)	-	-	(442,286)
Current tax (liability)/asset	(44,576)	-	-	(4,586)	-	84,734	(377,162)	(15,962)	-	-	(357,552)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

7. Taxation (Contd)

7.1 Income tax (Contd)

(iii) Movement in current tax liability

	2017 USD	2016 USD
At 01 January	357,552	1,251,173
Charge for the year	741,459	761,547
Tax paid during the year	(357,552)	(528,470)
Tax deducted under the Advanced Payment Scheme	(570,477)	(403,995)
Over provision in respect of prior year	-	(722,703)
At 31 December	170,982	357,552

(iv) Income tax reconciliation

A numerical reconciliation between profit before tax and the actual income tax charge is shown below:

	2017 USD	2016 USD
Profit before tax	2,346,185	67,052,549
Tax at 15%	351,928	10,057,882
Disallowed expenses	5,800,053	933,064
Exempt income	(2,444,809)	(7,183,205)
Tax credit (80%)	(2,985,190)	(3,046,194)
	721,982	761,547
Over provision in respect of prior year	-	(722,703)
Tax expense	721,982	38,844

(v) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 3%. The Company has no deferred tax liability/asset as there are no temporary differences at 31 December 2017 (2016: Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

8. Financial assets at fair value through profit or loss

Quoted and at fair value:

Level 1	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Stocks	-	-	-	-	-	6,138,208	9,756,559	2,762,772	1,147,331	5,633,344	15,253,550	2,271,962	-	42,963,726
Bonds	-	-	450,888	-	-	-	-	-	492,595	-	1,134,699	-	-	2,078,182
Precious Metals	-	-	-	-	-	-	-	-	-	-	5,923,537	11,121,289	-	17,044,826
	-	-	450,888	-	-	6,138,208	9,756,559	2,762,772	1,639,926	5,633,344	22,311,786	13,393,251	-	62,086,734

The Company's investments in quoted trading accounts opened with SAXO Bank A/S, UBS (Monaco) SA and Interactive Brokers LLC respectively are measured at fair value based on the quoted prices/dirty prices prevailing on the banks' trading platforms at the reporting date.

Unquoted and at fair value:

Level 3	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Investment in Private Equity Fund	-	-	-	-	-	-	-	2,957,432	-	-	-	-	-	2,957,432
	-	-	-	-	-	-	-	2,957,432	-	-	-	-	-	2,957,432

The Company has invested in an unquoted company, White Knight IX, a Closed Private Equity Fund managed by LBO France. The fair value has been estimated using the liquidation value method.

Total	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Financial assets at fair value through profit or loss	-	-	450,888	-	-	6,138,208	9,756,559	5,720,204	1,639,926	5,633,344	22,311,786	13,393,251	-	65,044,166

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

8. Financial assets at fair value through profit or loss (Contd)

Quoted and at fair value:

Level 1 2016	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 10 USD	Cell 11 USD	Total USD
Stocks	-	-	-	351,007	3,950,193	5,995	-	-	12,156,870	7,234,102	23,698,167
Bonds	-	-	3,945,949	264,042	206,525	-	-	1,027,810	8,131,100	681,852	14,257,278
Precious Metals	-	-	-	-	-	-	-	-	12,129,760	5,984,299	18,114,059
	-	-	3,945,949	615,049	4,156,718	5,995	-	1,027,810	32,417,730	13,900,253	56,069,504

Unquoted and at fair value (Level 3):

There were no unquoted investments in the year ended 31 December 2016.

Total 2016	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 10 USD	Cell 11 USD	Total USD
Financial assets at fair value through profit or loss	-	-	3,945,949	615,049	4,156,718	5,995	-	1,027,810	32,417,730	13,900,253	56,069,504

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

9. Held-to-maturity investments

	Non-cellular USD	Cell 7 USD	Total USD
2017			
Non-current			
Bonds	-	69,004,345	69,004,345

	Non-cellular USD	Cell 7 USD	Total USD
2016			
Non-current			
Bonds	-	57,569,770	57,569,770

Movement during the year:

	2017 USD	2016 USD
Opening balance	57,569,770	-
Investment made	-	56,791,800
Interest for the year	3,096,085	777,970
Interest capitalised for prior year	777,970	-
Currency translation difference	7,560,520	
Closing balance	69,004,345	57,569,770

Pursuant to a «Contrat de Souscription d'Obligations» dated 23 September 2016, entered between Zedinvest (the "Issuer") and Phoenix Global Invest Fund 2 (Cell 7) (the "Subscriber"), the Issuer issued 54,000 bonds with a nominal value of EUR 1,000 each for a consideration of EUR 54,000,000. The bonds carry interests at the rate of 12 months EURIBOR + 5% per annum, with the EURIBOR floored to 0% when negative, which will be capitalised at the end of each year and repayable on 22 September 2028.

10. Intangible assets

	Cell 5 USD	Cell 6 USD	Cell 8 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
2017							
Non-current							
Cryptocurrencies	4,414,938	1,025,814	256,454	871,942	1,590,012	1,025,814	9,184,974

The above Cells have invested in cryptocurrencies during the year that are traded in platforms such as Bitfinex and Swissborg.

The intangibles held in these platforms are stated at fair value and gains or losses that arise when trading take place are recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

11. Derivative financial instruments

The Company had the following derivative financial instruments at the reporting date:

2017	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 4 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
Non current assets														
Contract option	-	-	-	-	-	-	-	-	-	66,541	-	-	-	66,541
Commodities future contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forex vanilla option	-	-	-	-	-	-	11,005	-	-	-	-	-	-	11,005
Total	-	-	-	-	-	-	11,005	-	-	66,541	-	-	-	77,546

Non-current liabilities

Forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract option	-	-	-	-	-	107,134	49,310	-	-	-	39,617	-	22,004	218,065
Commodity futures	-	-	-	-	-	-	76,500	-	-	-	-	-	-	76,500
Forex vanilla option	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	107,134	125,810	-	-	-	39,617	-	22,004	294,565

2016	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 10 USD	Cell 11 USD	Total USD
Non-current assets											
Contract option	-	-	-	-	-	257,251	-	140,065	117,187	257,251	771,754
Commodity future contracts	-	-	-	-	332,114	-	-	-	-	-	332,114
Total	-	-	-	-	332,114	257,251	-	140,065	117,187	257,251	1,103,868

Non-current liabilities

Forward contract	-	-	-	-	-	14,670	-	3,154	1,577	7,885	27,286
Forex vanilla option	-	-	-	-	85,833	12,635	-	5,054	5,054	12,635	121,211
Total	-	-	-	-	85,833	27,305	-	8,208	6,631	20,520	148,497

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

11. Derivative financial instruments (Contd)

An option contract is a contract that allows the holder to buy or sell an underlying security at a given price, known as the strike price. The two most common types of options contracts are put and call options, which give the holder-buyer the right to sell or buy respectively the underlying at the strike if the price of the underlying crosses the strike.

Forex vanilla option relates to the options (long or short put/call) that the Company has taken to mitigate its risk of its forex position or for speculation.

A commodity futures contract is an agreement to buy or sell a predetermined amount of a commodity at a specific price on a specific date in the future

A forward contract is a private agreement between two parties giving the buyer an obligation to purchase an asset (and the seller an obligation to sell an asset) at a set price at a future point in time.

12. Loans receivable

	2017		
	Cell 6	Cell 7	Total
	USD	USD	USD
Non-current			
Loans to Compagnie Financiere Roger Zannier S.A (Note (ii))	-	105,425,281	105,425,281
Loans to other parties (Note (iii))	314,573,770	102,567,321	417,141,091
	314,573,770	207,992,602	522,566,372
Current			
Loans to Compagnie Financiere Roger Zannier S.A (Note (ii))	-	468,431	468,431
Loans to other parties (Note (iii))	26,415,703	4,162,187	30,577,890
	26,415,703	4,630,618	31,046,321
Total	340,989,473	212,623,220	553,612,693
	2016		
	Cell 6	Cell 7	Total
	USD	USD	USD
Non-current			
Loans to Compagnie Financiere Roger Zannier S.A (Note (ii))	-	85,934,860	85,934,860
Loans to other parties (Note (iii))	239,539,146	-	239,539,146
	239,539,146	85,934,860	325,474,006
Current			
Loans to Compagnie Financiere Roger Zannier S.A (Note (ii))	-	411,450	411,450
Loans to other parties (Note (iii))	89,765,737	154,506,521	244,272,258
	89,765,737	154,917,971	244,683,708
Total	329,304,883	240,852,831	570,157,714

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

12. Loans receivable (Contd)

(i) The table below analyses the movement of the loans for the year:

	2017		
	Cell 6	Cell 7	Total
	USD	USD	USD
At 01 January	329,304,883	240,852,831	570,157,714
Loans granted	-	7,082,950	7,082,950
Loans repaid	(687,435)	(81,100,347)	(81,787,782)
Interest income	3,397,185	17,313,443	20,710,628
Interest received	(6,576,853)	(5,507,144)	(12,083,997)
Foreign exchange differences	15,551,693	33,981,487	49,533,180
At 31 December	340,989,473	212,623,220	553,612,693

	2016		
	Cell 6	Cell 7	Total
	USD	USD	USD
At 01 January	309,580,500	322,594,850	632,175,350
Loans granted	-	-	-
Loans repaid	(1,524,965)	(86,800,212)	(88,325,177)
Interest income	3,619,698	19,212,574	22,832,272
Interest received	(11,309,777)	(2,180,642)	(13,490,419)
Foreign exchange differences	28,939,427	(11,973,739)	16,965,688
At 31 December	329,304,883	240,852,831	570,157,714

(ii) The loans to Compagnie Financiere Roger Zannier S.A are unsecured, carry interest at 8.94% per annum and are receivable after more than one year as follows:

- Four loans have capital and interest receivable on 30 June 2022; and
- One loan has interest receivable annually and capital receivable on 16 December 2022.

(iii) The loans to the other parties in Cell 6 carry interest at variable rates (CHF LIBOR 1 month + 1% and EURIBOR 3 months + 2.5%), are secured against the participating shares of the holder of that Cell and receivable either within one year or more than one year.

The loans to the other parties in Cell 7 carry interest at both fixed and variable rates (EURIBOR 3 months + a fixed %), are secured against the participating shares of the holder of that Cell and receivable within one year.

However, throughout the financial year, LIBOR and EURIBOR was negative and interests were therefore calculated at fixed rates as defined in their respective agreements.

(iv) The directors have assessed the recoverability of the loans and confirmed that the carrying values of these loans reflect their recoverable amounts at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

13. Notes receivable

	2017		
	Cell 6 USD	Cell 7 USD	Total USD
Non-current			
Compagnie Financiere Roger Zannier S.A.	-	300,125	300,125
Total non-current	-	300,125	300,125
Current			
PG Promotors SA	15,387,212	-	15,387,212
Immorparticipation SA	15,387,212	-	15,387,212
Compagnie Financiere Roger Zannier S.A.	-	988	988
Zannier African Heritage	-	3,104,569	3,104,569
Elite Participation	-	2,965,962	2,965,962
Total current	30,774,424	6,071,519	36,845,943
Total	30,774,424	6,371,644	37,146,068
	2016		
	Cell 6 USD	Cell 7 USD	Total USD
Non-current			
PG Promotors SA	10,099,195	-	10,099,195
Immorparticipation SA	14,915,140	-	14,915,140
Total non-current	25,014,335	-	25,014,335
Current			
Compagnie Financiere Roger Zannier S.A.	-	-	-
Zannier African Heritage	-	-	-
Elite Participation	-	-	-
Total current	-	-	-
Total	25,014,335	-	25,014,335

The notes receivables to the parties above are represented by promissory notes for each of the parties carry interest at different rates as listed below.

Name	Interest rate
PG Promotors SA	LIBOR 1 month + 1%
Immorparticipation SA	LIBOR 1 month + 1%
Compagnie Financiere Roger Zannier S.A.	3%
Zannier African Heritage	LIBOR 12 month + 2%
Elite Participation	3%

LIBOR is floored to 0% if it is negative.

During the year under review, interest of USD 315,599 was charged on these notes (2016: USD 253,874).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

14. Other receivables

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Other receivables (ii)	809,306	-	-	256	-	-	-	-	-	-	-	-	809,562
Prepayments	-	590	590	-	264	590	590	590	250	590	590	73,427	78,071
	809,306	590	590	256	264	590	590	590	250	590	590	73,427	887,633

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Receivable from											
holding company (i)	76,950	-	-	-	-	-	-	-	-	-	76,950
Other receivables (ii)	131,662	-	-	-	-	-	-	-	-	10,517	142,179
Prepayments	-	234	235	237	266	235	197	237	235	235	2,111
	208,612	234	235	237	266	235	197	237	235	10,752	221,240

- (i) The amount receivable from the holding company is interest free, unsecured and receivable on demand.
- (ii) The amount for other receivables consist mainly of management fees receivable and performance fees receivable which are interest free, unsecured and receivable on demand.
- (iii) The carrying amount of other receivables is considered to be a reasonable approximation of the fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

15. Cash and cash equivalents

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Cash at bank:														
USD	113,741	-	-	-	20,999,975	3,418,347	-	-	499,563	22,486	-	-	59,864	25,113,976
EUR	413,907	28,868,701	9,810,408	119,524	-	10,258,606	2,490,907	1,130,766	908,443	94	12,896,191	26,267,122	22,060,949	115,225,618
CHF	-	-	-	-	-	-	5,581,826	8,318	-	-	8,914,070	76,513	-	14,580,727
JPY	-	-	-	-	-	-	-	-	-	-	5,200,209	-	-	5,200,209
AUD	-	-	-	-	-	-	-	-	-	-	478,984	-	-	478,984
MUR	7,936	-	-	-	-	-	-	-	-	-	-	-	-	7,936
Total	535,584	28,868,701	9,810,408	119,524	20,999,975	13,676,953	8,072,733	1,139,084	1,408,006	22,580	27,489,454	26,343,635	22,120,813	160,607,450

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Cash at bank:											
USD	19,870	-	809,813	-	-	-	-	495,329	-	-	1,325,012
EUR	221,130	9,795,217	5,115,225	1,182,836	4,280,458	6,105,732	4,637,450	2,396,589	15,864,336	6,370,772	55,969,745
CHF	-	-	-	-	-	7,923,251	2,665	-	1,531,522	811,352	10,268,790
AUD	-	-	-	-	-	-	-	-	-	1,822	1,822
Total	241,000	9,795,217	5,925,038	1,182,836	4,280,458	14,028,983	4,640,115	2,891,918	17,395,858	7,183,946	67,565,369

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

16. Stated capital

	2017 Non-cellular USD	2016 Non-cellular USD
<i>Issued and fully paid:</i>		
100 Management shares of USD 1 each	100	100

(i) In accordance with the Company's Constitution, the main rights and obligations attached to the management shares are as follows:

- Each holder of Management shares shall be entitled to receive notice of, to attend and vote at, all meetings of shareholders, with each Management share having one vote on a poll;
- Management shares shall carry dividend rights;
- Management shares shall not be redeemable by shareholders holding such shares prior to the liquidation, dissolution or winding up of the Company;
- Management shares may not be held by or transferred to any person without the approval of the Board; and
- In a liquidation, dissolution or winding up of the Company, holders of Management shares shall be entitled to repayment in accordance with Article 37 in the Constitution.

16.1 Dividends

	2017 Non-cellular USD	2016 Non-cellular USD
Dividends paid	753,869	1,555,305
Dividends per share	7,538.69	15,553.05

17. Subscription received in advance

	Cell 1 USD	Cell 5 USD	Cell 7 USD	Cell 12 USD	Total USD
Funds received	360,150	900,375	1,620,675	960,400	3,841,600

The above amount relates to subscription received for the issue of participating shares for which shares were allotted to the investor subsequent to the reporting date on the 3rd of January 2018.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

18. Participating shares

	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
At 31 December 2017	-	25,127,549	4,016,112	116,510	20,894,992	355,186,770	249,029,724	3,894,869	3,504,543	27,577,494	19,773,492	22,499,612	731,621,667
	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
At 31 December 2016	-	9,572,366	8,665,012	1,590,215	8,609,327	355,186,770	310,626,385	5,294,932	-	27,362,114	14,051,866	-	740,958,987

The table below analyses the movement of the participating shares for the year:

	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
At 01 January 2017	-	9,572,366	8,665,012	1,590,215	8,609,327	355,186,770	310,626,385	5,294,932	-	27,362,114	14,051,866	-	740,958,987
Issue of shares	-	17,310,442	3,451,540	116,510	13,202,850	-	15,274,065	1,109,935	3,504,543	215,380	20,542,622	22,698,020	97,425,907
Redemption of shares	-	(1,755,259)	(8,100,440)	(1,590,215)	(917,185)	-	(76,870,726)	(2,509,998)	-	-	(14,820,996)	(198,408)	(106,763,227)
At 31 December 2017	-	25,127,549	4,016,112	116,510	20,894,992	355,186,770	249,029,724	3,894,869	3,504,543	27,577,494	19,773,492	22,499,612	731,621,667

	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Total USD
At 01 January 2016	-	-	-	1,590,215	-	358,779,080	333,619,114	4,214,705	2,153,084	-	14,177,703	714,533,901
Issue of shares	-	11,823,709	8,665,012	-	8,609,327	5,635,073	17,460,642	1,790,317	-	27,362,114	-	81,346,194
Redemption of shares	-	(2,251,343)	-	-	-	(9,227,383)	(40,453,371)	(710,090)	(2,153,084)	-	(125,837)	(54,921,108)
At 31 December 2016	-	9,572,366	8,665,012	1,590,215	8,609,327	355,186,770	310,626,385	5,294,932	-	27,362,114	14,051,866	740,958,987

The participating shares meet the definition of a puttable instrument and the directors have assessed the rights and obligations attached to the participating shares and that these participating shares should be accounted as equity instead of financial liability, in accordance with *LAS 32, Financial Instruments: Presentation*. As approved in the Constitution of the Company, the main rights attached to the participating shares are as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

18. Participating shares (Contd)

- Holders of participating shares shall be entitled to receive notice of and attend meetings of shareholders, but this right shall not confer on such shareholder the right to vote at any meeting of the shareholders other than class meetings and except that the vote of the shareholders holding participating shares representing seventy five percent of such participating shares voting as a class shall be required to effect any amendment which materially and adversely affects the rights, preference or privileges of the shareholders holding Participating Shares.
- Participating shares may carry dividend rights.
- Participating shares shall be redeemable in accordance with Article 17 of the Constitution.
- Participating shares shall be transferred subject to the provision of Article 22 of the Constitution
- In liquidation, dissolution or winding up of the Company, shareholders holding participating shares shall be entitled to repayment in accordance with Article 37 of the Constitution.

The Company shall not redeem participating shares of a particular Cell unless immediately after the redemption:

- The Company and the Cell are able to pay its debts as they become due in the normal course of business;
- The value of the Company's and the Cell's assets is greater than the value of their respective liabilities including contingent liabilities; and
- The valuation of assets and the estimate of liabilities of both the Company and the Cell are reasonable, having regard to the most recent financial statements, and such other facts as are known and circumstances as prevail at the time of redemption.

19. Borrowings

	Cell 2 USD	Cell 7 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Total USD
2017						
Current						
Bank overdrafts	5,343,951	26	2,305,941	17,424,741	15,643,208	40,717,867

The bank overdrafts are pledged against all the respective cells' accounts held with the banks and carry interests at fixed rates.

	Cell 2 USD	Cell 10 USD	Cell 11 USD	Total USD
2016				
Current				
Bank overdrafts	1,778,516	23,793,573	10,842,786	36,414,875

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

20. Payables and accruals

	Non cellular	Cell 1	Cell 2	Cell 3	Cell 4	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12	Total
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Due to related party (Note (i))	305,947	5,768	10,169	-	-	526	40,361	28,098	7,046	250	11,789	49,565	34,335	493,854
Accruals	8,519	24,965	62,610	5,582	-	94,752	39,284	33,991	19,124	13,536	248,345	339,321	118,163	1,008,192
Advance payment (Note (iii))	-	-	-	-	20,999,975	-	-	-	-	-	-	-	-	20,999,975
	314,466	30,733	72,779	5,582	20,999,975	95,278	79,645	62,089	26,170	13,786	260,134	388,886	152,498	22,502,021

	Non cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11	Total
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Due to related party (Note (i))	191,105	2,478	35,582	1,716	8,719	11,212	241,695	5,051	6,806	12,817	517,181
Accruals	3,910	123,828	20,882	56,499	95,843	18,460	17,724	14,498	20,202	24,881	396,727
	195,015	126,306	56,464	58,215	104,562	29,672	259,419	19,549	27,008	37,698	913,908

- (i) The amount due to the related party is unsecured, interest free and repayable on demand.
- (ii) The carrying amounts of payables and accruals is a reasonable approximation of their fair values.
- (iii) Advance payment relates to cash received from investors for the purchase of participating shares and for which no subscription fees has been charged yet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

21. Management income

	2017	2016
	Non-cellular	Non-cellular
	USD	USD
Management fees	708,445	444,878

Management income is paid by the operating cells to the Company based on a percentage of their net asset value.

22. Subscription and redemption income

	2017	2016
	Non-cellular	Non-cellular
	USD	USD
Subscription and redemption	418,396	869,399

Subscription and/or redemption income is paid by the cells' investors to the Company based on a percentage of their subscription and/or redemption amount.

23. Performance income

	2017	2016
	Non-cellular	Non-cellular
	USD	USD
Performance income	1,408,644	462,963

Performance income is paid by the operating cells to the Company based on a percentage by which the net asset value per share is greater than the Rolling Target (as defined in their respective agreements).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

24. Other income

	Non-cellular USD	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD	Total USD
2017	118,339	-	1,182	-	-	-	-	287,571	-	-	-	182,406	589,498
2016	324	-	-	219,843	-	-	-	580,499	315,593	-	-	-	1,116,259

Other income relates mainly to income earned from binary options during the year under review.

25. Net Assets Value per share

	Cell 1 USD	Cell 2 USD	Cell 3 USD	Cell 5 USD	Cell 6 USD	Cell 7 USD	Cell 8 USD	Cell 9 USD	Cell 10 USD	Cell 11 USD	Cell 12 USD
2017											
Net asset value	28,478,408	4,845,159	117,271	23,127,576	390,406,026	293,021,987	3,290,709	3,403,467	32,949,280	25,295,394	22,085,152
Number of participating shares	18,880.69	3,451.92	87.36	17,032.98	291,343.45	204,803.04	3,828.27	3,504.54	24,417.95	22,924.54	18,425.07
Net asset value per share	1,508.34	1,403.61	1,342.39	1,357.81	1,340.02	1,430.75	859.58	971.16	1,349.39	1,103.42	1,198.65
2016											
Net assets value		9,669,145	8,036,242	1,735,321	8,579,161	368,639,439	302,426,332	4,016,311	26,103,798	10,451,198	
Number of participating shares		8,048.21	7,763.08	1,457.28	7,762.81	291,343.44	256,854.28	5,142.85	24,232.63	13,100	
Net assets value per share		1,201.40	1,035.19	1,190.79	1,105.16	1,265.31	1,177.42	780.95	1,077.22	797.80	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

26. Earnings per share

The earnings and number of shares in issue used in the calculation of earnings per share as follows:

2017	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12
	USD Management shares	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
		Participating Shares										
Profit for the year attributable to equity holder	1,561,259	1,308,153	305,748	8,119	537,788	(28,605,272)	21,424,926	(185,374)	(101,076)	2,741,022	3,630,212	(1,001,302)
Number of shares in issue	100	18,880.69	3,451.92	87.36	17,032.98	291,343.45	204,803.04	3,828.27	3,504.55	24,417.95	22,924.54	18,425.07
Earnings per share	15,612.59	69.29	88.57	92.94	31.57	(98.18)	104.61	(48.42)	(28.84)	112.25	158.35	(54.34)

Note that EPS has been calculated using the number of shares at year end. No weighted average EPS has been calculated since it is impracticable due to the high volume of transaction for issue and redemption of the participating shares that took place during the year.

2016	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 10	Cell 11
	USD Management shares	USD	USD	USD	USD	USD	USD	USD	USD	USD
		Participating Shares								
Profit for the year attributable to equity holder	1,018,302	791,329	(151,327)	189,740	439,883	45,996,268	20,418,869	(548,540)	(49,721)	(1,502,123)
Number of shares in issue	100	8,048.21	7,763.08	1,457.28	7,762.81	291,343.44	256,854.28	5,142.85	24,232.63	13,100
Earnings per share	10,183.02	98.32	(19.49)	130.20	56.67	157.88	79.50	(106.66)	(2.05)	(114.67)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

27. Profit/(loss) before tax

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11	Cell 12
2017	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<i>The above is arrived at after (crediting)/charging:</i>												
Management income	(708,445)	-	-	-	-	-	-	-	-	-	-	-
Subscription and redemption income	(418,396)	-	-	-	-	-	-	-	-	-	-	-
Performance income	(1,408,644)	-	-	-	-	-	-	-	-	-	-	-
Finance income	-	-	-	-	-	(3,676,066)	(20,446,246)	-	-	-	-	-
Net foreign exchange (gains)/losses	(90,857)	-	(462,470)	226	104,475	31,572,775	734,687	72,744	1,189	7,145	36,403	7,791
Net (gains)/losses on investment	-	(2,834,889)	(138,422)	(56,730)	(1,148,107)	206,175	(2,925,191)	269,896	85,593	(3,259,919)	(5,064,486)	687,329
Salaries and related costs	147,608	-	-	-	-	-	-	-	-	-	-	-
Directors' fees	36,458	10,394	10,434	7,507	10,432	10,433	10,433	10,433	1,750	10,433	10,433	5,916
Legal and professional fees	3,479	4,831	4,830	4,613	4,829	4,817	4,649	4,649	800	4,829	4,829	3,005
Management fees	-	-	60,756	9,158	140,331	103,625	92,670	43,428	5,790	14,864	255,684	65,063
Performance fees	-	1,434,640	111,270	916	236,806	-	-	4,687	456	397,860	669,052	292,015
Service fees	874,800	-	-	-	-	-	-	-	-	-	-	-
Custodian fees	-	48,702	20,325	3,281	4,389	134,477	118,088	10,994	500	26,511	75,122	3,128

	Non-cellular	Cell 1	Cell 2	Cell 3	Cell 5	Cell 6	Cell 7	Cell 8	Cell 9	Cell 10	Cell 11
2016	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<i>The above is arrived at after (crediting)/charging:</i>											
Management income	(444,878)	-	-	-	-	-	-	-	-	-	-
Finance income	-	-	-	-	-	(3,873,572)	(20,030,954)	-	(2,365)	-	-
Net foreign exchange losses/(gains)	(7,699)	-	46,983	2,415	-	(43,500,457)	(1,249,403)	(29,106)	-	388,963	25,064
Net loss/(gain) on investment	-	(1,620,611)	(120,678)	(106,672)	(585,732)	1,213,647	-	1,016,566	(130,975)	(703,842)	1,250,375
Salaries and related costs	76,926	-	-	-	-	-	-	-	-	-	-
Directors' fees	66,664	8,187	9,230	10,488	4,472	9,931	10,645	10,489	3,432	9,933	10,490
Legal and professional fees	218,280	3,384	4,467	7,613	1,882	7,028	7,613	7,613	3,807	4,741	6,760
Management fees	-	-	67,678	16,512	33,445	69,886	63,997	41,024	6,580	18,303	127,453
Custodian fees	-	11,486	14,072	3,449	1,541	4,611	17,685	8,093	1,216	18,934	23,743

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

27. Profit/(loss) before tax (Contd)

Analysis of staffs costs (excluding directors' remuneration and fees) and number of employees:

	Non-cellular	
	2017	2016
	USD	USD
Salaries and related costs	147,608	76,926
Number of employees at end of year	5	4

28. Related party transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions and key management personnel.

During the year ended 31 December 2017, the Company had transactions with the following related parties. Details of the nature, volume of transactions and the balances with the entities are as follows:

Nature of relationship	Nature of transactions	Volume of transactions USD	Debit/(credit) balances at 31 December 2017 USD	Debit/(credit) balances at 31 December 2016 USD
Holding company	Other receivable	76,950	-	76,950
Related company	Expenses paid	1,850,365	(493,854)	(517,181)
Related company	Loan notes/loan receivable	7,711,580	86,705,161	78,993,581
Related company	Loan notes/loan receivable	85,397,928	200,841,828	115,443,900
Related company	Loan receivable	19,848,514	106,194,825	86,346,310
Related company	Held-to-maturity investment	11,434,575	69,004,345	57,569,770
Director	Loan receivable	36,583	27,749	64,333
Key management personnel	Directors' fees	36,458	(12,500)	(10,495)

The terms and conditions of the balances are stated in Notes 9, 12, 13 and 20 respectively to these financial statements.

29. Contingent liabilities

The Company has no litigation claims outstanding, pending or threatened against it, which could have a material adverse effect on the Company's financial position or results as at 31 December 2017.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

30. Events after the reporting date

Subsequent to the reporting date, the following transactions took place:

- (i) On 07 February 2018, Warwyck Phoenix Global Invest Fund 2 (Cell 7) issued a Promissory Note of EUR 1,900,000 to Zannier African Heritage Ltd, which carry interest at 12 months LIBOR plus 2% per annum, with the LIBOR floored to zero when negative and will be renewed every 07 February for a period of 15 years.
- (ii) Warwyck Phoenix Re (Cell 4) entered into a purchase agreement with United Excel Limited, to acquire 1,400 shares for a total consideration of USD 183,000,000.

31. Holding Company

The directors regard Warwyck Investment Holdings Ltd, a company incorporated in Republic of Mauritius, as the holding company.