



Общество с ограниченной ответственностью

Аудитфинансервис

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Account No. 3012128360001 in OJSC «Technobank» code 182, 44 Kropotkina St., Minsk
The certificate of state registration is registered by the decision of Minsk Executive Committee dated 07.09.2010.

AUDIT REPORT on accounting (financial) statements of the SkyWay Technologies Co. for the period from 01.01.2015 to 31.12.2015

Minsk

To: General director-General designer of SkyWay Technologies Co. A.Yunitsky

Audited entity: SkyWay Technologies Co.

Registered address: 104 Block B, Dzerzhinskogo Ave, office 703B, Minsk, Republic of Belarus

Information about state registration: Certificate of State registration of a legal entity in the Uniform State Register No. 192425076 dated 12.02.2015.

Tax Payer identification number 192425076

Audit organization: limited liability company "Auditfinanservice"

Registered address: 11/7 Komsomolskaya Str., office 18B, 220030, Minsk 30, Republic of Belarus

Information about state registration: registered in the Uniform State Register of the Republic of Belarus at No. 191318798. Certificate of state registration dated 07.09.2010 r.

We have audited the attached accounting (financial) statements of the SkyWay Technologies Co., consisting of:

- accounting balance sheet;
- report on profits and losses
- report of changes in equity;
- report on movement of funds;
- notes to the accounting (financial) statements.

The management of SkyWay Technologies Co. bears responsibility for the preparation and presentation of accounting (financial) statements in accordance with the legislation of the Republic of Belarus on accounting records and reporting. This responsibility extends to developing, implementing and maintaining the proper functioning of the internal control system, which shall ensure the preparation of consistent accounting (financial) statements, not containing material misstatements resulting from errors or fraud; selection and application of appropriate accounting policies and reasonable estimates.

We bear responsibility for voicing our opinion about the reliability of the accounting (financial) statements and compliance of financial (business) transactions performed by SkyWay Technologies Co. with the legislation, based on the results of this audit.

We have conducted this audit in accordance with the requirements of the national rules of auditing activity. These rules oblige us to comply with professional ethics, plan and execute the audit in such a way as to provide reasonable assurance regarding the presence or absence of material misstatements in the accounting (financial) statements.

In the course of the audit we performed audit procedures to obtain audit evidence confirming the values and disclosure of information in the accounting (financial) statements. The selection of audit procedures was carried out on the basis of professional judgment based on an assessment of risks of material misstatement of the accounting (financial) reporting as a result of errors or fraud. When assessing the risk of material misstatement of the accounting (financial) statements, we reviewed the internal control system of SkyWay Technologies Co. for the purpose of planning further audit procedures depending on assessed risks, but not to express an opinion on the effectiveness of the functioning of this system.

The audit also included the assessment of the legality of accounting policies used, the relevance of accounting estimates and overall presentation of the accounting (financial) statements.

We believe that in the course of the audit we have obtained sufficient and appropriate audit evidence, which can be a basis for our audit opinion.

However, we have not observed the inventory check of material assets since the date of its implementation preceded the date of conclusion of the contract for rendering auditing services. Therefore, we have performed alternative audit procedures, the results of which are set out in the written information by the results of the audit.

In our opinion, the accounting (financial) statements of the SkyWay Technologies Co. formed in accordance with the requirements of the legislation of the Republic of Belarus on accounting records and reporting, reflects reliably in all significant aspects the financial position of the SkyWay Technologies Co. as on 31 December 2015, as well as financial performance results and changes in financial position of SkyWay Technologies Co. for the year finished on the above date, in accordance with the legislation provisions of the Republic of Belarus.

Director of "Auditfinanservice Ltd."

A.Sazonov

The auditor, who led or conducted the audit:

L.Korykhalova

Auditor

Signature

Stamp

April 17, 2016

ACCOUNTING BALANCE SHEET
as on January 1, 2016

Organization	SkyWay Technologies Co.
Tax Payer identification number	192425076
Type of economic activity	74201
Legal form	Closed joint stock company
Agency of administration	
Unit of measurement	Million rubles
Address	104-703B, Dzerzhinskogo Ave., 220116 Minsk

Approval date	
Mailing date	
Receipt date	

Assets	Line code	On 31.12.2015 31.12.2015	On 31 December 2014
1	2	3	4
I. LONG-TERM ASSETS			
Tangible assets	110	981	-
Intangible assets	120	1 169	-
Income yielding investments in tangible assets	130	-	-
including:			
investment properties	131		
items of financial rent (leasing)	132	-	-
other income yielding investments in tangible assets	133	-	-
Investments in long-term assets	140	36 959	-
Long-term financial investments	150	-	-
Deferred tax assets	160	-	-
Non-current loan receivable	170	-	-
Other long-term assets	180	-	-
TOTAL for section I	190	39 109	-
II. SHORT-TERM ASSETS			
Actual reserves	210	1 963	-
including: materials	211	1 023	
animals in growing and fattening	212	-	-
incomplete production	213	917	-
finished products and goods	214	23	-
goods dispatched	215	-	-
other actual reserves	216	-	-
Long-term assets intended for sale	220	-	-
Prepaid expenses	230	304	-
Value added tax on purchased goods, works, services	240	1 373	
Short-term loan receivable	250	1 223	-
Short-term financial investments	260	-	-
Cash and cash equivalents	270	266	-
Other short-term assets	280	-	-
TOTAL for section II	290	5 129	-
BALANCE	300	44 238	-

Owner's equity and liability	Line code	On 31.12.2015 31.12.2015	On 31 December 2014
1	2	3	4
III. OWNER'S EQUITY			
Registered capital	410	268 000	-
Unpaid part of registered capital	420	(248 307)	-
Owner's shares (stakes in registered capital)	430	-	-
Reserve capital	440	-	-
Additional capital	450	-	-
Retained profits (uncovered loss)	460	(324)	-
Net profit (loss) for accounting period	470	(4 278)	-
Targeted financing	480	-	-
TOTAL for section III	490	15 091	-
IV. LONG-TERM LIABILITIES			
Long-term loans and borrowings	510	23 158	-
Long-term liabilities on leasing payments	520	-	-
Deferred tax liabilities	530	-	-
Income of future periods	540	-	-
Reserves for future payments	550	-	-
Other long-term liabilities	560	-	-
TOTAL for section IV	590	23 158	-
V. SHORT-TERM LIABILITIES			
Short-term loans and borrowings	610	1 836	-
Short-term part of long-term liabilities	620	-	-
Short-term credit debts	630	4 153	-
including:			
to suppliers, contractors, executives	631	724	-
on advances received	632	2 277	-
on taxes and fees	633	105	-
on social security	634	93	-
on payment for labor	635	908	-
on leasing payments по лизинговым платежам	636	-	-
to property owner (company founders, participants)	637	10	-
other creditors	638	36	-
Liabilities intended for sale	640	-	-
Income of future periods	650	-	-
Reserves for future payments	660	-	-
Other short-term liabilities	670	-	-
TOTAL for section V	690	5 989	-
BALANCE	700	44 238	-

Director

*

A. Yunitskiy
(name, surname)

Chief accountant

N. Pinchuk
(name, surname)

March 30, 2016

STATEMENT
on profit and loss
for _____ January - December 31.12.2015

Organization	SkyWay Technologies Co.
Tax Payer identification number	192425076
Type of economic activity	74201
Legal form	Closed joint stock company
Agency of administration	
Unit of measurement	Million rubles
Address	104-703B, Dzerzhinskogo Ave., 220116 Minsk

Description of indications	Line code	For January - December 31.12.2015	For January - December 2014
1	2	3	4
Revenues from sales of products, goods, works, services	010	22 864	-
Net cost of sold products, goods, works, services	020	(14 261)	-
Gross profit (010-020)	030	8 603	-
Management expenses	040	(6 420)	-
Sales expenses	050	-	-
Profit (loss) on sales of products, goods, works, services (030-040-050)	060	2 183	-
Other revenues from current activities	070	58 238	-
Other expenses on current activities	080	(58 628)	-
Profit (loss) on current activities (±060+070-080)	090	1 794	-
Revenues from investment activity	100	2	-
including:			
income from disposal of fixed assets, intangible assets and other long-term assets	101		
revenues from participation in registered capital of other organizations	102		
interest receivable	103	2	-
other revenues from investment activity	104	-	-
Expenses on investment activity	110	(321)	-
including:			
expenses on disposal of fixed assets, intangible assets and other long-term assets	111	(321)	-
other expenses on investment activity	112		-
Revenues from financial activity	120	3 320	-
including:			
foreign exchange differences from conversion of assets and liabilities	121	3 320	-
other revenues from financial activity	122	-	-
Expenses on financial activity	130	(9 055)	-
including:			
interest expenses	131	(708)	-
foreign exchange differences from conversion of assets and liabilities	132	(8 346)	-
other expenses on financial activity	133	(1)	-
Profit (loss) on investment and financial activities (100-110+120-130)	140	(6 054)	-
Profit (loss) imposition of taxes (±090+140)	150	(4 261)	-
Profit tax	160	(17)	-
Change of deferred tax assets	170	-	-
Change of deferred tax liabilities	180	-	-

Other taxes and fees deducted from income	190	-	-
Other payments deducted from income (revenue)	200	-	-
Net profit (loss) ($\pm 150 - 160 = 170 \pm 180 - 190 - 20$)	210	(4 278)	-
Result from revaluation of long-term assets, not included in net profit (loss)	220		
Result from other transactions, not included in net profit (loss)	230		
Total profit (loss) ($\pm 210 \pm 220 \pm 230$)	240	(4 278)	-
Basis profit (loss) per share	250	-	-
Diluted profit (loss) per share	260	-	-

Director

A. Yunitskiy
(Name, surname)

Chief accountant

N. Pinchuk
(Name, surname)

March 30, 2016