

Financial Statements

Jalopy Limited

September 30, 2017

Statement of account for the period from 1 January to 30 September 2017

Jalopy Limited

Financial Statements

September 30, 2017

Interim statement of account for the period from 1 January to 30 September 2017

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Statement of Financial Position - Assets (Expressed in GBP)

September 30, 2017

Interim statement of account for the period from 1 January to 30 September 2017

ASSETS			
500	Cash in hand - (GBP)		2.00
1000	Barclays Bank Plc - 59394822 EUR		
		EUR 57'872.05	53'441.73
1010	Barclays Bank Plc - 73244113 GBP		24.13
1040	Deposit - rent		
		EUR 3'600.00	3'324.41
1041	Banca Stato - CHF		
		CHF 10'192.87	8'256.01
1042	Banca Stato - EUR		
		CHF 7'664.75	6'208.29
1080	HMRC		523.42
1081	Branch VAT credit		
		CHF 166.20	134.62
1600	Stock of Cars		1'620'290.21
1601	Capitalised refurbishing costs		271'314.98
1680	Branch stock of cars		
		CHF 277'772.65	224'990.00
TOTAL ASSETS			2'188'509.80

Statement of Financial Position – Liabilities and Equity (Expressed in GBP)

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LIABILITIES			
2000	Shareholders loan		2'334'390.58
2010	AIF Management Ltd		15.60
2011	AIF Management Ltd		
		EUR 7'668.00	7'080.99
2028	RPM Logistics System SA		
		EUR 776.00	716.59
2029	Racing Car SA		
		CHF 17'646.51	14'293.30
2030	Branch suppliers - True web		
		CHF 1'760.00	1'425.56
2095	Branch Debts for taxes		
		CHF 54.00	43.74
2100	Called up Share Capital		2.00
2110	Profits or Losses Bought Forward		-122'989.42
2300	Accrued expenses		700.00
Loss			-47'169.14
TOTAL LIABILITIES			2'188'509.80

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Statement of comprehensive income (Expressed in GBP)

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EXPENSES

3099	Secretarial services	5'687.55
3100	Administrative costs	163.95
3101	Administrative costs - Branch	3'227.77
3105	Annual Fees	5'500.00
3110	Consulting	16'728.00
3111	Car costs	13'968.84
3111.B	Car costs Branch	1'800.34
3120	Rent	7'682.10
3121	Insurance	427.15
3324	Other Branch Costs	283.49
3400	Bank charges	442.03
3401	Bank charges - Branch	252.88
3601	Loss on exchange - Branch	5'761.72
TOTAL EXPENSES		61'925.82

REVENUES

4300	Profit on exchange	14'756.68
TOTAL REVENUES		14'756.68
Loss		-47'169.14

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1. GENERAL INFORMATION AND NATURE OF OPERATIONS

Jalopy Limited (“the Company”) was incorporated on 1st April 2015 as an Private Limited Company under the laws of United Kingdom and Wales, pursuant to the Companies Acts 1985 to 2006.

2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and are expressed in Euro (“GBP”), the Company’s functional currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Presentation of financial statements

The financial statements are presented in accordance with IAS 1, *Presentation of Financial Statements* (Revised 2007). The Company has elected to present the “Statement of Comprehensive Operations” in one statement.

Management’s use of judgments and estimates

The Company uses accounting estimates and assumptions in the preparation of the financial statements. Although these estimates are based on management’s best knowledge of current events and transactions, actual results may ultimately differ from those estimates. The effect of any changes in estimates will be recorded in the Company’s financial statements when determinable. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Taxation

Under the current system of taxation in United Kingdom, the profit of the Company is subject to an ordinary corporation tax rate of 20%.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates established by the Inland revenue at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive operations.

Non-monetary items are measured at historical cost and are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

The Company does not isolate that portion of the results of operations resulting from

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changes in foreign exchange rates on financial assets at fair value through profit or loss from the fluctuations arising in the market prices of the instruments. Such fluctuations are included in net realized and unrealized gain or loss on financial asset at fair value through profit or loss.

Cash at bank

Cash at bank comprises of short term deposits with a bank and is not subject to significant risk of changes in value.

Classification and subsequent measurement of financial assets and financial liabilities

Financial assets

Financial assets are divided into the following categories:

- Participation
- loans and receivables;

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant for the way it is subsequently measured and whether any resulting income and expense are recognized in the statement of comprehensive operations or directly in equity.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest rate method, less provision for impairment. Any change in their value is recognized in profit or loss. Discounting, however, is omitted where the effect of discounting is immaterial.

Derecognition of financial assets and financial liabilities

Financial assets

A financial asset or, where applicable, a part of a financial asset or a part of a group of similar financial assets is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of

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the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such as exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive operations.

Fair value measurement hierarchy

This hierarchy groups assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the assets and liabilities. The fair value hierarchy has the following levels:

- Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2016, the Company's net assets Value fall into Level 3.

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

5. CASH AT BANK

Cash at bank consists of the following:

500	Cash in hand - (GBP)		2.00
1000	Barclays Bank Plc - 59394822 EUR	EUR 57'872.05	53'441.73
1010	Barclays Bank Plc - 73244113 GBP		24.13
1040	Deposit - rent	EUR 3'600.00	3'324.41
1041	Banca Stato - CHF	CHF 10'192.87	8'256.01
1042	Banca Stato - EUR	CHF 7'664.75	6'208.29

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6. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The capital of the Company is represented by the net assets attributable to holders of shares. The shares issued by the Company provide an investor with the right to dividends at a value proportionate to the investors' share in the company's share capital.

7. SUBSEQUENT EVENTS

The Company evaluated the impact of all subsequent events through March 2016 which is the date the financial statements are available. There were no adjusting or non-adjusting events that need to be disclosed or reflected in the financial statements.

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Company Fair Value

Valuation assumptions:

- External Valuation of the cars with min and max values (see valuation attached). We will value the cars only using the minimum value;
- Valuation on accrual basis;
- The valuation amount will be reduced by the cash still to spend for each car;
- The “delivery date” and the “cash still to spend” for each car is provided by the external providers;

Here is a summary as of 30 September 2017:

Amounts in EUR

Car	Year	Purchase Date	Purchase Price	TOTAL RESTORING COSTS	RESTORING COSTS TO 30 set 2016	Still to Spend	Min Valuation Price	Max Valuation Price	Delivery Date
Alfa Romeo 6C 2500 S cabriolet	1950	15-Jul-15	250,000	47,588	46,554	1,034	420,000	500,000	30-gen-18
Alfa Romeo 6C 2500 S cabriolet Pininfarina	1946	30-Jul-15	200,000	50,000	39,587	10,413	350,000	500,000	30-apr-18
Alfa Romeo duetto 1600 USA	1966	30-Jul-15	15,000	11,143	11,143	-	30,000	45,000	30-mar-18
Alfa Romeo duetto 1600 USA n°2	1966	30-Jul-15	15,000	11,143	11,143	-	30,000	45,000	30-mar-18
Alfa Romeo Giulia Spider	1964	1-Jul-15	50,000	-	-	-	65,000	80,000	finished
Alfa Romeo Giulietta Sprint I serie del 1957	28-Feb-57	15-Jul-15	70,000	18,451	23,451	5,000	100,000	110,000	30-mar-18
Fiat 1.100 Allemano	30-Apr-49	1-Sep-15	80,000	26,575	26,575	-	140,000	160,000	finished
Alfa romeo Giulietta spider blu	1959	1-Sep-15	35,000	18,250	18,451	201	60,000	80,000	30-mar-18
AR Freccia d'oro	1950	23-Nov-15	120,000	78,358	82,745	4,387	300,000	330,000	15-dic-17
AR Giulietta sprint 1959 (Yanni)	1959	23-Nov-15	60,000	13,000	-	13,000	70,000	75,000	15-gen-18
Fiat-Siata 600 coupè Targa CA 020303	1956	11-Mar-16	35,000	-	-	-	50,000	60,000	finished
MASERATI INDY	2-Mar-70	11-Apr-16	114,000	-	-	-	125,000	140,000	1-feb-18
Lancia Aprilia Cabriolet Pininfarina Targa VA 250	1949	11-Apr-16	206,000	5,000	-	5,000	350,000	400,000	finished
Ferrari 355 GTS	19-Dec-94	11-Apr-16	72,727	-	-	-	95,000	120,000	finished
Ferrari 348 Spider	1-Sep-93	11-Apr-16	95,455	-	-	-	98,000	115,000	finished
Jaguar XK140 Spider	1-Sep-56	11-Apr-16	-	-	-	-	-	-	finished
Fiat 1.100 Pininfarina	1-Apr-05	28-Apr-16	157,934	5,934	-	5,934	170,000	190,000	30-gen-18
Lancia Aprilia Cabriolet Pininfarina T.ga AV412	1937	15-Jun-16	190,000	11,300	3,300	8,000	280,000	350,000	finished
Fiat 1100 B Targa MI238139 Telaio 317642	1949	23-Jul-16	55,000	13,300	4,300	9,000	100,000	130,000	finished
Giulietta Sprint 1959	1959	21-Jun-16	25,000	20,000	-	20,000	70,000	85,000	30-apr-18
MERCEDES 190 2.5 16V EVOLUTION	1989	21-Jun-16	80,000	15,300	5,300	-	130,000	180,000	finished
Giulietta Sprint Special	19-Sep-61	20-Jun-16	150,652	10,000	-	10,000	150,000	170,000	28-feb-18
Mercedes-Benz Pagoda 230 SL	1967	1-Jun-16	49,000	15,000	15,700	700	80,000	115,000	finished
Alfa Romeo 1900 C del 1952	1952	9-Aug-16	170,000	50,000	-	50,000	330,000	400,000	1-mag-18
Fiat 500 Abarth Telaio n° ZFA 3120000015927z	2008	1-Nov-16	45,300	-	-	-	48,000	52,500	finished
Fiat 500 R Telaio - 5206022 - Targa PG254651	3-Jan-75	23-Feb-17	9,346	-	-	-	9,000	12,000	finished
Cart			12,000				12,000	12,000	
UK EUR			57,872						
UK GBP			-						
CH CHF			8,787						
CEUR			7,665						

In order to calculate the current value for each car we will apply the following formula:

Car Valuation = Purchase Price + Revaluation Delta

Revaluation Delta = [(Min Valuation Price – Money still to Spend accrued) – Purchase

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Price] * % of time since the purchased date

Here are the calculations:

Car	Year	Valuation Date	Days so far	Total number of days	%	Delta Revaluation	Money Still to spend	Car Valuation
Alfa Romeo 6C 2500 S cabriolet	1950	30-Sep-17	808	930	86.88%	106,353.65	1,034.00	403,941.65
Alfa Romeo 6C 2500 S cabriolet Pininfarina	1946	30-Sep-17	793	1005	78.91%	78,905.47	10,413.00	328,905.47
Alfa Romeo duetto 1600 USA	1966	30-Sep-17						15,000.00
Alfa Romeo duetto 1600 USA n°2	1966	30-Sep-17						15,000.00
Alfa Romeo Giulia Spider	1964	30-Sep-17						65,000.00
Alfa Romeo Giulietta Sprint I serie del 1957	28-Feb-57	30-Sep-17						65,000.00
Fiat 1.100 Allemano	30-Apr-49	30-Sep-17						140,000.00
Alfa romeo Giulietta spider blu	1959	30-Sep-17						34,799.00
AR Freccia d'oro	1950	30-Sep-17	677	753	89.91%	91,383.31	4,387.00	289,741.31
AR Giulietta sprint 1959 (Yanni)	1959	30-Sep-17	677	784	86.35%	2,590.56	13,000.00	70,409.44
Fiat-Siata 600 coupè Targa CA 020303	1956	30-Sep-17						50,000.00
MASERATI INDY	25629	30-Sep-17						114,000.00
Lancia Aprililia Cabriolet Pininfarina Targa VA 25C	1949	30-Sep-17						350,000.00
Ferrari 355 GTS	19-Dec-94	30-Sep-17						95,000.00
Ferrari 348 Spider	1-Sep-93	30-Sep-17						98,000.00
Jaguar XK140 Spider	1-Sep-56	30-Sep-17						-
Fiat 1.100 Pininfarina	1-Apr-05	30-Sep-17						157,933.50
Lancia Aprililia Cabriolet Pininfarina T.ga AV412S	1937	30-Sep-17						280,000.00
Fiat 1100 B Targa MI238139 Telaio 317642	1949	30-Sep-17						100,000.00
Giulietta Sprint 1959	1959	30-Sep-17	466	678	68.73%	17,182.89	20,000.00	62,182.89
MERCEDES 190 2.5 16V EVOLUTION	1989	30-Sep-17						130,000.00
Giulietta Sprint Special	19-Sep-61	30-Sep-17						150,651.50
Mercedes- Benz Pagoda 230 SL	1967	30-Sep-17						80,000.00
Alfa Romeo 1900 C del 1952	1952	30-Sep-17						170,000.00
Fiat 500 Abarth Telaio n° ZFA 31200000159272	2008	30-Sep-17						48,000.00
Fiat 500 R Telaio - 5206022 - Targa PG254651	3-Jan-75	30-Sep-17						9,345.79
Cart								12,000.00
UK EUR								57,872.05
UK GBP								-
CH CHF								-
CH EUR								8,786.96
FINISHED								7,664.75
NOT STARTED YET								
UNDER WORK								

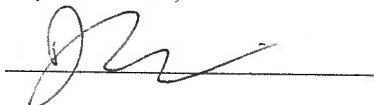
Based on our assumptions the valuation of the company should be equal to Eur 3,409,234.32.

The cash invested in the company as of September 30th 2017 is Eur 3,100,000.

The % increase is equal to 9.98%.

In faith,

September 30, 2017



Director