

Grandwood Systems Limited (in Liquidation) (“Grandwood”)

Trasta Komercebank statements summary

1) Counter party analysis

Listed below at b) is a table detailing 12 counter parties where Grandwood made total payments exceeding USD \$1 million (excluding fees, commissions and foreign exchange payments).

The table in a) below lists 9 counter parties where Grandwood received sums totalling in excess of USD \$1 million.

a) Material sums received by Grandwood Systems Limited

Remitter	Total USD equivalent	Number of credits
CEMWALL LIMITED	\$ 23,358,797	84
PRESTON INVESTMENT LTD	\$ 10,915,000	11
BESEMER CONSULTANTS LTD	\$ 10,555,566	32
BORDEN INTL LTD	\$ 4,477,403	12
SIGMA TRADE LTD	\$ 3,079,000	5
CRYSTAL STONE UNIVERSAL	\$ 2,803,675	5
PINEROOK DEVELOPMENT LTD	\$ 1,978,426	13
CHARET INVESTMENTS LTD	\$ 1,934,675	4
KOCTEK INSAAT SANAYI VE TICARET A.S.	\$ 1,394,790	3
Table total	\$ 60,497, 332	

i) Trasta statement example and supporting narrative

Counterparty - Cemwall Limited, Transaction value: USD \$1.7m:

Transaction date: 14 May 2014

Transaction reference:

Crediting of incoming payments to the account of client (# FT14134072057695) CEMWALL LIMITED THE MISTOKLI DERVI, 5 ELENION BUILDING; G, 2ND FL., NICOSIA, 1066, CY ABLV BANK, AS (SWIFT AIZKLV22XXX) Acc No. LV40AIZK0000010380387 CONTRACT 07/14.GWDS DD 18 APR 2014 ; APPENDIX 1 INVOICE 1-14 DD 18 APR 2014

ii) Example of a coal receipt

Counterparty - Preston Investment Limited, Transaction value: USD \$1.7m:

Transaction date: 8 June 2012

Transaction reference:

201206082551418 Incoming transfer (# ASW74653/080612) PRESTON INVESTMENT LTD., S.A. Ricardo J. Alfaro avenue; Panama, Republic of Panama BALTIC

INTERNATIONAL BANK (SWIFT BLIBLV22XXX) Acc No. LV25BLIB1001014586001 FOR COAL, ACCORDING CONTRACT DD.17.;01.2012, INVOICE N05-12/G DD.31 May 2012

b) Material sums paid by Grandwood Systems Limited

Beneficiary	Total USD equivalent	Number of debits
PINEROOK DEVELOPMENT LTD	\$ 10,935,525	22
WYNDFORD SYSTEM LIMITED	\$ 9,081,554	31
LUWES TRADE LLP	\$ 8,480,811	20
DUNFORD UNIVERSAL LLP	\$ 5,203,625	35
CEMWALL LIMITED	\$ 3,798,355	8
SERGEY MOISEYKIN	\$ 3,247,589	12
BENZECRY HOLDINGS CORP	\$ 2,900,000	2
QUINCORP EXPERTS LTD	\$ 2,482,674	38
CRYSTAL STONE UNIVERSAL	\$ 2,275,102	12
PRESTON INVESTMENT LTD	\$ 1,699,710	1
SILVERDATE SYSTEM LP	\$ 1,149,141	12
SAMPEX GROUP LTD	\$ 1,122,588	17
Table total	\$52,376,674	

i) **Trasta statement example and supporting narrative**

Counterparty – Pinerook Development Limited, Transaction value: USD \$1.62m:

Transaction date: 10 October 2014

Transaction reference:

201410103830008 Book transfer (# 196) PINEROOK DEVELOPMENT LTD Reg. No HE330855 TRASTA KOMERCBANKA, vien.reg.Nr.40003029667 Acc No. LV38 KBRB 1111 2171 0000 1 Payment under the loan agreement N 7/14-D from 25 June 2014

ii) **Example of a PC supplies transaction**

Counterparty – Dunford Universal LLP, Transaction value: USD \$1.2m:

Transaction date: 24 April 2014

Transaction reference:

201404243120018 Book transfer (# 113) DUNFORD UNIVERSAL LLP Reg. No OC379235 TRASTA KOMERCBANKA, vien.reg.Nr.40003029667 Acc No. LV98 KBRB 1111 2155 1200 1 for consumer electrical products (PC Spare Parts) by contract N1114-S01 9 January 2014

iii) **Benzecry Holdings Corporation - Payments Analysis**

- 1) Payment 1 dated 14 May 2014 for USD 1.7 million paid from Grandwood Systems Limited to Benzecry Holdings Corporation with the narrative “For consumer electrical products (PC Spare parts by contract N 14052014 from 14/05/2014”.

On the same day, Grandwood Systems Limited received USD 1.7 million from the Cypriot company Cemwall Limited with the narrative "contract 07/14. GWDS DD 18 April 2014; Appendix 1 Invoice 1-14 DD 18 April 2014".

2) Payment 2 dated 18 July 2014 USD 1.2 million paid from Grandwood Systems Limited to Benzecry Holdings Corporation with the narrative "FOR CONSUMER ELECTRONICAL PRODUCTS (PC SPARE PARTS) B Y CONTRACT# 1/2, inv.#26062014 FROM 26 June 2014".

On the same day, Grandwood Systems Limited received USD 1.2 million from the same Cypriot company Cemwall Limited with the narrative "CONTRACT 07/14.GWDS DD 18 APR 2014 APPENDIX 2 INVOICE 2-14 DD 11 JULY 2014".

2) Example of loan agreements

BESEMER CONSULTANTS LIMITED

Grandwood received five payments totalling USD 2.3 million from Besemer Consultants Limited on 11 September 2015 with the narrative loan agreement BES 25-1 dated 03/09/2015. There is no evidence of repayment to Besemer Consultants Limited on file.

BORIS FADEEV

Between 2012 and 2014 Grandwood received 13 payments totalling USD 682,000 from Boris Fadeev for five different loan agreements. In 2015, Grandwood made two repayments totalling USD 172,000 related to two of the five loans.

PINEROOK DEVELOPMENT LIMITED

In 2014 Grandwood made a loan to the Cypriot company, Pinerook Development Limited ("**Pinerook**"). Between 2014 and 2015 they made 19 payments totalling USD 9.5 million to Pinerook and received 8 payments totalling USD 1.6 million. According to the bank statements there is a possible balance of USD 7.9 million.

In 2015 Grandwood made a loan to Pinerook. In September 2015 they made three payments totalling USD 1.5 million to Pinerook. There was no evidence of any repayments on file.

SERGEY MOISEYKIN

Between October 2014 and October 2015 Grandwood made eight payments totalling USD 2.8 million to Sergey Mosieykin under loan agreement No 1-10.14. Between December 2014 and July 2015 Grandwood received 12 re-payments totalling USD 980,000. According to the loan agreement there is a possible outstanding balance on the loan of USD 1.9 million.

In 2013 Grandwood made two payments to Sergey Moiseykin referencing two separate loan agreements. There are no repayments on file.

Notice: About this report

This report has been prepared by David Standish and John Milsom, the Joint Liquidators of Grandwood Systems Limited – in Liquidation (the 'Company'), solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

David John Standish is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.

John David Thomas Milsom is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Joint Liquidators act as agents for the Company and contract without personal liability. The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the Liquidation.