

Urgula Platinum Limited

Directors' report and audited financial statements

For the financial year ended 31 December 2015

Registered number 9017525



Urgula Platinum Limited

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Directors and other information

Directors	Lelia O’Hea Tamara Ioshpa David Greene Evgenii Zhukov (alternate director)
Registered office	11 Old Jewry 7 th Floor London EC2R 8DU United Kingdom
Company secretary	Intertrust Management Ireland Limited 3rd Floor Europa House Harcourt Centre Harcourt Street Dublin 2 Ireland
Administrator	Intertrust Management Ireland Limited 3rd Floor Europa House Harcourt Centre Harcourt Street Dublin 2 Ireland
Independent auditor	JPA Brenson Lawlor Chartered Accountants and Statutory Audit Firm JPA Brenson Lawlor House Argyle Square Morehampton Road Dublin 4 Ireland
Bankers	PJSC Promsvyazbank, Cyprus Branch Arch. Makarios III Avenue 224 Limassol Cyprus
Solicitors	Arthur Cox Earlsfort Centre Earlsfort Terrace Dublin 2 Ireland Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom North Star Law Ltd St. James House 13 Kensington Square London W8 5HD United Kingdom

Directors' report

The directors present their report and audited financial statements of Urgula Platinum Limited (the "Company") for the financial year ended 31 December 2015. The Company's financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Principal activities and business review

The principal activity of the Company is to hold investments.

At the financial year end the Company held 49.9975% of the share capital of Promsvayaz Capital B.V., a company incorporated in the Netherlands. The shares in Promsvayaz Capital B.V., were purchased for consideration of RUB 31,113,500,000, which remains payable at the financial year end.

On 31 July 2015 the Company contributed RUB 2,379,909,000 to Promsvyaz Capital B.V.. This contribution was treated as a capital contribution without any additional shares being contributed to the Company and without any obligation of Promsvyaz Capital B.V. to repay such amount to the Company.

The Company made a further capital contribution to Promsvyaz Capital B.V. on 21 August 2015 totalling RUB 1,700,000,000 without any additional shares being contributed to the Company and without any obligation of Promsvyaz Capital B.V. to repay such amount to the Company.

The Company is incorporated in the United Kingdom, with a registered branch in Ireland. The activities of the Company reside in the Irish branch. The Irish branch employed one person as branch manager during the period.

Change of director, company secretary and registered office

Evgenii Zhukov (Russian resident) was appointed an alternate to Tamara Ioshpa on 1 September 2015.

There has been no further changes in directors and no changes in the secretary or registered office during the financial year and/or since the financial year end.

Directors and secretary and their interests

The directors and secretary who held office at 31 December 2015 had no direct or beneficial interest in the share capital of the Company or any group company at any time during the financial year.

Statement of directors' responsibilities

The directors are responsible for preparing 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 prepared 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 (FRS 102).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in preparation of financial statements;

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2006 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Director's report (continued)

Results and dividends for the financial year

The results for the financial year are set out on page 6. During the financial period, the Company made a loss after tax of RUB 153,244,858. The directors do not recommend the payment of a dividend for the financial period under review.

Future development

The directors have no plans to change the activities and operations of the Company in the foreseeable future.

Financial risk management

The financial risk management policies of the Company and the associated credit, market, operational and liquidity risks are discussed in detail in note 15 to the financial statements.

Disclosure of information to auditors

The directors have taken all the steps that they should have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

As far as the directors are aware; there is no relevant audit information of which the Company's auditor is unaware.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Political donations and political expenditure

Company law requires companies to make disclosures of all political donations in excess of GBP 2,000 in aggregate made during the financial period. The directors, on enquiry, have satisfied themselves there were no such political donations made by the Company during the financial period.


Subsequent events

Subsequent events are disclosed in note 18.

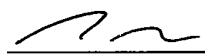
Independent auditor

JPA Brenson Lawlor, Chartered Accountants were appointed as independent auditors of the Company during the financial year and have expressed their willingness to continue in the office as auditor.

By order of the board:



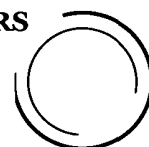
Lelia O'Hea
Director



David Greene
Director

Date: 26th September 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF URGULA PLATINUM LIMITED



jpa brendon lawlor
chartered accountants

Report on the financial statements

Our Opinion

In our opinion, Urgula Platinum Limited's financial statements (the "financial statements"):

- Give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss and cash flows for the year ended 31 December 2015 (the "year");
- 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.

What we have audited

The financial statements, included within the annual report, comprise:

- The statement of comprehensive income for the year;
- The statement of financial position as at 31 December 2015;
- The statement of changes in equity for the year;
- The statement of cash flows for the year;
- The notes to the financial statements.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of the accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit; or
- Adequate accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
OF URGULA PLATINUM LIMITED – continued**

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of:

- Whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- The reasonableness of significant accounting estimates made by the directors; and
- The overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Director's Report and Audited Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

IAN LAWLOR

Ian Lawlor (Senior Statutory Auditor)
For and on behalf of JPA Brenson Lawlor
Chartered Accountants
& Registered Auditors
26 September 2016

Statement of comprehensive income
For the financial year ended 31 December 2015

	Note	2015 RUB	2014 RUB
Finance costs			
Loan interest	5	(142,210,305)	(1,676)
Operating expenses			
Administration expenses	6	(11,034,553)	(7,894,010)
Loss on ordinary activities before taxation		(153,244,858)	(7,895,686)
Tax on loss on ordinary activities	8	-	-
Loss for the financial year		(153,244,858)	(7,895,686)

All items dealt in arriving at the loss for the financial year ended 31 December 2015 related to continuing operations.

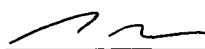
The Company has no recognised gains or losses in the financial year other than those dealt with in the statement of comprehensive income.

The accompanying notes on pages 10 to 16 form an integral part of these financial statements.

On behalf of the board:



Lelia O'Hea
Director



David Greene
Director

Date: 26th September 2016

Statement of financial position
As at 31 December 2015

	Note	2015 RUB	2014 RUB
Assets			
Investment	9	35,193,409,000	31,113,500,000
Cash at bank	10	2,393,934	799,910
Other receivables		-	87
Total assets		35,195,802,934	31,114,299,997
Liabilities			
Payables	11	(2,027,682)	(3,231,997)
Loans payable	12	(4,098,232,980)	(5,461,949)
Interest payable	5	(142,212,260)	(1,676)
Payable to Peters International Investment Holding B.V.	13	(31,113,500,000)	(31,113,500,000)
Total liabilities		(35,355,972,922)	(31,122,195,622)
Net liabilities		(160,169,988)	(7,895,625)
Capital and reserves			
Called up share capital presented as equity	14	970,556	61
Retained earnings		(161,140,544)	(7,895,686)
		(160,169,988)	(7,895,625)

The accompanying notes on pages 10 to 16 form an integral part of these financial statements.

On behalf of the board:


Lelia O'Hea
 Director


David Greene
 Director

Date: 26th September 2016

Statement of changes in equity
For the financial year ended 31 December 2015

	Share capital RUB	Retained earnings RUB	Total RUB
Balance at 1 January 2015	61	(7,895,686)	(7,895,625)
Issue of share capital	970,495	-	970,495
Loss for financial period	-	(153,244,858)	(153,244,858)
Balance as at 31 December 2015	970,556	(161,140,544)	(160,169,988)
Balance as at 29 April 2014	-	-	-
Issue of share capital	61	-	61
Loss for the period	-	(7,895,686)	(7,895,686)
Balance as at 31 December 2014	61	(7,895,686)	(7,895,625)

The accompanying notes on pages 10 to 16 form an integral part of these financial statements.

Statement of cash flows
as at 31 December 2015

	2015 RUB	2014 RUB
Cash flows from operating activities		
Loss for the period	(153,244,858)	(7,895,686)
<i>Adjustments for</i>		
Interest payable	142,210,584	1,676
(Decrease)/increase in creditors and accrued expenses	(1,204,315)	3,231,997
Decrease/(increase) in other receivables	87	(87)
Net cash flows used in operating activities	(12,238,502)	(4,662,100)
Cash flows from investing activities		
Acquisition of shares in subsidiary	(4,079,909,000)	-
Net cash flows from investing activities	(4,079,909,000)	-
Cash flows from financing activities		
Proceeds from borrowings	4,092,771,031	5,461,949
Proceeds from issue of share capital	970,495	61
Net cash flows from financing activities	4,093,741,526	5,462,010
Net increase in cash and cash equivalents during the year	1,594,024	799,910

The initial shares in Promsvayaz Capital B.V. were purchased for consideration of RUB 31,113,500,000. This amount remains payable to Peters International Investment Holding B.V. at the financial year end.

Notes to the financial statements
For the financial year ended 31 December 2015

1. General information

Urgula Platinum Limited was incorporated and registered in the United Kingdom with limited liability, under the Companies Acts 2006, on 29 April 2014 with registration number 9017525.

The principal activity of the Company is to hold investments.

At the financial year end the Company held 49.9975% of the share capital of Promsvayaz Capital B.V., a company incorporated in the Netherlands.

These annual accounts include the accounts of the Irish branch.

2. Basis of preparation

The Company financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The entity financial statements have been prepared under the historical cost convention.

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has not taken advantage of any available exemption for qualifying entities.

3. Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised and in any future financial periods affected.

4. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the financial year presented.

(a) Going concern

The Company has acquired a letter from its shareholder stating that he will assist the Company in meeting its liabilities as and when they fall due in respect of the relevant loan agreements.

On this basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

(b) Investments in joint venture entities

The investment in joint venture is accounted for at cost less any accumulated impairment losses.

Any distributions received from the investment are to be recognised as income without regard to whether the distributions are from accumulated profits of the jointly controlled entity arising before or after the date of acquisition.

(c) Functional and presentation currency

These financial statements are presented in Russian Roubles ("RUB") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The directors of the Company believe that RUB most faithfully represents the economic effects of the underlying transactions, events and conditions.

(d) Foreign currency transactions

Transactions in foreign currencies are translated to RUB at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to RUB at the exchange rate ruling at the reporting date. Foreign currency differences arising on translation are recognised as profit or loss in the statement of comprehensive income.

(e) Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If payments received from customers exceed the income recognised, then the difference is presented as deferred income.

Notes to the financial statements
For the financial year ended 31 December 2015 (continued)

4. Summary of significant accounting policies (continued)

(e) Non-derivative financial instruments (continued)

A provision for impairment of trade and other receivables is recognised when there is objective evidence the Company will not be able to collect all amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks which are subject to insignificant risk of changes in their fair value.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable debt issue costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

Debt issue costs incurred are capitalised and netted against the related borrowings and are amortised to the statement of comprehensive income as a component of net finance costs as part of the effective interest rate of the associated borrowings.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

(f) Share capital

Share capital is issued in GBP. Dividends are recognised as liabilities in the financial period in which they are approved. No dividends were approved during the period.

(g) Taxation

Tax on the profit or loss for the financial period comprises current and deferred tax. Tax is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial period, using tax rates enacted or substantively enacted at the statement of financial position reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

5. Loan interest

During the period, the Company incurred the following financing charges:

	2015	2014
	RUB	RUB
Milesona loan interest	50,955	1,676
Kefina loan interest	142,159,350	-
	<u>142,210,305</u>	<u>1,676</u>

As at 31 December 2015 the amount payable in relation to loan interest was RUB 142,212,260 (2014: RUB 1,676)

Information on the individual loans and the interest rates can be found in note 12.

Notes to the financial statements
For the financial year ended 31 December 2015 (continued)

6. Administrative expenses

The loss on ordinary activities before taxation is stated after charging:

	2015 RUB	2014 RUB
Audit fee	1,337,338	1,891,384
Tax advisory fee	418,984	420,308
Legal fees	304,202	131,762
Wages and salaries	602,783	217,960
Social insurance costs	598,919	302,338
Professional fees	-	108,988
Administration expenses	4,499,276	2,497,857
Bank charges	74,776	11,394
Office rental	829,741	775,724
Other expenses	116,905	67,811
Fx difference	2,251,629	1,468,484
	<u>11,034,553</u>	<u>7,894,010</u>

There are no amounts paid to directors.

Auditors' remuneration for work carried out for the Company in respect of the financial year is as follows:

	2015 EUR	2014 EUR
Audit of statutory accounts (including expenses, excluding Vat)	14,500	21,500
Tax advisory services	<u>3,050</u>	<u>5,000</u>

7. Employees and directors

The Irish branch employed one person as branch manager during the financial year. The Company had no other employees. The directors received no remuneration from the Company in respect of qualifying services rendered during the period.

	2015 RUB	2014 RUB
Staff costs comprise:		
Wages and salaries	602,783	217,960
Social insurance costs	598,919	302,338
	<u>1,201,702</u>	<u>520,298</u>

8. Taxation

	2015 RUB	2014 RUB
(a) Analysis of tax charge for the financial period		
<i>Current tax (credit)/charge</i>		
Current financial year	-	-
<i>Deferred tax charge for the financial period</i>		
Origination and reversal of temporary differences	-	-
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>
(b) Reconciliation of effective tax rate		
Loss on ordinary activities before tax	(153,244,858)	(7,895,686)
Addback		
Non-deductible expenditure	153,244,858	7,895,686
Corporation Tax on ordinary activities at 12.5%	<u>-</u>	<u>-</u>
Total tax charge	<u>-</u>	<u>-</u>

Notes to the financial statements
For the financial year ended 31 December 2015 (continued)

8. Taxation (continued)

The Company is tax-resident in the Republic of Ireland. The Company is taxed at a rate of 12.5%. The Company is not subject to any UK corporation tax on profit or losses encountered during the period.

9. Investment

On 19 June 2014 the Company purchased 50% of the shares in Promsvyaz Capital B.V. for RUB 31,113,500,000 (ten thousand ordinary shares with a nominal value of one euro each).

On 31 July 2015 the Company contributed RUB 2,379,909,000 to Promsvyaz Capital B.V.. This contribution was treated as a capital contribution without any additional shares being contributed to the Company and without any obligation of Promsvyaz Capital B.V. to repay such amount to the Company.

The Company made a further capital contribution to Promsvyaz Capital B.V. on 21 August 2015 totalling RUB 1,700,000,000 without any additional shares being contributed to the Company and without any obligation of Promsvyaz Capital B.V. to repay such amount to the Company.

On 10 November 2015 Promsvyaz Capital B.V. issued one additional ordinary share at par value of EUR1 which was acquired by a new shareholder. The company's participation in the shares of Promsvyaz Capital B.V. changed to 49.9975%

The principal activity of Promsvyaz Capital B.V. is to act as an intermediate holding and finance company for Promsvyaz Group (hereinafter the "Group").

The "Group" consists of various legal entities formed under the laws of the Russian Federation (the "RF") and other countries. As at 31 December 2015 the principal subsidiaries, which contribute significant share to the Group's total assets and total equity are the public joint-stock company (PAO) "Promsvyazbank" (the "Promsvyazbank") and public joint-stock company (PAO) Bank Vozrozhdenie (the "Vozrozhdenie"), the commercial banks registered in Moscow, Russian Federation (as at 31 December 2014 the Company's main subsidiary was Promsvyazbank).

The activities of Promsvyazbank and Vozrozhdenie (the "Banks") are regulated by the Central Bank of the Russian Federation (the "CBR"). The Bank holds a full (general) banking license from the CBR and is also authorised by the CBR to trade in precious metals.

The Company investment in Promsvyaz Capital B.V. is accounted for as a joint venture. The investment has been recognised at cost and reviewed for impairment. The directors have conducted a review of the activities of the joint-venture and are satisfied that the investment was not impaired at the financial year end. The carrying amount of the investment is RUB 35,193,409,000.

In the opinion of the Directors, the value of shares in Promsvyaz Capital B.V. which are not listed, is not less than its carrying value. Details of the joint-venture undertakings held at 31 December 2015 are as follows:

Name (and nature of business)	Place of incorporation	% held 2015	% held 2014
Promsvyaz Capital B.V.	Netherlands	49.9975	50

The registered office of Promsvyaz Capital B.V. is Prins Bernhardplein 200, Amsterdam, 1097 JB, Netherlands.

Movement in carrying amount of investment

	As at 31-Dec-2015 RUB	As at 31-Dec-2014 RUB
Balance at beginning of year	31,113,500,000	-
Purchase of shares in investee	-	31,113,500,000
Contribution to share premium	4,079,909,000	-
Balance at end of year	35,193,409,000	31,113,500,000

There were no other commitments relating to joint ventures or capital commitments incurred jointly with other joint ventures, or capital commitments relating to the joint venture itself

Notes to the financial statements
For the financial year ended 31 December 2015 (continued)

10. Cash at bank

	2015 RUB	2014 RUB
Cash and cash equivalents	<u>2,393,934</u>	<u>799,910</u>

11. Payables

	2015 RUB	2014 RUB
Intercompany balance with Promsvyaz Capital B.V.	-	292,887
Payables	307,298	298,319
Accrued expenses	<u>1,720,384</u>	<u>2,640,791</u>
	<u>2,027,682</u>	<u>3,231,997</u>

Accrued expenses and payables are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms. Amounts are payable in Euro and Sterling. The exchange rates at period end are RUB79.6972: €1 and RUB107.983: £1

12. Loans

	2015 RUB	2014 RUB
Kefina Industry Limited	4,091,863,580	-
Milesone International Limited	<u>6,369,400</u>	<u>5,461,949</u>
	<u>4,098,232,980</u>	<u>5,461,949</u>

The Company was issued a loan by Milesone International Limited, totalling EUR 79,920 in December 2014 in order to meet its working capital requirements. Interest is calculated on this loan at 0.8% per annum. The loan term is one calendar year, renewable automatically.

On 12 August 2015 Milesone International Limited ("Milesone") and Kefina Industry Limited ("Kefina") entered into a receivables assignment agreement according to which Milesone assigned to Kefina its rights in the receivables under the loan agreement dated December 16, 2014 for the outstanding amount of EUR 80,337 where the amount of EUR 79,920 is the outstanding loan amount and EUR 417 is the amount of interest accrued.

In March 2015 the Company received a loan for EUR 100,000 at an interest rate of 4.0% per annum from Kefina Industry Limited ("Kefina"), a Cypriot company which is owned by the sole shareholder of the Company. In July 2015 the Company received a further RUB 2,379,909,000 from Kefina at an interest rate of 8.80% per annum. The Company received a further loan from Kefina totalling RUB 1,700,000 on 21 August 2015 at an interest rate of 8.80% per annum. A further loan totalling EUR 50,000 at an interest rate of 4% per annum was also received from Kefina in December 2015. All four loans are covered by the letter of support provided by the shareholder to the directors of the Company in September 2015. The term for all four loans is two calendar years and are renewable automatically.

13. Peters International Investment Holding B.V.

	2015 RUB	2014 RUB
Amounts payable to Peters International Investment Holding B.V.	<u>31,113,500,000</u>	<u>31,113,500,000</u>

Amounts payable to Peters International Investment Holding B.V. are unsecured, interest free and are repayable on demand but no later than 19 June 2017.

Notes to the financial statements
For the financial year ended 31 December 2015 (continued)

14. Share capital

	2015 Number of shares	2014 Number of shares
<i>Authorised equity</i>		
1 ordinary share of GBP 1 each	1	1
9,999 ordinary share of GBP 1 each	9,999	-
	10,000	1
	2015 RUB	2014 RUB
<i>Allotted, called up and fully paid equity</i>		
1 ordinary share of GBP 1 each	61	61
9,999 ordinary share of GBP 1 each	970,495	-
	970,556	61

During 2014 the Company issued 1 ordinary share with a par value of GBP 1 at a foreign exchange rate of 61 as at the date of issue.

On 26 February 2015 the Company issued a further 9,999 ordinary shares with a par value of GBP 1 at a foreign exchange rate of 97.0592 as at the date of issue.

	2015 RUB	2014 RUB
Shareholders' funds at start of the year	(7,895,625)	-
Loss for the financial year	(153,244,858)	(7,895,686)
Issue of share capital	970,495	61
Shareholders' funds at end of the financial year	(160,169,988)	(7,895,625)

15. Risk management

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note presents information about the Company's exposure to each of the significant risks and the Company's management of these risks.

Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligation, and arises principally from the companies cash balance. The Company's financial assets are cash and other receivables, which represent the Company's maximum exposure to credit risk. The Company held cash and cash equivalents of RUB 2,393,934 as at 31 December 2015 with PJSC Promsvyazbank, Cyprus Branch which has a Standard & Poor's rating of Ba3.

Market risk

Market risk consists of foreign exchange, interest rate and price risk. The assets and liabilities of the Company are primarily denominated in the functional currency; therefore the foreign exchange risk is minimal. The interest rate on the loans issued to the Company is fixed per the loan agreements so the interest rate risk is minimal. The Company is exposed to price risk as there may be a permanent diminution in the value of the assets purchased.

Liquidity risk

The Company's exposure to liquidity risk is primarily that it may not be able to meet its commitments under the loan facilities agreements payable to Peters International Investment Holding B.V.. This risk is minimised by the existence of the letter of support from the shareholder to provide financial support for the business for the foreseeable future.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risk arises from all the Company's operations. Certain management and administration functions have been outsourced by the Directors of the Company to Intertrust Management Ireland Limited.

Notes to the financial statements**For the financial year ended 31 December 2015 (continued)****16. Related party disclosures**

The Company has identified the following transactions which are required to be disclosed under the terms of FRS102 Section 33, "Related Party Disclosures". A related party is a person or entity that is related to the entity that is preparing its financial statements.

The Company has identified the following related party transactions:

	Related Party	Nature of relationship	Note	31-Dec-2015 RUB	31-Dec-2014 RUB
Investment	Promsvyaz Capital B.V.	Joint Venture	9,13	35,193,409,000	31,113,500,000
Cash	PJSC Promsvyazbank	Under Common Control	10	2,393,934	799,910
Payables	Promsvyaz Capital B.V.	Joint Venture	11	-	292,887
Payables	Peters International Investment Holding B.V.	Under Common Control	11	31,113,500,000	31,113,500,000
Loan	Kefina Industry Limited	Under Common Control	12	4,098,232,980	-
Interest Payable	Kefina Industry Limited	Under Common Control	5	142,212,260	-

The Company has identified several other related parties, including the guarantors as outlined in Note 17. The Company is satisfied that there were no other material related party transactions which would require disclosure. Milesona International Limited's ownership has changed and is not a related party at the date of signing the financial statements.

17. Commitments and contingent liabilities

Agora Investment (Cayman) Limited, an entity under common control of the sole shareholder, obtained a loan from Commerzbank Aktiengesellschaft for an amount of EUR 195,000,000 on 27 February 2012.

On 30 December 2014, the Company entered into an agreement to amend and restate the EUR 195,000,000 facilities agreement dated 27 February 2012 between Agora Investment (Cayman) Limited as borrower and others as guarantors and Commerzbank Aktiengesellschaft as Lender to have act as a guarantor for this facility.

The company, together with Peters International Investment N.V., Promsvyaz Capital B.V., Antracite Investment Limited, Mr. Alexey Nikolayevich Ananiev, Ms. Ananieva Daria Yuryevna, Mr. Dmitry Nikolayevich Ananiev and Ms. Ananyeva Liudmila Nikolayevna are irrevocably and unconditionally jointly and severally liable for this amount, along any unpaid interest, in the event of default. This guarantee has not been called on. There is no fee received by the Company for the provision of this guarantee.

Agora Investment (Cayman) Limited is fully supported by its parent (Peters International Investment N.V.) and the ultimate shareholders in case it is not able to meet its obligations when they fall due.

The Company had no other commitments or contingent liabilities at year end.

18. Subsequent events

On 17 June 2016 the Company and Peters International Investment Holding B.V. signed an additional agreement to Deed of sale, purchase and transfer shares in Promsvyaz Capital B.V. dated 19 June 2014, according to which the Company shall pay for the shares of Promsvyaz Capital B.V. in the amount of RUB 31,113,500,00 no later than 19 June 2017.

On 26 July 2016 the Company approved an additional loan for EUR 500,000 from Kefina Industry Limited ("Kefina"), a Cypriot company which is owned by the sole shareholder of the Company. As of the date of signing the financial statements the Company has received EUR 57,000 under the loan agreement.

At the date of approval of these financial statements, the directors are not aware of any matter or circumstances which has arisen that has significantly affected or may affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial year ended 31 December 2015.

19. Controlling party

The ultimate controlling party is Mr. D. Ananiev.

20. Approval of the financial statements

The board of directors approved the financial statements on 26 September, 2016.