

INDEPENDENT AUDITORS' REPORT
To the Management of JSC MFI IntelExpress

Opinion

We have audited the financial statements of JSC MFI IntelExpress (the "Company") which comprise the statement of financial position as at December 31, 2017 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as at December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for our Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Georgia; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT (Continued)

Auditors' Responsibility 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

Mikheil Abaiadze / Certified Auditor / Partner

Audit firm registration number: SARAS-F-320544

Auditor's registration number: SARAS-A-865011

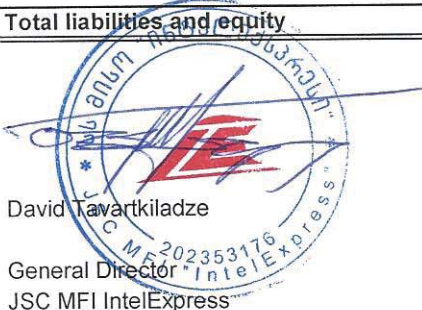
Date: June 14, 2018

Tbilisi, Georgia



STATEMENT OF FINANCIAL POSITION

	Note	31-Dec-17	31-Dec-16
ASSETS			
Cash and cash equivalents	6	14,762,014	11,267,429
Receivables from Money Transfer Companies		19,995,924	11,356,759
Loans to customers	7	6,405,892	6,568,232
Advances paid		182,577	39,361
Tax assets	8	51,642	89,207
Property and equipment	9	2,329,197	2,401,367
Intangibles	10	615,060	559,568
DTA	11	142,522	-
Other assets	12	345,851	654,046
Total assets		44,830,679	32,935,967
LIABILITIES			
Loans and borrowings	13	10,687,437	15,470,638
Payables from Money Transfer Companies		31,501,560	15,982,032
Tax payable	14	522,585	22,163
DTL	11	-	8,971
Other Liabilities		170,266	85,232
Total liabilities		42,881,848	31,569,036
EQUITY			
Share capital	15	1,000,000	1,000,000
Retained earnings		948,831	366,931
Total equity		1,948,831	1,366,931
Total liabilities and equity		44,830,679	32,935,967



David Tavartkiladze
 General Director
 JSC MFI IntelExpress

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Nana Beradze
 Chief Accountant

Date: June 14, 2018

JSC MFI IntelExpress
 Financial Statements
 for the Year Ended December 31, 2017
 Amounts presented in GEL

STATEMENT OF COMPREHENSIVE INCOME

	Note	2017	2016
Interest income		1,970,225	2,003,173
Interest expense		(1,164,175)	(1,497,003)
Net interest income		806,050	506,170
Fee and commission income, NET		3,361,170	3,288,106
Profit on currency trade operations		3,076,254	2,205,863
Other income		68,533	30,396
Income from fines		225,175	287,742
Operating income		7,537,182	6,318,277
Operating and admin expenses	16	(5,382,225)	(4,181,236)
Impairment of PPE		-	(38,600)
Bad debt expense		(81,286)	(288,514)
Impairment of Investment in associates		-	(105,357)
Net foreign exchange gain / (loss)		824,546	(1,098,723)
Change in loan loss reserve		(105,225)	8,713
Profit before income tax		2,792,992	614,560
Income tax	11	(470,362)	(247,629)
Net profit for the year		2,322,630	366,931



David Tavartkiladze

General Director
 JSC MFI IntelExpress

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Nana Beradze

Chief Accountant

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STATEMENT OF CASH FLOWS

Description	2017	2016
Interest and penalties received	2,173,319	2,243,013
Loans recovered	23,606,240	19,744,703
Loans issued	(23,853,836)	(20,000,242)
Expenses paid	(1,935,123)	(1,226,252)
Salaries paid	(2,148,797)	(1,736,444)
Interest paid	(1,085,221)	(1,423,851)
Taxes paid	(921,555)	(942,221)
Difference between inflow and outflow from cash transfers and other	13,871,632	7,656,495
Cash Flow from operating Activities	9,706,659	4,315,200
Interest received on bank deposits	30,762	13,144
Acquisition of fixed assets	(126,924)	(127,015)
Payments for other capitalized intangible assets	(119,660)	(212,500)
Cash flow from investing activities	(215,822)	(326,370)
Loans received	19,920,735	10,890,442
Loans covered	(24,444,332)	(8,151,612)
Dividends paid	(1,662,438)	(259,043)
Cash Flow from financing Activities	(6,186,035)	2,479,788
Effects of ex. rate changes on cash and cash equivalents	189,783	426,717
Net increase / (decrease) in cash and cash equivalents	3,304,802	6,468,618
Cash and cash equivalents at the beginning	11,267,429	4,372,094
Cash and cash equivalents at the end of the reporting period	14,762,014	11,267,429



Date: June 14, 2018

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Nana Beradze

Chief Accountant