

THOMASLLOYD GROUP LIMITED

CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 EUR	2016 EUR
<b>Continuing operations</b>			
Revenue		38,119,710	38,985,790
Cost of sales		(17,760,651)	(13,426,303)
		<u>20,359,059</u>	<u>25,559,487</u>
<b>Gross profit</b>		20,359,059	25,559,487
Administrative expenses		(13,674,741)	(13,279,062)
		<u>6,684,318</u>	<u>12,280,425</u>
<b>Operating profit</b>	7	6,684,318	12,280,425
Finance income		565,163	453,162
Interest payable	8	(1,454,257)	(1,571,854)
Losses on financial assets		0	0
Other finance related costs	9	(532,746)	(710,646)
		<u>5,262,478</u>	<u>10,451,087</u>
<b>Profit before tax expense</b>		5,262,478	10,451,087
Income tax (charge)/credit	10	(1,807,623)	(2,547,539)
		<u>3,454,855</u>	<u>7,903,548</u>
<b>Total Profit for the year</b>		3,454,855	7,903,548
Non-Controlling Interest		0	0
		<u>3,454,855</u>	<u>7,903,548</u>
<b>Total Profit for the year attributable to Equity holders of the Parent</b>		3,454,855	7,903,548

THOMASLLOYD GROUP LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017

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	2017 EUR	2016 EUR
<b>Total income for the year</b>		
Attributable to Equity holders of the Parent	3,454,855	7,903,548
Non-Controlling Interest	0	0
	<hr/>	<hr/>
	3,454,855	7,903,548
<b>Other Comprehensive income</b>		
Currency translation differences	663,921	(289,065)
	<hr/>	<hr/>
	4,118,776	7,614,483
<b>Total Comprehensive Income for the year</b>		
Attributable to Equity holders of the Parent	4,118,776	7,614,483
Non-Controlling Interest	0	0
	<hr/>	<hr/>
	<u>4,118,776</u>	<u>7,614,483</u>

THOMASLLOYD GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017

	Notes	31.12.2017 EUR	31.12.2016 EUR
<b>Non-Current Assets</b>			
Property, plant and equipment	12	126,553	110,030
Intangible assets	13	6,175	11,410
Trade and other receivables	17	56,328,784	49,766,674
Deferred income tax	16	13,381,284	15,071,473
Financial assets	14	<u>327,165</u>	<u>303,715</u>
		70,169,961	65,263,302
<b>Current Assets</b>			
Trade and other receivables	17	21,775,977	15,938,490
Cash and cash equivalents		<u>1,458,850</u>	<u>772,728</u>
		23,234,827	16,711,218
<b>Non-Current Liabilities</b>			
Loans	15	0	0
Subordinated bonds	15	<u>1,704,000</u>	<u>1,704,000</u>
		1,704,000	1,704,000
<b>Current Liabilities</b>			
Subordinated bonds	15	28,825,120	25,882,850
Trade and other payables	18	34,529,018	30,221,057
Tax liabilities	18	<u>92,772</u>	<u>31,511</u>
		63,446,910	56,135,418
<b>Total Assets less Liabilities</b>		<u>28,253,878</u>	<u>24,135,102</u>
<b>Shareholders' Equity</b>			
Ordinary shares	20	62,064,953	62,064,953
Preference shares	20	<u>32,000,000</u>	<u>32,000,000</u>
		94,064,953	94,064,953
Currency translation reserve		(10,321,075)	(10,984,996)
Retained earnings		(55,490,000)	(58,944,855)
<b>Total Shareholders' Equity</b>		<u>28,253,878</u>	<u>24,135,102</u>

APPROVED BY THE BOARD ON 14. NOVEMBER 2018

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**THOMASLLOYD GROUP LIMITED**

**COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	Notes	31.12.2017 EUR	31.12.2016 EUR
<b>Non-Current Assets</b>			
Property, plant and equipment	12	18,882	14,535
Trade and other receivables	17	56,328,784	49,766,674
Deferred income tax	16	1,943,255	2,192,473
Financial assets	14	30,707,289	30,707,289
		<u>88,998,210</u>	<u>82,680,971</u>
<b>Current Assets</b>			
Trade and other receivables	17	17,273,988	19,158,478
Cash and cash equivalents		782,854	34,200
		<u>18,056,842</u>	<u>19,192,678</u>
<b>Non-Current Liabilities</b>			
Loans	15	0	0
Trade and other payables	15	1,704,000	1,704,000
		<u>1,704,000</u>	<u>1,704,000</u>
<b>Current Liabilities</b>			
Trade and other payables	18	61,963,116	60,648,388
		<u>61,963,116</u>	<u>60,648,388</u>
<b>Total Assets less Liabilities</b>		<u>43,387,936</u>	<u>39,521,261</u>
<b>Shareholders' Equity</b>			
Ordinary shares	20	62,064,953	62,064,953
Preference shares	20	32,000,000	32,000,000
Revaluation reserve		2,683,093	2,683,093
		<u>96,748,046</u>	<u>96,748,046</u>
Currency translation reserve		(5,850,243)	(5,850,243)
Retained earnings		(47,509,867)	(51,376,542)
<b>Total Shareholders' Equity</b>		<u>43,387,936</u>	<u>39,521,261</u>

The profit for the year in the parent company was € 3,866,675 (2016: € 4,908,222)

APPROVED BY THE BOARD ON 14. NOVEMBER 2018

THOMASLLOYD GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Share Capital EUR	Currency Translation Reserve EUR	Retained Earnings EUR	Total Equity EUR
As at 1 January 2016	93,654,953	(10,695,931)	(66,848,403)	16,110,619
Issue of Share Capital	410,000	0	0	410,000
Total Comprehensive Income for the year	0	(289,065)	7,903,548	7,614,483
<b>As at 31 December 2016</b>	<b>94,064,953</b>	<b>(10,984,996)</b>	<b>(58,944,855)</b>	<b>24,135,102</b>
Total Comprehensive income for the year	0	663,921	3,454,855	4,118,776
<b>As at 31 December 2017</b>	<b>94,064,953</b>	<b>(10,321,075)</b>	<b>(55,490,000)</b>	<b>28,253,878</b>

THOMASLLOYD GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR TO 31 DECEMBER 2017

	Share Capital EUR	Currency Translation Reserve EUR	Revaluation Reserve EUR	Retained Earnings EUR	Total Equity EUR
As at 1 January 2016	93,654,953	(5,850,243)	2,683,093	(56,284,764)	34,203,039
Issue of Share Capital	410,000	0	0	0	410,000
Total Comprehensive Income for the year	0	0	0	4,908,222	4,908,222
<b>As at 31 December 2016</b>	94,064,953	(5,850,243)	2,683,093	(51,376,542)	39,521,261
Total Comprehensive Income for the year	0	0	0	3,866,675	3,866,675
<b>As at 31 December 2017</b>	94,064,953	(5,850,243)	2,683,093	(47,509,867)	43,387,936

**THOMASLLOYD GROUP LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>EUR</b>	<b>EUR</b>
<b>1 Cash flow from operating activities</b>		
Net profit before interest	4,343,949	9,022,240
Interest receivable	565,163	453,162
Interest payable	(1,454,257)	(1,571,854)
Depreciation charges	77,815	126,222
Amortization charges	5,033	4,415
Sale of Property, Plant and Equipment	1,967	(217)
Foreign currency differences	667,075	(289,097)
Change in Working Capital:		
Change in Receivables and Prepayments	(12,399,597)	(12,591,912)
Change in Payables	4,425,395	5,601,622
Decrease in Deferred Taxes	1,690,189	2,488,805
Taxes paid	(56,173)	0
	<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	<b>(2,133,441)</b>	<b>3,243,386</b>
	<hr/>	<hr/>
<b>2 Cash flow from investing activities</b>		
Purchase of property, plant & equipment	(99,440)	(53,546)
Purchase of intangibles	0	(6,595)
Purchase of financial assets	(23,267)	(31,315)
Receipt/(Repayment) of loans	0	(4,333,581)
	<hr/>	<hr/>
<b>Net cash flows from investing activities</b>	<b>(122,707)</b>	<b>(4,425,037)</b>
	<hr/>	<hr/>
<b>3 Cash flow from financing activities</b>		
Proceeds from issue of ordinary share capital	0	410,000
Proceeds from issuance of subordinated bonds	2,942,270	4,072,500
Repayment of subordinated bonds	0	(4,330,000)
	<hr/>	<hr/>
<b>Net cash flows from financing activities</b>	<b>2,942,270</b>	<b>152,500</b>
	<hr/>	<hr/>

**THOMASLLOYD GROUP LIMITED**

**COMPANY CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>EUR</b>	<b>EUR</b>
<b>1 Cash flow from operating activities</b>		
Net profit/(loss)	4,870,108	6,038,532
Interest receivable	692,024	620,224
Interest payable	(1,695,457)	(1,750,534)
Depreciation charges	14,101	13,768
Change in Working Capital:		
Change in Receivables and Prepayments	(4,677,620)	(8,627,322)
Change in Payables	1,314,728	5,490,723
Decrease in Deferred Taxes	249,218	1,227,056
	<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	<b>767,102</b>	<b>3,012,447</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>2 Cash flow from investing activities</b>		
Purchase of property, plant & equipment	(18,448)	(6,679)
Repayment of loans	0	(4,333,581)
	<hr/>	<hr/>
<b>Net cash flows from investing activities</b>	<b>(18,448)</b>	<b>(4,340,260)</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>3 Cash flow from financing activities</b>		
Proceeds from issue of ordinary share capital	0	410,000
	<hr/>	<hr/>
<b>Net cash flows from financing activities</b>	<b>0</b>	<b>410,000</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>4 Analysis of changes in cash at bank</b>		
Increase/(decrease) in cash in the period	748,654	(917,813)
Cash of the beginning of the year	34,200	952,013
	<hr/>	<hr/>
<b>Cash of the end of the year</b>	<b>782,854</b>	<b>34,200</b>



## THOMASLOYD GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1. GENERAL INFORMATION

ThomasLloyd Group Limited is a private company incorporated in England and Wales and with subsidiaries and affiliates in Germany, Luxembourg, Switzerland, Austria, Czech Republic, Philippines, Singapore and the United States of America.

#### 2. ACCOUNTING POLICIES

The principal accounting policies are summarised below.

##### **Basis of preparation**

The Group's consolidated financial statements are prepared on a going concern basis and in accordance with International Financial Reporting Standards as adopted by the European Union and IFRIC interpretations (IFRS as adopted by the EU) and the parts of the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial investments, and financial assets and financial liabilities at fair value through profit and loss.

These consolidated financial statements are presented in Euros which is the Group's functional currency.

##### *Standards, amendments and interpretations effective in 2017*

###### *(a) New standards, amendments and interpretations adopted by the Group:*

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 January 2017 have had a material impact on the group or parent company.

###### *(b) New standards, amendments and interpretations not yet adopted:*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2017, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the

## THOMASLOYD GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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IFRS 16 "Leases" specifies how an IFRS reporter will recognise, measure, prepare and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor IAS 17. The standard replaces IAS 17 'Leases' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2019, with earlier adoption permitted if IFRS 15 'Revenue from contracts with customers' has also been applied (subject to EU endorsement). The changes will result in a lease obligation, similar in magnitude to that disclosed in note 19, being recognised on the group balance sheet along with a corresponding "right-to-use" asset. There is not expected to be a significant impact on profit or loss.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

#### **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of the subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are recorded as a debit to non-controlling interest regardless of whether there is an obligation on the part of the holders of non-controlling interests for losses.

#### **Business combinations**

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the date of acquisition) of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. Any costs directly attributable to the business combination are charged to the income statement. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 Revised Business Combinations are recognised at their fair values at the acquisition date.

The interest of non-controlling shareholders in the acquiree is initially measured as the non-controlling shareholders

## THOMASLLOYD GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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Revenue consists primarily of commissions and fees arising from services rendered in conjunction with the placement, management and administration of investment products where the Group actively manages the consideration received from its clients. At the outset of the contract the Group receives upfront sales commissions which are charged to the client directly. Further recurring fees are charged to the client periodically by making a deduction from invested funds. These include performance fees which are recognised when the contractual right to collect such fees is established, but only to the extent that a reliable estimate of the amount due can be made.

#### **b) Income from Merchant banking**

Merchant banking revenue is recorded upon the close of the related transaction.

#### **Property, plant and equipment**

Property, plant and equipment are included at cost. Cost includes costs directly attributable to bringing an asset to working condition for its intended use. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. The Group reviews the carrying amount of plant and equipment when circumstances suggest that the carrying amount may not be recoverable. Recoverability is assessed using estimates of future cash flows on a discounted basis, including revenues, operating costs and restoration costs. Where necessary an impairment is recorded. Any impairment is recorded within administrative expenses.

#### **Depreciation**

Depreciation of plant and equipment is calculated on a straight line basis using rates which are designed to write off assets over their estimated useful lives as follows:

Fixtures, fittings & office equipment – 3 to 10 years straight line.

#### **Intangible Assets**

Acquired intangible assets with a finite useful life are recognized at cost and amortized over over their respective useful lives using the straight-line method. The amortization period for intangible assets is between 3 and 7 years. Any further loss of value is recognized by means of an impairment charge. Impairment losses are reversed in following periods if the reasons for them no longer exist, provided that this does not cause the carrying amounts of the assets to exceed either the amortized cost at which they would have been recognized if the impairment losses had not been recognized or their current recoverable value. The lower of these two amounts is recognized. Intangible assets with indefinite useful lives are not amortized. They are tested for impairment annually, or more often if events or a change in circumstances indicate a possible impairment. Any impairment losses are recognized in administrative expenses.

#### **The Company's investments in subsidiaries**

In its separate financial statements the company recognises its investments in subsidiaries at the directors' estimate of their market value. Surpluses on the revaluation of the Company's investments in its subsidiaries are taken to a separate, non-distributable, revaluation reserve in equity.

## THOMASLLOYD GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

The carrying amount for deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### **Foreign currencies**

The functional currencies of the Group and Company are Euros.

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (the 'functional currency') are recorded at rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Euros at the foreign exchange rates ruling at the dates the fair value was determined.

On consolidation, the results of the operations are translated into the presentation currency at average rates approximating to those ruling when the transaction took place. All assets and liabilities of foreign operations are translated at the rate ruling at the balance sheet date. Exchange differences arising on translating the opening net assets at the opening rate and the results of operations at actual rate are recognised directly in equity (the 'Currency Translation Reserve').

#### **Cash and cash equivalents**

Cash consists of cash on hand and cash held on current account or on short term deposits with an original maturity of 3 months or less at variable interest rates.

#### **Financial assets**

##### **a) Classification**

The Group classifies its financial assets in the following categories: Financial Assets at Fair Value through Profit or Loss, Loans and Receivables and Available-for-Sale Financial Assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial