

**Independent Auditors' Report to the Cyprus Securities and Exchange Commission in respect of Stone Edge Capital Limited for the year ended 31 December 2017 pursuant to 32(1) of Directive 144-2014-14 of the Cyprus Securities and Exchange Commission for the prudential supervision of investment firms**

1. We report in relation to the fair presentation of the disclosures of Stone Edge Capital Limited (the "Company") for the year ended 31 December 2017, required by paragraph 32(1) of Directive 144-2014-14 of the Cyprus Securities and Exchange Commission (the "CySEC") for the prudential supervision of Investment Firms (the "Directive"). The Disclosures are set out on the Company's website.

**Respective responsibilities**

2. The Company's Board of Directors is responsible for the preparation and fair presentation of the Disclosures in accordance with Part Eight of Regulation (EU) No 575/2013 (the "Regulation"). Our responsibility is to express an independent conclusion in relation to the fair presentation of the Disclosures, in all material respects, in accordance with the requirements of the Regulation.

**Scope of work performed**

3. We conducted our work in accordance with International Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This Standard requires that we plan and perform our work to obtain limited assurance whether any matters have come to our attention that cause us to believe that the Disclosures are not fairly presented, in all material respects, in accordance with the requirements of the Regulation. Our procedures included verifying, on a sample basis, the compliance of the Disclosures with the requirements of Part Eight of the Regulation, as well as obtaining evidence supporting certain of the amounts and notifications included in the Disclosures. Our procedures also included an assessment of any significant estimates made by the Company's Board of Directors in the preparation of the Disclosures. We believe that our procedures provide a reasonable basis for our conclusion.

4. The procedures performed do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, and hence we do not express any assurance other than the statement made below. Had we performed an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

**Limassol office**

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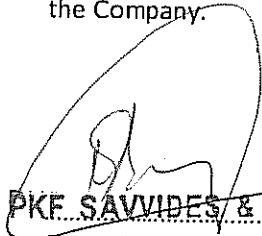
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**The list of directors' names of the firm is open for inspection at its principal place of business.**

**Conclusion**

5. Based on our work described in this report, nothing has come to our attention that causes us to believe that the Disclosures for the year ended 31 December 2017 are not fairly presented, in all material aspects, in accordance with the requirements of the Regulation.

6. Our report is solely for the purpose as set out above and is not to be used for any other purpose. This report relates only to the Disclosures required pursuant to Part Eight of the Regulation and does not extend to any financial statements or other financial information of the Company.



**PKF SAVVIDES & CO LIMITED**  
for and on behalf of  
PKF Savvides & Co Limited  
14 May 2017