

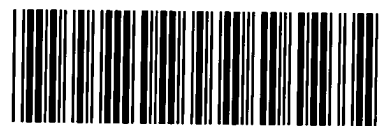
Registered number: 08796945

## **Dymon Asia Holdings (UK) Limited**

**Consolidated report and audited financial statements**

**For the year ended 31 December 2017**

WEDNESDAY



\*A75MAKKP\*

A14

09/05/2018

#342

COMPANIES HOUSE

---

## Dymon Asia Holdings (UK) Limited

---

### Company Information

---

<b>Directors</b>	Mr Luo Jiabin Mr Wong Mun Hoong
<b>Registered number</b>	08796945
<b>Registered office</b>	4th Floor Reading Bridge House George Street Reading RG1 8LS
<b>Independent auditor</b>	Ernst & Young LLP 25 Churchill Place London E14 5EY
<b>Bankers</b>	Standard Chartered Bank 1 Basinghall Avenue London EC2V 5DD

---

## Dymon Asia Holdings (UK) Limited

---

### Contents

---

	Page
Directors' report	1
Statement of directors' responsibilities	2
Group strategic report	3
Independent auditor's report	4
Consolidated statement of comprehensive income	6
Consolidated statement of financial position	7
Company statement of financial position	8
Consolidated statement of changes in equity	9
Company statement of changes in equity	10
Consolidated statement of cash flows	11
Notes to the financial statements	12

---

## **Dymon Asia Holdings (UK) Limited**

---

### **Directors' report For the year ended 31 December 2017**

---

The directors present their report and the audited consolidated financial statements of Dymon Asia Holdings (UK) Limited ("the company") and Dymon Asia Capital (UK) LLP (together "the group") for the year ended 31 December 2017.

#### **Principal activity**

The principal activity of the company in the year is that of a corporate member to Dymon Asia Capital (UK) LLP ("the LLP"). As a corporate member of the LLP, the company may receive a profit allocation from time to time at the discretion of the LLP.

The group comprises the company and its subsidiary, the LLP. The principal activity of the group during the year was the provision of investment advisory services to Dymon Asia Capital (Singapore) Pte Ltd. (related company), an entity incorporated in Singapore, and to affiliated investment vehicles. The related company is the investment manager of a range of alternative investment vehicles with AUM of USD4.2bn.

There have been no significant changes in the activities of the group in the year and the directors do not anticipate any changes in the overall nature of the group's principal activities in the foreseeable future.

#### **Directors**

The directors who served during the year and up to the date of this report were:

Mr Luo Jiabin  
Mr Wong Mun Hoong

#### **Post balance sheet events**

There have been no significant events affecting the group since the year end.

#### **Disclosure of information to the auditor**

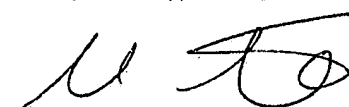
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's and the group's auditor is aware of that information.

#### **Auditor**

The auditor, Ernst & Young LLP, has indicated its willingness to continue in office. A resolution concerning its reappointment will be proposed at the members' meeting to approve these financial statements.

This report was approved by the board on 20 April 2018 and signed on its behalf by:



Luo Jiabin  
Director

---

## Dymon Asia Holdings (UK) Limited

---

### Statement of Directors' responsibilities For the year ended 31 December 2017

---

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company or the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

---

## Dymon Asia Holdings (UK) Limited

---

### Group strategic report For the year ended 31 December 2017

---

The directors present their strategic report in respect of Dymon Asia Holdings (UK) Limited for the year ended 31 December 2017.

#### Review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors. The directors do not anticipate any change in the nature of the company's or the group's principal activity going forward.

#### Results and dividends

The group's profit for the year, after taxation and before appropriation to non-controlling interests amounted to \$6,595,269 (2016: \$2,129,488) as shown on page 6. The directors do not propose the payment of any ordinary dividend.

#### Key performance indicators ("KPIs")

Given the straight forward nature of the business, the directors are of the opinion that revenue is the only relevant key performance indicator for the group. The group's revenue is based on a fixed mark up to the group's cost base (inclusive of discretionary profit allocations made to non-controlling interests of the LLP). The group's cost base increased by £4.7m compared to prior year, which drove a corresponding increase in the group's turnover.

#### Financial risk management

Given that the group's revenue is entirely derived from a related company, the group's principal risks relate to the credit default and liquidity risks associated with receipt of income on a timely basis from this counterparty. These risks are managed through regular dialogue with the related undertaking to ensure that the group maintains sufficient working capital to meet its liabilities as they fall due.

From an operational perspective as the LLP is a regulated entity, the key risk relates to the potential for non-compliance with the regulations issued by the FCA that could lead to the group being subject to a fine or a ban on trading activities. This is managed through regular review of the group's compliance framework by Senior Management.

#### Going concern

Whilst the group remains dependent on a single source of revenue from a related company, the directors are not aware of any reason that this agreement will be terminated in the foreseeable future. The nature of the agreement with the related company provides a high degree of certainty that the group will continue to be profitable and, historically, the group has received income in a timely manner in order to manage its obligations (which are relatively predictable in nature).

The future profitability of the related company and therefore its ability to continue to settle its obligations to the group on a timely basis is dependent on maintaining a consistent level of Assets under Management from which to generate future revenues. Whilst the level of assets under management held by the related company is subject to market volatility and subject to potential investor redemptions, the funds managed by the related company have a diversified investor base that protects it in the event of redemption by one or more investors.

As the sole purpose of the company is to act as the Corporate Member of the LLP, it has limited recurring financial obligations. In its role as Corporate Member, it is also entitled to an allocation of profits from the LLP. Whilst this allocation is at the discretion of the members of the LLP, it is expected that the company will receive future profit allocations from the LLP that are sufficient to cover any future financial obligations.

Based on the factors above, the directors have a reasonable expectation that the group and the company have adequate liquid resources to continue in operational existence and meet their financial liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the directors' report and financial statements.

This report was approved by the board on 20 April 2018 and signed on its behalf by:

Luo Jiabin  
Director



---

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DYMON ASIA HOLDINGS (UK) LIMITED**

---

### **Opinion**

We have audited the financial statements of Dymon Asia Holdings (UK) Limited ('the company') and its subsidiaries (together the 'group') for the year ended 31 December 2017 which comprise the Consolidated statement of comprehensive income, the Consolidated statement of financial position, the Company statement of financial position, the Consolidated statement of changes in equity, the Company statement of changes in equity, the Consolidated statement of cash flows and the related notes to 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the group's and of the company's affairs as at 31 December 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report below. We are independent of the group and the company in accordance with the ethical requirements in the UK that are relevant to our audit of the financial statements, including the FRC's Ethical Standard, 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.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 opinions we have formed.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

---

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DYMON ASIA HOLDINGS (UK) LIMITED

---

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

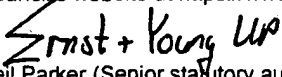
As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's 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 auditor's 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 ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

  
Neil Parker (Senior statutory auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
Date: 20th April 2018



---

## Dymon Asia Holdings (UK) Limited

---

### Consolidated statement of comprehensive income For the year ended 31 December 2017

---

	Note	2017 \$	2016 \$
Turnover	4	10,589,434	5,879,688
Administrative expenses		(3,637,050)	(3,727,890)
<b>Operating profit</b>	5	<u>6,952,384</u>	<u>2,151,798</u>
Taxation on profit on ordinary activities	8	(357,115)	(22,310)
<b>Profit for the financial year</b>		<u>6,595,269</u>	<u>2,129,488</u>
Currency translation differences	16	-	39,788
<b>Total comprehensive income for the year</b>		<u>6,595,269</u>	<u>2,169,276</u>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		5,427,892	1,798,468
Owners of the parent company		<u>1,167,377</u>	<u>331,020</u>
		<u>6,595,269</u>	<u>2,129,488</u>
<b>Total comprehensive income for the year attributable to:</b>			
Non-controlling interests		5,427,892	1,798,468
Owners of the parent company		<u>1,167,377</u>	<u>370,808</u>
		<u>6,595,269</u>	<u>2,169,276</u>

All amounts relate to continuing operations.

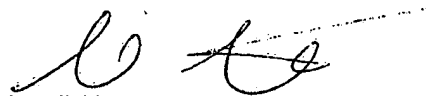
The notes on pages 12 to 21 form part of these financial statements.

## Dymon Asia Holdings (UK) Limited

### Consolidated statement of financial position As at 31 December 2017

	Note	2017 \$	2016 \$
<b>Fixed assets</b>			
Tangible assets	10	275,150	512,898
<b>Current assets</b>			
Debtors	12	7,280,302	349,905
Cash at bank and in hand		<u>1,237,522</u>	<u>4,270,444</u>
		8,517,824	4,620,349
Creditors: Amounts falling due within one year	13	(1,451,236)	(2,728,244)
<b>Net current assets</b>		<u>7,066,588</u>	<u>1,892,105</u>
<b>Net assets</b>		<u>7,341,738</u>	<u>2,405,003</u>
<b>Capital and reserves</b>			
Called up share capital	15	273,334	273,334
Profit and loss account		2,291,684	1,124,307
Foreign currency revaluation reserve	16	(285,062)	(285,062)
<b>Equity attributable to owners of the parent company</b>		<u>2,279,956</u>	<u>1,112,579</u>
Non-controlling interests		<u>5,061,782</u>	<u>1,292,424</u>
		<u>7,341,738</u>	<u>2,405,003</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 Luo Jiabin  
 Director  
 Date: 20 April 2018

The notes on pages 12 to 21 form part of these financial statements.

---

## Dymon Asia Holdings (UK) Limited

---

### Company statement of financial position As at 31 December 2017

---

		2017	2016
	Note	\$	\$
<b>Fixed assets</b>			
Investments	11	1,088,990	1,076,649
<b>Current assets</b>			
Debtors	12	1,351,432	169,424
Cash at bank and in hand		<u>22,476</u>	<u>5,721</u>
		1,373,908	175,145
Creditors: Amounts falling due within one year	13	(185,878)	(142,151)
<b>Net current assets</b>		<u>1,188,030</u>	<u>32,994</u>
<b>Net assets</b>		<u>2,277,020</u>	<u>1,109,643</u>
<b>Capital and reserves</b>			
Called up share capital	15	273,334	273,334
Profit and loss account		2,261,574	1,094,197
Foreign currency revaluation reserve	16	<u>(257,888)</u>	<u>(257,888)</u>
		<u>2,277,020</u>	<u>1,109,643</u>

The profit after tax of the company for the year was \$1,167,377 (2016: \$331,000).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
Luo Jiabin  
Director  
Date: 20 April 2018

The notes on pages 12 to 21 form part of these financial statements

## Dymon Asia Holdings (UK) Limited

### Consolidated statement of changes in equity As at 31 December 2016

	Share capital \$	Retained earnings \$	Foreign currency revaluation reserve \$	Equity attributable to owners of the parent company \$	Non- controlling interests \$	Total equity \$
At 1 January 2016	273,334	3,500,597	(324,850)	3,449,081	4,023,495	7,472,576
<b>Comprehensive income for the year</b>						
Profit for the year	-	331,020	-	331,020	1,798,468	2,129,488
Other comprehensive income for the year	-	-	39,788	39,788	-	39,788
<b>Total comprehensive income for the year</b>	<b>273,334</b>	<b>3,831,617</b>	<b>(285,062)</b>	<b>3,819,889</b>	<b>5,821,963</b>	<b>9,641,852</b>
Dividends payable during the year	-	(2,707,310)	-	(2,707,310)	-	(2,707,310)
Distribution to non-controlling interests	-	-	-	-	(4,529,539)	(4,529,539)
<b>At 31 December 2016</b>	<b>273,334</b>	<b>1,124,307</b>	<b>(285,062)</b>	<b>1,112,579</b>	<b>1,292,424</b>	<b>2,405,003</b>

### Consolidated statement of changes in equity As at 31 December 2017

	Share capital \$	Retained earnings \$	Foreign currency revaluation reserve \$	Equity attributable to owners of the parent company \$	Non- controlling interests \$	Total equity \$
At 1 January 2017	273,334	1,124,307	(285,062)	1,112,579	1,292,424	2,405,003
<b>Comprehensive income for the year</b>						
Profit for the year	-	1,167,377	-	1,167,377	5,427,892	6,595,269
Other comprehensive income for the year	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>273,334</b>	<b>2,291,684</b>	<b>(285,062)</b>	<b>2,279,956</b>	<b>6,720,316</b>	<b>9,000,272</b>
Distribution to non-controlling interests	-	-	-	-	(1,641,667)	(1,641,667)
Capital withdrawn by non-controlling interest	-	-	-	-	(16,867)	(16,867)
<b>At 31 December 2017</b>	<b>273,334</b>	<b>2,291,684</b>	<b>(285,062)</b>	<b>2,279,956</b>	<b>5,061,782</b>	<b>7,341,738</b>

The notes on pages 12 to 21 form part of these financial statements.

## Dymon Asia Holdings (UK) Limited

### Company statement of changes in equity As at 31 December 2016

	Share capital \$	Retained earnings \$	Foreign currency revaluation reserve \$	Total equity \$
At 1 January 2016	273,334	3,470,487	(145,882)	3,597,939
<b>Comprehensive income for the year</b>				
Profit for the year	-	331,020	-	331,020
Other comprehensive income for the year	-	-	(112,006)	(112,006)
Total comprehensive income for the year	273,334	3,801,507	(257,888)	3,816,953
Dividends payable during the year	-	(2,707,310)	-	(2,707,310)
<b>At 31 December 2016</b>	<b>273,334</b>	<b>1,094,197</b>	<b>(257,888)</b>	<b>1,109,643</b>

### Company statement of changes in equity As at 31 December 2017

	Share capital \$	Retained earnings \$	Foreign currency revaluation reserve \$	Total equity \$
At 1 January 2017	273,334	1,094,197	(257,888)	1,109,643
<b>Comprehensive income for the year</b>				
Profit for the year	-	1,167,377	-	1,167,377
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	273,334	2,261,574	(257,888)	2,277,020
Dividends payable during the year	-	-	-	-
<b>At 31 December 2017</b>	<b>273,334</b>	<b>2,261,574</b>	<b>(257,888)</b>	<b>2,277,020</b>

The notes on pages 12 to 21 form part of these financial statements.

## Dymon Asia Holdings (UK) Limited

### Consolidated statement of cash flows For the year ended 31 December 2017

	2017 \$	2016 \$
<b>Cash flows from operating activities</b>		
Profit for the financial year	6,595,269	2,129,488
<b>Adjustments for:</b>		
Depreciation of tangibles	237,748	103,340
Taxation	357,115	22,310
Decrease in debtors	70,410	64,438
(Increase)/decrease in amounts owed by the group undertakings	(9,016,188)	4,985,953
(Increase)/decrease in creditors	398,575	(272,676)
Foreign exchange translation	-	43,132
Tax paid	-	(928,062)
Foreign exchange gain on taxation	(17,317)	-
<b>Net cash (used in)/generated from operating activities</b>	<b>(1,374,388)</b>	<b>6,147,923</b>
<b>Cash flows used in investing activities</b>		
Purchase of tangible fixed assets	-	(382,012)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(382,012)</b>
<b>Cash flows used in financing activities</b>		
Dividends paid to owners of the parent	-	(2,707,310)
Capital repaid to non-controlling interest	(16,867)	-
Amounts distributed to non-controlling interests	(1,641,667)	(4,529,539)
<b>Net cash used in financing activities</b>	<b>(1,658,534)</b>	<b>(7,236,849)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,032,922)</b>	<b>(1,470,938)</b>
Cash and cash equivalents at beginning of year	4,270,444	5,741,382
<b>Cash and cash equivalents at the end of year</b>	<b>1,237,522</b>	<b>4,270,444</b>

The notes on pages 12 to 21 form part of these financial statements.

---

## Dymon Asia Holdings (UK) Limited

---

### Notes to the financial statements For the year ended 31 December 2017

---

#### 1. General information

Dymon Asia Holdings (UK) Limited is a limited company incorporated in the United Kingdom. The address of the company's registered office is 4<sup>th</sup> Floor, Reading Bridge House, George Street, Reading, RG1 8LS.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, and the requirements of the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It requires management to exercise judgement in applying the group's and the company's accounting policies (note 3).

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its subsidiaries ("the group") as if they formed a single entity. Intercompany transactions and balances between group companies are eliminated on consolidation.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

##### 2.3 Going concern

The group and the company have adequate financial resources and as a consequence, the directors believe that the group and the company are well placed to manage their business risks successfully.

The directors have a reasonable expectation that the group and company have adequate resources to continue in operational existence and meet their liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the directors' report and financial statements.

##### 2.4 Revenue

Revenue is recognised on an accruals basis to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue represents fees receivable for investment advisory services provided to Dymon Asia Capital (Singapore) Pte Ltd, a related entity registered in Singapore.

##### 2.5 Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment. Any impairment during the year is recognised in the statement of comprehensive income.

---

## Dymon Asia Holdings (UK) Limited

---

### Notes to the financial statements For the year ended 31 December 2017

---

#### 2. Accounting policies (continued)

##### 2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to statement of comprehensive income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Leasehold improvements	-	term of the lease ending January 2019
Fixtures and fittings	-	5 years straight line
Computer and office equipment	-	4 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

##### 2.7 Administrative and operating leases

All administrative expenses of the group are recognised on an accruals basis.

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight line accruals basis over the period of the lease.

##### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

##### 2.9 Debtors

Trade receivables are measured at fair value on initial recognition which equates to the amount expected to be receivable on settlement of the asset. Assets are assessed for impairment with any impairment being recognised in the Statement of Comprehensive Income.

##### 2.10 Creditors

Trade payables are initially measured at fair value which approximates to the amount expected to be required to settle the obligations on behalf of the LLP.



---

## Dymon Asia Holdings (UK) Limited

---

### Notes to the financial statements For the year ended 31 December 2017

---

#### 2. Accounting policies (continued)

##### 2.11 Pensions

Contributions to a defined contribution scheme are recognised as an expense on an accruals basis in the period in which they are incurred. Any liability, after deducting payments already paid, is included in creditors.

##### 2.12 Foreign currency translation

The company's functional and presentational currency is United States dollars.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

##### 2.13 Taxation

Taxation is recognised as an expense in the statement of comprehensive income, except where a tax charge is attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity, in these circumstances tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the statement of financial position date and any adjustment to tax payable in respect of the previous years.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.14 Minority interests

The proportion of the net assets of the group attributable to minority interests is recognised in the statement of financial position. This balance represents the proportion of the capital introduced by the minority interest along with the aggregate value of any amounts due to or from minority interests and any residual profits to which the minority interests are entitled.

The proportion of the profits of the group allocated to minority interests is recognised in the statement of comprehensive income. Profits are allocated to minority interests by the company's subsidiary undertaking on a discretionary basis. Accordingly, the proportion of the profits allocated to minority interests may differ from the overall proportion of capital held by the minority interest.

---

## Dymon Asia Holdings (UK) Limited

---

### Notes to the financial statements For the year ended 31 December 2017

---

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the group's and the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of revision and future years, if the revision affects both current and future years.

##### 3.1 Critical judgements in applying the group's and the company's accounting policies

The critical judgements that the directors have made in the process of applying the group's and the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

##### *Consolidation and treatment of minority interests*

Recognition of proportion of profits and net assets attributable to minority interests.

##### 3.2 Key sources of estimation uncertainty

The directors' estimates are based on the evidence available at the time, including historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such estimates, the actual results and outcomes may differ. Estimates are reviewed on an on-going basis and revisions to accounting estimates are recognised in the year in which the estimate is revised.

The directors are not aware of any significant sources of estimation uncertainty in the preparation of the financial statements.

#### 4. Analysis of turnover

Turnover represents advisory fees derived from a single customer domiciled in Singapore arising from continuing activities in the United Kingdom.

---

## Dymon Asia Holdings (UK) Limited

---

### Notes to the financial statements For the year ended 31 December 2017

---

#### 5. Operating profit

The operating profit of the group is stated after charging/(crediting):

	2017 \$	2016 \$
Depreciation of tangible fixed assets	237,748	103,340
Fees payable to the group's auditors for the audit of the company's annual accounts	9,798	10,289
Fees payable to the group's auditors for the audit of the subsidiary's annual accounts	21,815	21,734
Operating lease rentals:		
- Office space	86,484	60,827
Foreign exchange differences	(46,664)	296,003

The auditor did not receive any remuneration in respect of any non-audit services during the year (2016: \$nil).

#### 6. Employees

Staff costs were as follows:

	2017 \$	2016 \$
Wages and salaries	1,625,553	1,461,778
Social security costs	213,957	194,536
Pensions	1,031	-
	<u>1,840,541</u>	<u>1,656,314</u>

Key management personnel comprise the directors of the company only. Total compensation paid to key management personnel is therefore disclosed in note 7.

The average monthly number of employees of the group, including the directors, during the year was as follows:

	2017 No.	2016 No.
Investment Advisory	4	5
Management	<u>2</u>	<u>2</u>
	<u>6</u>	<u>7</u>

#### 7. Directors' remuneration

During the year, no directors received any remuneration (2016: \$nil) in respect of services provided to the company.

The remuneration of the directors of the company is borne by the company's related undertaking and has not been recharged to the company. The costs associated with the services that the directors provide to the company are considered to represent a small proportion of the overall responsibilities performed by these directors on behalf of the wider group and, accordingly, it is not considered feasible to allocate a proportion of each director's overall remuneration to the company.

---

## Dymon Asia Holdings (UK) Limited

---

### Notes to the financial statements For the year ended 31 December 2017

---

#### 8. Taxation

	2017 \$	2016 \$
<b>Current tax</b>		
<b>UK corporation tax at 19.25% (2016: 20%)</b>		
Current tax on profits for the year	332,995	87,030
Prior year adjustment	(2,111)	-
Foreign exchange adjustment on tax balance	17,091	(64,720)
<b>Total current tax</b>	<b>347,975</b>	<b>22,310</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	9,140	-
<b>Total deferred tax</b>	<b>9,140</b>	<b>-</b>
<b>Taxation on profit on ordinary activities</b>	<b>357,115</b>	<b>22,310</b>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19.25% (2016 -20%). The differences are explained below:

	2017 \$	2016 \$
Profit on ordinary activities before tax	6,952,384	2,151,798
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	1,338,096	430,360
<b>Effects of:</b>		
Expenses not deductible for tax purposes	5,396	3,496
Movement in unrecognised deferred tax	39,349	12,868
Adjustment for minority interests	(1,049,846)	(359,694)
Prior year adjustments	(2,111)	-
Foreign exchange	17,091	(64,720)
Origination and reversal of timing differences	9,140	-
<b>Total tax charge for the year</b>	<b>357,115</b>	<b>22,310</b>

#### Factors that may affect future tax charges

The Government previously announced its intention to reduce the main corporation tax rate to 19% from 1 April 2017 and then to 17% from 1 April 2020. The announced rate reductions to 17% by 1 April 2020 have been substantively enacted by the statement of financial position date and have been reflected above where appropriate.

## Dymon Asia Holdings (UK) Limited

### Notes to the financial statements For the year ended 31 December 2017

#### 9. Company profit for the year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit after tax of the company for the year was \$1,167,377 (2016: \$331,020).

#### 10. Tangible fixed assets

##### Group

	Leasehold improvements \$	Fixtures and fittings \$	Computer and office equipment \$	Total \$
<b>Cost</b>				
At 1 January 2017	433,373	81,336	207,302	722,011
Foreign exchange differences	-	-	-	-
Additions	-	-	-	-
<b>At 31 December 2017</b>	<b>433,373</b>	<b>81,336</b>	<b>207,302</b>	<b>722,011</b>
<b>Depreciation</b>				
At 1 January 2017	81,682	31,084	96,347	209,113
Foreign exchange differences	-	-	-	-
Charge for the period	169,656	16,267	51,825	237,748
<b>At 31 December 2017</b>	<b>251,338</b>	<b>47,351</b>	<b>148,172</b>	<b>446,861</b>
<b>At 31 December 2017</b>	<b>182,035</b>	<b>33,985</b>	<b>59,130</b>	<b>275,150</b>
At 31 December 2016	351,691	50,252	110,955	512,898

#### 11. Fixed asset investments

##### Company

	2017 \$	2016 \$
<b>Cost</b>		
At 1 January	1,076,649	642,939
Additions	12,341	433,710
<b>At 31 December</b>	<b>1,088,990</b>	<b>1,076,649</b>

The investment represents the company's interest in its UK subsidiary undertaking, Dymon Asia Capital (UK) LLP ("the LLP"), in which it holds 90% (2016: 85%) of the voting rights. The nature of the subsidiary's business is the provision of investment advisory services to Dymon Asia Capital (Singapore) Pte Ltd, an entity incorporated in Singapore. The LLP is domiciled in England with registered office and principal place of business being 1<sup>st</sup> Floor Union House, 12-16 St Michaels Street, Oxford, OX1 2DU.

The directors believe that the carrying value of the investment is supported by its underlying assets.

## Dymon Asia Holdings (UK) Limited

### Notes to the financial statements For the year ended 31 December 2017

#### 12. Debtors

	Group 2017 \$	Group 2016 \$	Company 2017 \$	Company 2016 \$
<b>Due after more than one year</b>				
Rent deposit	20,374	18,635	-	-
	<u>20,374</u>	<u>18,635</u>	<u>-</u>	<u>-</u>
<b>Due within one year</b>				
Amounts owed by the LLP	-	-	1,350,994	-
Other debtors	26,746	89,135	437	391
Corporation tax	-	169,032	-	169,032
Amount owed by group undertaking	7,169,840	1	1	1
Prepayments	63,342	73,102	-	-
	<u>7,259,928</u>	<u>331,270</u>	<u>1,351,432</u>	<u>169,424</u>
<b>Total debtors</b>	<u><u>7,280,302</u></u>	<u><u>349,905</u></u>	<u><u>1,351,432</u></u>	<u><u>169,424</u></u>

#### 13. Creditors: Amounts falling due within one year

	Group 2017 \$	Group 2016 \$	Company 2017 \$	Company 2016 \$
Trade creditors	6,191	48,089	-	-
Amounts owed to group undertakings	-	1,846,349	-	126,539
Corporation tax	161,626	-	161,626	-
Deferred tax	9,140	-	9,140	-
Other creditors	331	-	-	-
Accruals and deferred income	1,273,948	833,806	15,112	15,612
	<u><u>1,451,236</u></u>	<u><u>2,728,244</u></u>	<u><u>185,878</u></u>	<u><u>142,151</u></u>

#### 14. Deferred tax

Group and Company	2017 \$
Opening balance	-
Movement in the year	<u>9,140</u>
Closing balance	<u><u>9,140</u></u>

The deferred tax liability arises on the treatment of capital allowances.

---

## Dymon Asia Holdings (UK) Limited

---

### Notes to the financial statements For the year ended 31 December 2017

---

#### 15. Share capital

	2017 \$	2016 \$
<b>Allotted, called up and fully paid</b>		
161,001 (2016: 161,001) - ordinary shares of £1 each	<u>273,334</u>	<u>273,334</u>

#### 16. Foreign currency translation reserve

The foreign currency reserve arose on the retranslation of the group's assets and liabilities following the change in the presentation and functional currency.

	Group 2017 \$	Group 2016 \$	Company 2017 \$	Company 2016 \$
At 1 January	(285,062)	(324,850)	(257,888)	(145,882)
Exchange differences on retranslation	-	39,788	-	(112,006)
<b>At 31 December</b>	<u>(285,062)</u>	<u>(285,062)</u>	<u>(257,888)</u>	<u>(257,888)</u>

#### 17. Commitments under operating leases

At 31 December 2017 the group had minimum future total commitments under non-cancellable operating leases as follows:

	2017 \$	2016 \$
Not later than 1 year	89,051	95,408
More than 1 year and not later than 5 years	-	95,408
	<u>89,051</u>	<u>190,816</u>

#### 18. Related party transactions

During the year, the group charged investment advisory fees of \$10,587,886 (2016: \$5,879,688) to a related entity, Dymon Asia Capital (Singapore) Pte Ltd, an entity registered in Singapore and under common control. In addition, during the year, Dymon Asia Capital (Singapore) Pte Ltd charged the group a service fee amounting to \$649,602 (2016: \$611,529). As at 31 December 2017, a net amount of \$7,169,840 (2016: payable \$1,846,349) was receivable from Dymon Asia Capital (Singapore) Pte Ltd.

#### 19. Key management personnel

The directors have the authority and responsibility for planning, directing and controlling the activities of the group and the company and are considered to be the company's only key management personnel. Total remuneration in respect of these individuals is disclosed in Note 7.

---

## **Dymon Asia Holdings (UK) Limited**

---

### **Notes to the financial statements For the year ended 31 December 2017**

---

#### **20. Ultimate parent undertaking and controlling party**

The company's parent and ultimate controlling entity is Dymon Asia Capital Ltd, a limited company registered in the Cayman Islands. The address of the parent company is Walker House, 87 Mary Street, George Town, Grand Cayman, KY1-9002, Cayman Islands.

The largest and smallest group of undertakings for which consolidated accounts have been drawn up which include the company is headed by Dymon Asia Capital Ltd.