

## Title page

*I confirm the identity and accuracy of the Information disclosed in accordance with the requirements of the Regulation on Information Disclosure by Securities Issuers.*

CEO

Palkin S.A.

(position)

(signature)

(Surname and initials of the CEO)

27/04/2018

(date)

## Annual information of the securities Issuer for 2017

### I. General information

<b>1. Full name of the Issuer</b>	Private Joint Stock Company Football Club Shakhtar (Donetsk)
<b>2. Organizational and legal form of the Issuer</b>	
<b>3. EDRPOU identification code of the Issuer</b>	00169816
<b>4. Location of the Issuer</b>	87524 Donetsk region, Mariupol, 71-A Sechenova str.
<b>5. Long-distance code, telephone and fax of the Issuer</b>	(044) 4981379 (044) 5817119
<b>6. Email address of the Issuer</b>	office@shakhtar.com

### II. Data on the date and place of publication of annual information

<b>1. Annual information is placed in the Commission's publicly available information database</b>		27/04/2018
		(date)
<b>2. Annual information published in</b>	Bulletin of the National Securities and Stock Market Commission No. 81	27/04/2018
	(number and title of the official print publication)	(date)
<b>3. Annual information is posted at</b>	<a href="http://www.shakhtar.com">http://www.shakhtar.com</a>	<b>on the Internet</b> 27/04/2018
	(page address)	(date)

## Contents

<b>1. Basic information about the Issuer</b>	X
<b>2. Information on the obtained licenses (permits) for certain types of activities</b>	X
<b>3. Information on the Issuer's participation in creation of legal entities</b>	
<b>4. Information on the position of corporate secretary</b>	
<b>5. Information about the rating agency</b>	
<b>6. Information about the founders and/or participants of the Issuer and the number and value of shares (size of shares, units)</b>	
<b>7. Information about the Issuer's officials:</b>	
1) information on the education and work experience of the Issuer's officials	X
2) information on the ownership by the Issuer's officials of the Issuer's shares	X
<b>8. Information on parties owning 10 percent or more of the Issuer's shares</b>	X
<b>9. Information on the general meeting of shareholders</b>	X
<b>10. Dividend Information</b>	
<b>11. Information about legal entities used by the Issuer</b>	
<b>12. Information about the Issuer's securities:</b>	
1) information on issues of shares of the Issuer	X
2) information on the Issuer's bonds	
3) information on other securities issued by the Issuer	
4) information on derivative securities	
5) information on the repurchase (sale of shares previously purchased by the company) of its own shares during the reporting period	
<b>13. Business description</b>	
<b>14. Information on the economic and financial activities of the Issuer:</b>	
1) information on the Issuer's fixed assets (at residual value)	X
2) information on the value of the Issuer's net assets	X
3) information on the Issuer's obligations	X
4) information on the volume of production and sales of the main types of products	
5) information on the cost of products sold	
6) information on a decision to pre-consent to perform significant deeds	X
7) information on a decision to consent to perform significant deeds	
8) information on a decision to consent to perform deeds in respect of which there is an interest	X
<b>15. Information on securing the issue of debt securities</b>	
<b>16. Information on special information and information on mortgage-backed securities that arose during the reporting period</b>	X
<b>17. Information on the state of corporate governance</b>	X
<b>18. Information on mortgage bond issues</b>	
<b>19. Information on the composition, structure and size of the mortgage coverage:</b>	
1) information on the size of the mortgage coverage and its ratio to the size (amount) of obligations on mortgage bonds with this mortgage coverage	
2) information on the ratio of the size of the mortgage coverage to the size (amount) of liabilities on mortgage bonds with this mortgage coverage on each date after changes in mortgage assets in the mortgage coverage that occurred during the reporting period	
3) information on the replacement of mortgage assets as part of the mortgage coverage or the inclusion of new mortgage assets in the mortgage coverage	

- 4) information on the structure of mortgage coverage of mortgage bonds by type of mortgage assets and other assets at the end of the reporting period
- 5) information on the grounds for the Issuer of mortgage bonds to have rights to mortgage assets that make up the mortgage coverage as of the end of the reporting year
20. Information on the debtor's overdue terms of payment of regular payments under loan agreements (loan agreements), the rights of claim for which are secured by mortgages, which are included in the mortgage coverage
21. Information on mortgage certificate issues
22. Information on the register of mortgage assets
23. Basic information about the Real estate Transaction Fund (RTF)
24. Information on RTF certificate issues
25. Information about parties owning RTF certificates
26. Calculation of the value of RTF net assets
27. RTF Rules
28. Information on the audit report (report) X
29. Text of the audit report (report)
30. Annual financial statements X
31. Annual financial statements prepared in accordance with International Accounting Standards (if any)
32. Annual financial statements of the guarantor (insurer/warrantor) securing the issuance of debt securities (for each collateral entity separately)
33. Report on the status of the real estate object (in the case of issuing targeted bonds of enterprises, the fulfillment of obligations for which is carried out by transferring the object (part of the object) of housing construction).
34. Notes
- Due to the lack of information on certain actions, the Enterprise has not provided:
- 3) information on the participation of the Issuer in the creation of legal entities due to the fact that the Enterprise did not take part in the creation of legal entities in the reporting year;
- 4) information on the position of corporate secretary due to the fact that this position is not provided for in the Enterprise;
- 5) information about the rating agency due to the fact that there is no state share in the statutory capital of the Enterprise, it does not have strategic importance for the economy and security of the state, and also does not occupy a monopoly (dominating) market position;
- 6) information about the founders and/or participants of the Issuer and the number and value of shares (size of shares, units) due to the fact that in accordance with the Regulation on Information Disclosure by Securities Issuers, approved by the decision of the National Securities and Stock Market Commission No. 2826 dated 03/12/2013, the private joint stock companies are not obliged to disclose such information;
- 10), 11) Information on dividends, information on legal entities which services are used by the Issuer due to the fact that in accordance with the Regulation on Information Disclosure by Securities Issuers, approved by the decision of the National Securities and Stock Market Commission No. 2826 dated 03/12/2013, the private joint stock companies are not obliged to disclose such information;
- 12.2) information about the Issuer's bonds due to the fact that the Enterprise did not issue bonds;
- 12.3) information on other securities issued by the Issuer due to their absence;
- 12.4) information on other derivative securities due to their absence;
- 12.5) information on the repurchase of own shares during the reporting period due to the absence of such an event;
- 13) description of business due to the fact that in accordance with the Regulation on Information Disclosure by Securities Issuers, approved by the decision of the National Securities and Stock Market Commission No. 2826 dated 03/12/2013, the private joint stock companies are not obliged to disclose such information;
- 14.4), 14.5) information on production volumes and realization of the main types of products, information about the cost of realized products due to the fact that the Enterprise deals with types of activity that are not related to the processing, mining industry and distribution of electricity, gas and water;
- 14.7) information on making a decision on granting consent to the commission of transactions to perform deeds due to their absence;
- 15) information on ensuring the issue of debt securities due to the absence of debt securities issued by the Enterprise;
- 18), 19), 20), 21), 22), 23), 24), 25), 26), 27) – the Issuer did not issue mortgage bonds, mortgage certificates and RTF certificates;
- 29) Text of the audit report (report) due to the fact that in accordance with the Regulation on Information Disclosure by Securities Issuers, approved by the decision of the National Securities and Stock Market Commission No. 2826 dated 03/12/2013, the private joint stock companies are not obliged to disclose such information;
- 31) annual financial statements drawn up in accordance with IFRS (International Financial Reporting Standards) due to its absence;

32) annual financial statements of the guarantor (insurer/warrantor), which ensures the issue of debt securities (for each collateral entity separately) due to its absence;

33) report on the state of the real estate object due to its absence

### III. Basic information about the Issuer

1. Full name	<b>Private Joint Stock Company Football club Shakhtar (Donetsk)</b>
2. Series and number of certificate of state registration of a legal entity (if any)	<b>Series A01 No. 435583</b>
3. Date of state registration	<b>03/02/1999</b>
4. Territory (region)	<b>Donetsk region</b>
5. Authorized capital ( UAH THS.)	<b>2700000000,00</b>
6. Percentage of shares in the authorized capital owned by the state	<b>0,000</b>
7. Percentage of shares (shares, units) of the authorized capital transferred to the authorized capital of a state (national) joint stock company and/or holding company	<b>0,000</b>
8. Average number of employees (persons)	<b>343</b>
9. The main activities with the name of the type of activity and a code according to KVED	
<b>93.12</b>	<b>THE ACTIVITIES OF SPORTS CLUBS</b>
<b>93.11</b>	<b>THE FUNCTIONING OF SPORTS FACILITIES</b>
<b>93.19</b>	<b>OTHER ACTIVITIES IN THE FIELD OF SPORTS</b>
10. Enterprise management bodies	<b>Joint-stock companies do not fill in</b>
11. Banks serving the Issuer	
1) Name of the bank (branch, branch of the bank) that serves the Issuer on the current account in national currency	<b>PUBLIC JOINT-STOCK COMPANY FIRST UKRAINIAN INTERNATIONAL BANK (FUIB) Kyiv, Ukraine</b>
2) Bank sort code	<b>334851</b>
3) Current account	<b>26004962482682</b>
4) Name of the bank (branch, branch of the bank) that serves the Issuer on the current account in foreign currency	<b>PUBLIC JOINT-STOCK COMPANY FIRST UKRAINIAN INTERNATIONAL BANK (FUIB) Kyiv, Ukraine</b>
5) Bank sort code	<b>334851</b>
6) Current account	<b>26004962485548</b>

**12. Information on obtained licenses (permits) for certain types of activities\***

Type of activity	License (permit) number	Date of issue	State issuing authority	License (permit) expiration date
1	2	3	4	5
Activity in preparing athletes for competitions in various sports recognized in Ukraine	1917	06/07/2010	MINISTRY OF FAMILY, YOUTH AND SPORTS OF UKRAINE	. .
Description	The license is perpetual. The club needs a license to conduct activities to prepare football players for matches.			

## V. Information about the Issuer's officials

### 1. Information on the education and work experience of the issuer's officials

1. Position	Chairman of the Supervisory Board of the Company
2. Last name, first name, patronymic of an individual or full name of a legal entity	Popov Oleh Mykolaiovych
3. Identification code of a legal entity	
4. Year of birth	1969
5. Education**	University degree, Donetsk National University University degree, financial manager, Donetsk Technical University
6. Work experience (years)**	26
7. Name of the enterprise and previous position held**	PJSC SCM, Executive Director
8. Date of acquisition of powers and the term for which a person was assigned	28/04/2010 permanently, until re-assignment by the general meeting of the Company

9. Description No changes were made during the year. The Chairman of the Supervisory Board of the Company has the status of a representative of the shareholder of the Company in the Supervisory Board of the Company.

Positions in other enterprises -

In addition to the above, Popov O.M. also holds the following positions in other companies:

- CEO of the PRIVATE JOINT STOCK COMPANY SYSTEM CAPITAL MANAGEMENT (location: Ukraine, Mariupol, Nakhimova Avenue, 116-A),
- Chairman of the Supervisory Board of DTEK ENERGY B.V. (location: Schiphol Boulevard, 231 TwrB 5e et, 1118BH, Luchthaven Schiphol),
- Chairman of the Supervisory Board of DTEK OIL&GAS B.V. PLLC (location: Schiphol Boulevard 231, WTC TrB 5e, 1118BH Luchthaven Schiphol),
- Chairman of the Supervisory Board of DTEK RENEWABLES B.V. (location: Schiphol Boulevard 231, Toren B, vijfde verdieping, 1118BH Schiphol),
- Member of the Board of DTEK MANAGEMENT B.V. (location: Schiphol Boulevard 231, Toren B, 5e Etage, 1118BH Schiphol),
- Member of the Supervisory Board of Metinvest B.V. (location: Alexanderstraat 23, 2514JM, 's-Gravenhage, the Netherlands),
- Member of the Supervisory Board of ESTA HOLDING LLC (location: Ukraine, 83001, Donetsk, Marinska Street, 1).

He has no outstanding conviction for mercenary and official crimes.

Previous positions during the last five years: Popov O.M. has been holding the position of CEO of JSC SCM since January 16, 2001, respectively, during the last 5 years he held the same position.

The Chairman of the Supervisory Board organizes the work of the Supervisory Board, convenes meetings of the Supervisory Board and presides over them, opens the General Meeting, organizes the election of the Secretary of the General Meeting, exercises other powers provided for by the Charter and the Regulations on the Supervisory Board.

The exclusive competence of the Chairman of the Supervisory Board includes:

- \* approval within own competence of the provisions governing issues related to the activities of the Company;
- \* preparation of the agenda of the General Meeting, making a decision on the date of their holding and on the inclusion of proposals in the agenda, except for convening an extraordinary General Meeting at the request of the shareholders;
- \* making a decision on holding regular and extraordinary General Meetings in accordance with the Charter of the Company and in cases stipulated by the current legislation;
- \* making a decision on the sale of shares previously purchased by the Company;
- \* adoption of a decision on placement by the Company of other valuable securities, except for shares;
- \* adoption of a decision on the redemption of other securities placed by the Company, except for shares, price securities;
- \* approval of the market value of the property in cases stipulated by the current legislation;
- \* election and termination of powers of the CEO of the Company;
- \* approval of the terms of the civil, legal, employment contract, which will be concluded with the CEO, establishing the amount of his remuneration;
- \* making a decision on the removal of the Director General from the implementation of his powers and election of a person who will temporarily exercise the powers of the Director General for a period determined by the decision of the Supervisory Board;
- \* election of the Registration Commission, except for cases established by law;
- \* election of the auditor of the Company and determination of the terms of the contract to be concluded with him,

establishing the amount of payment for his services;

\* setting a date of drawing up the list of persons entitled to receive odds, procedure and terms of payment of persons within the deadline established by law;

\* setting a date of drawing up the list of shareholders who must be notified of the General Meeting and have the right to participate in the General Meeting, in accordance with the requirements of the current legislation;

\* resolving issues on the Company's participation in industrial and financial groups and other associations, on the establishment of other legal entities;

\* resolution of issues stipulated by the current legislation of Ukraine, in case of merger, accession, division, separation or transformation of the Company;

\* making a decision on performing significant transactions in cases where the market value of the property or services that are its subject is from 10 to 25 percent of the value of assets according to the latest annual financial value of the Company;

\* determination of the improbability of recognition of the Company as insolvent as a result of its acceptance of obligations or their fulfillment, including the results of payment of odds or redemption of shares;

\* making a decision on the election of an appraiser of the Company's property and approving the terms of the contract to be concluded with him, establishing the amount of payment for his services;

\* sending proposals to the shareholders on the acquisition of their shares by a person (persons acting jointly) who has acquired a controlling stake in the Company's shares in accordance with the requirements of the current legislation;

\* making a decision on the conclusion of transactions, the purpose of which is any alienation (or acquisition of ownership) of corporate rights;

\* approval of the company's annual budget and changes to it;

\* making a decision on hiring (conclusion of contracts) / dismissal (termination of contracts) of the Head coach of the main team, the Shakhtar team (duplicate squad), approval of the terms of contracts with them;

\* approval of the candidacy of title and technical sponsors, as well as the terms of contracts with them;

\* making a decision on hiring (conclusion of contracts) / dismissal (termination of contracts) of directors of the Company, determination of terms of payment for employees and directors of the Company;

\* approval of the organizational structure of the Company;

\* approval of the Company's strategic tasks for each season and the number of bonuses of responsible persons for achieving the set tasks;

\* consideration and approval of the report of the CEO of the Company on the basis of the season on the implementation of the set strategic tasks of the Company.

#### 1. Position

Auditor of the Company

#### 2. Last name, first name, patronymic of an individual or full name of a legal entity

Kharitonchuk Andrey Oleksandrovych

#### 3. Identification code of a legal entity

#### 4. Year of birth

1977

#### 5. Education\*\*

University Degree, Legal expert, Donetsk National University

#### 6. Work experience (years)\*\*

14

#### 7. Name of the enterprise and previous position held\*\*

LLC CB Donbirezhbank, Chief Legal Adviser of the Department

#### 8. Date of acquisition of powers and the term for which a person was assigned

30/01/2012 until re-assignment by the general meeting of the Company but not more than 5 years from the moment of assignment

**Description** 30/01/2017. The powers of the Auditor were terminated due to the expiration of his term of office. The period during which the person was in office is 5 years. On the date of the report, no one has been appointed to the position of Auditor of the Company.

There is no outstanding conviction for mercenary and official crimes. He does not hold a position at another enterprise. He works in PJSC "FC "Shakhtar (Donetsk)" as the head of the legal department of the Club.

The auditor is elected to conduct a review of the financial and economic activity of the Company. The term of office of the Auditor is established by the decision of the General Meeting of the Company, but may not exceed five years.

**Powers and duties of the Auditor:**

\* conducts a review of the financial and economic activity of the Company based on the results of the financial year;

\* based on the results of the financial and economic activity of the Company, based on the results of the financial year, prepares a conclusion containing information on:

1) affirmation of the reliability and completeness of the financial report data for the relevant period;

2) facts of violation of the legislation during the proceedings of financial and economic activity, as well as the established procedure for conducting accounting records and submitting a report.

Previous positions during the last five years: chief legal adviser, legal adviser of management, leading legal adviser of management.



<b>1. Position</b>	CEO
<b>2. Last name, first name, patronymic of an individual or full name of a legal entity</b>	Palkin Sergei Anatoliiovych
<b>3. Identification code of a legal entity</b>	
<b>4. Year of birth</b>	1974
<b>5. Education**</b>	University Degree, financial expert, National Academy of Management
<b>6. Work experience (years)**</b>	17
<b>7. Name of the company and previous position held**</b>	CFO of PJSC FC Shakhtar Donetsk
<b>8. Date of acquisition of powers and the term for which a person was assigned</b>	03/06/2003 permanently
<b>9. Description</b>	Has no outstanding conviction for mercenary and official crimes. No changed occurred during 2017. The CEO has the following powers and responsibilities: <ul style="list-style-type: none"> <li>- manages the current activity of the Company;</li> <li>- hires and frees workers;</li> <li>- submits to the Supervisory Board proposals on the organizational structure of the Company;</li> <li>- approves the staffing table of the Company;</li> <li>- independently issues orders, orders and other acts of management;</li> <li>- signs banking, financial and other documents related to the current activity of the Company;</li> <li>- independently decides on the conclusion of contracts and other transactions, except for those for the conclusion of which it is necessary to obtain a mandatory report from the Supervisory Board or the General Meeting;</li> <li>- issues improvements;</li> <li>- makes decisions on the organization and maintenance of accounting in the Company;</li> <li>- makes decisions on the organization and conduct of business in the Company;</li> <li>- decides on the fulfillment by the Company of its obligations to clients and third parties;</li> <li>- makes decisions on the effective use of the Company's assets;</li> <li>- approves the composition, scope and procedure for protection of confidential information and information constituting the commercial information of the Company;</li> <li>- approves instructions, provisions on the activity of structural divisions of the Company, which are subordinated to it;</li> <li>- makes decisions on bringing to the property responsibility of the heads of subsidiary enterprises, branches and representatives of the Company.</li> </ul>

Position at another enterprise: LLC Stadion Shakhter, Associative CEO (location: 83048, 01135, Kyiv, 4-H Hryhoriy Andriushchenko str.).

Previous positions for the last five years: CEO; CEO.

<b>1. Position</b>	Deputy CFO for Accounting – Chief Accountant
<b>2. Last name, first name, patronymic of an individual or full name of a legal entity</b>	Bieliavtseva Iryna Ivanivna
<b>3. Identification code of a legal entity</b>	
<b>4. Year of birth</b>	1958
<b>5. Education**</b>	University Degree, Accounting and Audit, Mykhailo Tuhan-Baranovskiy Donetsk National University of Economics and Trade
<b>6. Work experience (years)**</b>	27
<b>7. Name of the company and previous position held**</b>	Chief Accountant of LLC Stadion Shakhter
<b>8. Date of acquisition of powers and the term for which a person was assigned</b>	04/01/2012 permanently
<b>9. Description</b>	Has no outstanding conviction for mercenary and official crimes. No changed occurred during 2017. The Deputy CFO for Accounting – Chief Accountant has the following powers and responsibilities: <ul style="list-style-type: none"> <li>- introduction of a unified system of accounting at the enterprises of the group;</li> <li>- setting a unified system of tax planning within the framework of the current legislation;</li> <li>- consistency of accounting statements of enterprises in accordance with IFRS requirements;</li> <li>- preparation of news for the purpose of reviewing the Club, control over relevant and irrelevant income/costs;</li> <li>- compliance with the established uniform methodological principles of accounting of the Club;</li> <li>- accounting of the Club's business operations on the accounts of the accounting account;</li> </ul>

- organization of work on the development of forms of internal accounting reporting, which do not provide for standard forms, ensuring compliance with the procedure for conducting inventions, exercising control over compliance with the technology of processing accounting information and the procedure for document circulation;
- preparation and submission of financial, statistical and tax reporting within the prescribed terms;
- ensuring the legality and timeliness of registration of primary documents, payroll calculations, accrual and transfer of taxes and fees.

**Positions at any other enterprise: Chief Accountant of LLC Stadion Shakhter (location: 83048, 01135, Kyiv, 4-H Hryhoriy Andriushchenko str.).**

**Previous positions during the last five years: Head of the group, Deputy CFO.**

## 2. Information on the Issuer's officials' ownership of the Issuer's shares

Position	Last name, first name, patronymic of an official	Identification code of a legal entity	Number of shares (pieces)	Of the total number of shares (as a percentage)	Number by type of shares			
					Simple nominal	Bearer's simple	Privileged nominal	Bearer's privileged
1	2	3	4	5	6	7	8	9
Chairman of the Supervisory Board of the Company	Popov Oleh Mykolaiovych		0	0	0	0	0	0
Auditor of the Company	Kharitonchuk Andrey Oleksandrovyh		0	0	0	0	0	0
CEO	Palkin Sergei Anatoliiovych		0	0	0	0	0	0
Deputy CFO for Accounting – Chief Accountant	Bieliavtseva Iryna Ivanivna		0	0	0	0	0	0
Total			0	0	0	0	0	0

**VI. Information on the owners of packages that own 10 percent or more of the Issuer's shares (for joint stock companies, except for public ones)**

Name of a legal entity	Identification code of a legal entity	Location	Number of shares (pieces)	Of the total number of shares (as a percentage)	Number by type of shares	
					Simple nominal	Privileged nominal
PRIVATE JOINT-STOCK COMPANY SYSTEM CAPITAL MANAGEMENT	31227326	87534 Donetsk region, Mariupol, 116-A Nakhimov ave	2699995000	99.999814814815	2699995000	0
Last name, first name, patronymic of a person			Number of shares (pieces)	Of the total number of shares (as a percentage)	Number by type of shares	
					Simple nominal	Privileged nominal
<b>Total</b>			2699995000	99.999814814815	2699995000	0

## VI. Information on the General Meeting of Shareholders

Type of general meeting	Regular	Extraordinary
	X	
<b>Date of Meeting</b>	24/04/2017	
<b>Quorum of Meeting</b>	99.9998	

<b>Description</b>	<p>List of items considered at the General Meeting:</p> <ol style="list-style-type: none"> <li>1. On the election of the Secretary of the General Meeting of shareholders of the Company. On the order to carry out the functions of an accounting commission.</li> <li>2. On the procedure and procedure for certifying ballots for voting.</li> <li>3. Report of the Supervisory Board of the Company and adoption of a decision based on the results of its consideration.</li> <li>4. Report of the General Director of the Company and making a decision based on the results of its consideration.</li> <li>5. On approval of the company's annual report for 2016.</li> <li>6. On approval of the procedure for covering losses of the Company for 2016.</li> <li>7. On the preliminary approval of significant transactions that may be made by the Company within no more than one year from the date of such decision.</li> </ol> <p>On item No. 1 of the agenda:          "On the election of the Secretary of the General Meeting of shareholders of the Company. On the order to carry out the functions an accounting commission."          Voted "Yes" - 100% of the votes, "No" - 0 votes, "Abstained" - 0 votes.  <b>IT WAS DECIDED:</b>          To elect Cherkasov O.V. as a secretary of the General Meeting of Shareholders of the Company. To assign Cherkasov O.V. to perform the functions of the accounting commission.</p> <p>On item No. 2 of the agenda:          "On the procedure and method of certification of ballots for voting"          Voted "Yes" - 100% of the votes, "No" - 0 votes, "Abstained" - 0 votes  <b>IT WAS DECIDED:</b>          That a ballot for voting (including a ballot for cumulative voting) is certified by the signature of the Chairman of the registration committee after the registration of a shareholder (representative of a shareholder) for participation in the general meeting of the shareholders of the Company.          If a ballot paper consists of several sheets, the pages of a ballot are numbered.          Also, each sheet of a ballot is signed by the shareholder (representative of the shareholder) and the Chairman of the registration commission.</p> <p>On item No. 3 of the agenda:          "Report of the Supervisory Board of the Company and making a decision based on the results of its consideration"          Voted "Yes" - 100% of the votes, "No" - 0 votes, "Abstained" - 0 votes  <b>IT WAS DECIDED:</b>          To approve the Report of the Supervisory Board of the Company for 2016.</p> <p>On item No. 4 of the agenda:          "The report of the General Director of the Company and the adoption of decisions based on the results of its consideration"          Voted "Yes" - 100% of the votes, "No" - 0 votes, "Abstained" - 0 votes  <b>IT WAS DECIDED:</b>          To approve the report of the General Director of the Company for 2016.</p> <p>On item No. 5 of the agenda:          "On approval of the company's annual report for 2016"          Voted "Yes" - 100% of the votes, "No" - 0 votes, "Abstained" - 0 votes  <b>IT WAS DECIDED:</b>          To approve the annual report of the Company for 2016.</p> <p>On item No. 6 of the agenda:          "On approval of the procedure for covering losses of the Company for 2016"          Voted "Yes" - 100% of the votes, "No" - 0 votes, "Abstained" - 0 votes  <b>IT WAS DECIDED:</b>          That the loss received by the Company in 2016 shall be covered by the profits of future years.</p> <p>On item No. 7 of the agenda:          "On the preliminary approval of significant transactions that may be made by the Company within no more than one year from the date of such decision"          Voted "Yes" - 100% of the votes, "No" - 0 votes, "Abstained" - 0 votes  <b>IT WAS DECIDED:</b>          7.1 To approve significant transactions that may be made by the Company for no more than one year starting from April 24, 2017 regarding the sale and/or purchase of rights to register football players and determine the maximum</p>
--------------------	--

aggregate value of such transactions in the amount not more than EUR 60,000,000 (sixty million Euro) or equivalent of this amount in national currency.

7.2 That the CE of the Company has the right to make the transactions specified in clause 7.1 only if the Supervisory Board of the Company decides to approve such transactions. No proposals were provided on the list of agenda items.

## X. Information about the Issuer's securities

## 1. Information on share issues

[illegible]

## XII. Information on the property status and financial and economic activities of the Issuer

### 1. Information on the issuer's fixed assets (at residual value)

Name of fixed assets	Own fixed assets (UAH ths.)		Leased fixed assets (UAH ths.)		Fixed assets , total (UAH ths.)	
	At the beginning of the period	At the end of the period	At the beginning of the period	At the end of the period	At the beginning of the period	At the end of the period
<b>1. For production purposes</b>	287969.00 0	284603.00 0	0.000	0.000	287969.00 0	284603.00 0
- buildings and structures	274196.00 0	271370.00 0	0.000	0.000	274196.00 0	271370.00 0
- machinery and equipment	7897.000	8604.000	0.000	0.000	7897.000	8604.000
- vehicles	3819.000	2214.000	0.000	0.000	3819.000	2214.000
- land plots	0.000	0.000	0.000	0.000	0.000	0.000
- other	2057.000	2415.000	0.000	0.000	2057.000	2415.000
<b>2. For non-production purposes</b>	3694.000	3087.000	0.000	0.000	3694.000	3087.000
- buildings and structures	1022.000	1005.000	0.000	0.000	1022.000	1005.000
- machinery and equipment	18.000	14.000	0.000	0.000	18.000	14.000
- vehicles	780.000	351.000	0.000	0.000	780.000	351.000
- land plots	0.000	0.000	0.000	0.000	0.000	0.000
- investment real estate	0.000	0.000	0.000	0.000	0.000	0.000
- other	1874.000	1717.000	0.000	0.000	1874.000	1717.000
<b>Total</b>	291663.00 0	287690.00 0	0.000	0.000	291663.00 0	287690.00 0

**Explanation :** At the beginning of the reporting year, the fixed assets on the balance sheet at the primary cost of UAH 496,895 ths., the accrued depreciation is UAH 205,232 ths.:

- \* buildings and structures - UAH 433,337 ths. (depreciation UAH 158,119 ths.),
- \* machinery and equipment - UAH 27,654 ths. (depreciation UAH 19,739 ths.),
- \* vehicles - UAH 24,415 ths. (depreciation UAH 19,816 ths.),
- \* instruments, devices, equipment - UAH 8,552 ths. (depreciation UAH 6,619 ths.),
- \* perennial plantings - UAH 201 ths. (depreciation UAH 122 ths.),
- \* other fixed assets - UAH 1,935 ths. (depreciation UAH 16 THS.),
- \* non-current tangible assets of low cost (hereinafter NTALC)- UAH 801 ths. (depreciation UAH 801 ths.),

Significant changes in the value of fixed assets:

During the reporting year, the receipt of fixed assets amounted to UAH 3,306 ths., namely:

- \* machinery and equipment - UAH 2,166 ths.,
- \* vehicles - UAH 84 ths.,
- \* instruments, devices, equipment - UAH 630 ths.,
- \* other fixed assets - UAH 122 ths.,
- \* NTALC - UAH 304 ths.

Disposal of fixed assets in 2017 due to depreciation or sale:

- \* machinery and equipment - UAH 119 ths. (depreciation UAH 116 ths.),
- \* vehicles - UAH 182 ths. (depreciation UAH 182 ths.),
- \* instruments, devices, equipment - UAH 120 ths. (depreciation UAH 118 ths.),
- \* NTALC - UAH 3 ths. (depreciation UAH 3 ths.).

There was no revaluation of fixed assets in 2017. The accrued depreciation for 2017 amounted to UAH 7,274 ths., namely:

- \* buildings, structures and transmitting devices - UAH 2,843 ths.,
- \* machinery and equipment - UAH 1,460 ths.,
- \* vehicles - UAH 2,118 ths.,



- \* instruments, devices, equipment - UAH 377 ths.,
- \* other fixed assets - UAH 172 ths.,
- \* NTALC - UAH 304 ths.

The balance of fixed assets at the end of the new year at the original cost amounted to UAH 499,777 ths, accrued depreciation is UAH 212,087 ths.:

- \* building and structures - UAH 433,337 ths. (depreciation UAH 160,962 ths.),
- \* machinery and equipment - UAH 29,701 ths. (depreciation UAH 21,083 ths.),
- \* vehicles - UAH 24,317 ths. (depreciation UAH 21,752 ths.),
- \* instruments, devices, equipment - UAH 9,062 ths. (depreciation UAH 6,878 ths.),
- \* perennial plantings - UAH 201 ths. (depreciation UAH 122 ths.),
- \* other fixed assets - UAH 2,057 ths. (depreciation UAH 188 ths.),
- \* NTALC - UAH 1,102 ths. (depreciation UAH 1,102 ths.).

Terms of use of fixed assets:

- \* buildings and structures - no capital repairs, current repairs were carried out;
- \* machinery and equipment - kept in working condition, capital and current repairs are carried out;
- \* vehicles - technical inspections, changes in spare parts and necessary repairs are carried out;
- \* other FA - kept in proper technical condition.

Extent of use of fixed assets:

- \* buildings and structures - 100%;
- \* machinery and equipment - 100%;
- \* low-value non-current material assets - 100%. The degree of wear of fixed assets:
- \* houses, buildings and transmitting devices - 37.1%;
- \* machinery and equipment - 70.9%,
- \* vehicles - 89.5%,
- \* instruments, devices, equipment - 75.9%,
- \* perennial plantings - 60.7%,
- \* other basic means - 9.1%,
- \* NTALC - 100%.

Term of use of fixed assets (by groups):

- \* houses and structures - 50 years;
- \* machinery and equipment - from 5 to 25 years,
- \* vehicles - from 8 to 20 years,
- \* NTALC - from 7 to 10 years.

### 1. Information on the value of the Issuer's net assets

Name of the indicator (ths. UAH)		During the reporting period	For the previous period
Estimated value of net assets (ths. UAH)		2733454	2913325
Authorized capital (ths. UAH)		2700000	2700000
Adjusted authorized capital (ths. UAH)		2700000	2700000
<b>Description</b>	The calculation of the value of net assets took place in accordance with paragraph 2 of Article 14 of the Law of Ukraine "On Joint Stock Companies" No. 514-VI of 17/09/2008 and Annex 1 to the National Regulation (Standard) of Accounting 1 "General Requirements for Financial Reporting", approved by the Order of the Ministry of Finance of Ukraine No. 73 of 07/02/2013. Determination of the value of net assets was carried out according to the formula: Equity (net asset value) of the company - the difference between the total value of assets the company and the value of its obligations in front of other persons		
<b>Conclusion</b>	The estimated value of net assets (UAH 2,733,454.000 ths.) exceeds the adjusted authorized capital (UAH 2,700,000.000 ths.). This complies with the requirements of Article 155, paragraph 3 of the Civil Code of Ukraine. The value of the statutory capital corresponds to the value of the statutory capital calculated at the end of the year.		

## 1. Information on obligations and security of the Issuer

Types of obligations	Date of occurrence	Outstanding part of the debt (ths. UAH)	Percentage for the use of funds (percentage per annum)	Maturity date
Bank loans, including:	X	0.00	X	X
Securities obligations	X	0.00	X	X
including bonds (for each issue) :	X	0.00	X	X
	N/D	0.00	0.000	N/D
mortgage-backed securities (for each own issue):	X	0.00	X	X
	N/D	0.00	0.000	N/D
RTF certificates (for each own issue):	X	0.00	X	X
	N/D	0.00	0.000	N/D
Promissory note (total)	X	0.00	X	X
other securities (including derivative securities) (for each type):	X	0.00	X	X
	N/D	0,00	0.000	N/D
On financial investments in corporate rights (for each type):	X	0.00	X	X
	N/D	0.00	0.000	N/D
Tax liabilities	X	2840.00	X	X
Financial assistance on a reverse basis	X	0.00	X	X
Other obligations and security	X	657722.00	X	X
Total liabilities and security	X	660562.00	X	X
<b>Description</b>	Other obligations include: 1. Other long-term liabilities - UAH 558,892 ths., 2. Accounts payable for goods, works and services in the amount of UAH 20,818 ths., 3. Current debt on insurance calculations - UAH 267 ths., 4. Current debt on calculations for payment of labor - UAH 3,720 ths., 5. Debt on received advances – UAH 12,787 ths., 6. Current security - UAH 37,544 ths., 7. Other current obligations - UAH 23,694 ths.			

## 6. Information on the decision to pre-consent to significant deeds

[illegible]

8. Information on the decision to consent to perform deeds in respect of which there is an interest

[illegible]

**XIV. Information on special information and information on mortgage-backed securities,  
that occurred during the period**

<b>Date of the event</b>	<b>Date of publication of a message in the news feed</b>	<b>Type of information</b>
<b>1</b>	<b>2</b>	<b>3</b>
30/01/2017	30/01/2017	Information on changes in the composition of the Issuer's officials
23/02/2017	24/02/2017	Information on a decision to consent to perform deeds in respect of which there is an interest (for issuers that are joint stock companies)
24/04/2017	25/04/2017	Information on the decision to pre-consent to perform significant deeds

# INFORMATION ON THE STATE OF CORPORATE GOVERNANCE

## General meeting of shareholders

**How many general meetings have been held over the past three years?**

	Year	Number of meetings, total	Including extraordinary meetings
1	2015	1	0
2	2016	1	0
3	2017	1	0

**Which body registered shareholders to participate in the general meeting of shareholders last time?**

	Yes	No
Registration Commission appointed by the person who convened the general meeting	X	
Shareholders		X
Depository institution		X
Other		

**Which body monitored the state of registration of shareholders or their representatives to participate in the last general meeting (if there is control)?**

	Yes	No
National Securities and Stock Market Commission		X
Shareholders who collectively own more than 10 percent		X

**What way did the voting on agenda items go last time at the general meeting?**

	Yes	No
Raising cards		X
Ballots (secret voting)	X	
Raising hands		X
Other		

**What were the main reasons for convening the last extraordinary meeting?**

	Yes	No
Reorganization		X
Additional issue of shares		X
Making changes to the charter		X
Making a decision to increase the authorized capital of the Company		X
Making a decision to reduce the authorized capital of the Company		X
Election or termination of powers of a Chairman and members of the Supervisory Board		X
Election or termination of powers of members of the executive body		X
Election or termination of powers of members of the audit commission (Auditor)		X
Delegation of additional powers to the Supervisory Board		X
Other	Extraordinary meeting was not held	

**Was the general meeting of shareholders held in the form of absentee voting in the reporting year? (yes/no) No.**

**In the case of convening an extraordinary general meeting, their initiators are specified:**

	Yes	No
Supervisory Board		
Executive body		
Audit commission (Auditor)		
Shareholders (shareholder) who collectively own 10 percent or more of the Company's simple shares on the date of filing a request		
Other (specify)	Extraordinary meeting was not held	

**In the case of convening, but not holding the next a regular general meeting, the reason for its non-holding is specified: N/D**

**In the case of convening, but not holding an extraordinary general meeting, the reason for ITS non-holding is specified: N/D**

## Governing bodies

### What is the composition of the Supervisory Board (if any)?

	(number of persons)
Number of Supervisory Board members, including:	1
number of Supervisory Board members that are shareholders	0
number of Supervisory Board members that are representatives of shareholders	1
number of Supervisory Board members that are independent directors	0
number of Supervisory Board members that are shareholders owning more than 10 percent of the shares	0
number of Supervisory Board members that are owning less than 10 percent of the shares	0
number of Supervisory Board members that are representatives of shareholders owning more than 10 percent of the shares	1
number of Supervisory Board members that are representatives of shareholders owning less than 10 percent of the shares	0

### Did the Supervisory Board conduct self-assessment?

	Yes	No
Composition		X
Organization		X
Activity		X
Others (specify)		

**In the case of assessment of the work of the Supervisory Board (each member of the Supervisory Board), information on their competence and effectiveness is specified, as well as information on the implementation of tasks by the Supervisory Board: N/D**

**How many times a year were the Supervisory Board meetings held? 7**

### What committees were established as part of the Supervisory Board (if any)?

	Yes	No
Strategic planning		X
Audit		X
For appointments and rewards		X
Investment		X
Other (specify)	Committees not established	

**In case of evaluation of the work of the committees, information on their competence and effectiveness is specified: N/D**

**Information on the number of meetings and committees of the Supervisory Board which held them is specified: N/D**

**Is a special position of a corporate secretary created in a joint stock company? (yes/no ) No**

### How is the amount of remuneration of members of the Supervisory Board determined?

	Yes	No
Remuneration is a fixed amount		X
Remuneration is a percentage of net profit or an increase in market share value		X
The remuneration is paid in the form of securities of the company		X
Members of the Supervisory Board do not receive remuneration	X	
Other		

### Which of the requirements for members of the Supervisory Board are set in the internal documents of a joint stock company?

	Yes	No
Industry knowledge and experience in the industry	X	
Knowledge in finance and management	X	
Personal qualities (honesty, responsibility)	X	
No conflict of interest	X	
Age limit		X
There are no requirements		X
Other (specify)	N/D	



**When was the last time a new Supervisory Board member was elected, how did he get acquainted with his rights and obligations?**

	Yes	No
A new member of the Supervisory Board independently got acquainted with the content of internal documents of a joint stock company		X
A meeting of the Supervisory Board was held at which a new member the Supervisory Board was familiarized with his/her rights and obligations		X
Special training was organized for a new member of the Supervisory Board (corporate governance or financial management)		X
All members of the Supervisory Board were re-elected for a second term or no new members were elected	X	
Other (specify)	N/D	

**Did an audit committee is established in your joint stock company or was an auditor position introduced? (yes, an audit committee was created / yes, the position of auditor was introduced / no) No**

**If an audit commission is created in the company:**

**The number of members of the audit commission is 0 people.**

**How many times a year on average have the audit committee met over the past three years? 0**

**According to the charter of your joint stock company, which of the bodies (general meeting of shareholders, supervisory board or executive body) is responsible for resolving each of these issues?**

	General Meeting of Shareholders	Supervisory Board	Executive body	Within competence of no body
Definition of the main activities (strategies)	Yes	No	No	No
Approval of activity plans (business plans)	No	Yes	No	No
Approval of an annual financial report, or balance, or budget	Yes	No	No	No
Election and termination of powers of a Chairman and members of the Executive body	No	Yes	No	No
Election and termination of powers of a Chairman and members of the Supervisory Board	Yes	No	No	No
Election and termination of powers of a Chairman and members of an audit committee	Yes	No	No	No
Determining the amount of remuneration for a Chairman and members of the Executive body	No	Yes	No	No
Determining the amount of remuneration for a Chairman and members of the Supervisory Board	Yes	No	No	No
Making a decision on bringing members of the Executive body to property liability	Yes	No	No	No
Making a decision on additional issue of shares	Yes	No	No	No
Making a decision on redemption, sale and placement of own shares	Yes	No	No	No
Approval of an external auditor	No	Yes	No	No
Approval of contracts for which there is a conflict of interest	No	Yes	No	No

**Does the charter of a joint stock company contain a provision that limits the powers of the executive body to make decisions on the conclusion of contracts, taking into account their amount, on behalf of the joint stock company? (yes/no) Yes**

**Does the charter or internal documents of the joint stock company contain a conflict of interest provision, that is, a contradiction between the personal interests of an official or his/her related persons and the duty to act in the interests of the joint stock company? (yes/no) Yes**

**What documents are there in your joint stock company?**

	Yes	No
--	-----	----

Regulations on the General Meeting of Shareholders		X
Regulations on the Supervisory Board		X
Regulations on the executive body		X
Regulations on officials of a joint stock company		X
Regulations on the Audit Commission (or auditor)		X
Regulations on shares of a joint stock company		X
Regulations on the order of profit distribution		X
Other (specify)		

**How can shareholders obtain such information about the activities of your joint stock company?**

	The information is distributed at a general meeting	Published in the press, published in the public database of the NSSMC on the securities market	Documents are provided for review directly in a joint stock company	Copies of documents are provided upon request of a shareholder	Information is posted on the Internet page of a Joint stock company
Financial statements, performance results	Yes	Yes	Yes	Yes	Yes
Information on shareholders who own 10 percent or more of the authorized capital	Yes	Yes	Yes	Yes	Yes
Information on the composition of a company management bodies	Yes	Yes	Yes	Yes	Yes
Charter and internal documents	Yes	No	Yes	Yes	No
Minutes of a general meeting of shareholders after holding one	No	No	Yes	Yes	No
The amount of remuneration of the officials of a joint stock company	No	No	Yes	Yes	No

**Does a joint stock company prepare financial statements in accordance with international financial reporting standards? (yes/no) No**

**How many times a year on average, have been the audits of a joint stock company carried out by an external auditor over the past three years?**

	Yes	No
Not held at all		X
Less than once a year		X
Once a year		X
More than once a year	X	

**Which body made the decision to approve an external auditor?**

	Yes	No
General meeting of shareholders		X
Supervisory Board	X	
Executive body		X
Other (specify)		

**Has the joint-stock company changed its external auditor over the past three years? (yes/no) Yes**

**For what reason was the auditor changed?**

	Yes	No
The level of professionalism was not satisfactory		X
The terms of a contract with the auditor were not satisfactory		X
The auditor was changed at the request of shareholders		X
Other (specify)	The auditor was changed on the basis of the relevant qualification requirements of the Football Federation of Ukraine	

**Which body carried out inspections of the financial and economic activities of a joint stock company last year?**

	Yes	No
Audit commission (auditor)		X
Supervisory Board		X
Internal Audit Department of a Joint Stock Company	X	
Third-party company or third-party consultant	X	
No inspections were carried out		X
Other (specify)		

**At the initiative of which body did the audit commission (auditor) conduct an inspection last time?**

	Yes	No
On my own initiative		X
On behalf of the general meeting		X
On behalf of the Supervisory Board		X
At the request of an Executive body		X
At the request of shareholders who collectively own more than 10 percent		X
Other (specify)	there is no audit commission (auditor)	

**Has your joint stock company received paid corporate governance or financial management consultant services over the past year? (yes/no)** Yes

**Attracting investments and improving corporate governance practices****Does your joint stock company plan to attract investment in each of these ways over the next three years?**

	Yes	No
Issue of shares		X
Issue of depositary receipts		X
Bond issue		X
Bank loans		X
Funding from state and local budgets		X
Other (specify)		

**Does your joint stock company plan to attract foreign investment over the next three years?**

Yes, we are already negotiating with a potential investor	
Yes, we plan to start negotiations	
Yes, we plan to start negotiations next year	
Yes, we plan to start negotiations within two years	
No, we do not plan to attract foreign investment over the next three years	
Undecided	X

**Does your joint stock company plan to include its own shares in the listing of stock exchanges over the next three years? (yes/no/undecided)** No

**Has the joint stock company changed the person who keeps records of shares ownership in the depository system of Ukraine over the past three years? (yes/no)** Yes

**Does a joint stock company have its own code (principles, rules) of corporate governance? (yes/no)** No

**If the joint stock company has a code (principles, rules) of corporate governance, indicate the date of its adoption: ; which governing body is accepted:** N/D

**Has information on the adoption by a joint-stock company of the code (principles, rules) of corporate governance been published? (yes/no)** No;  
**specify how it was made public:** N/D

**Indicate information on compliance / non-compliance with the corporate governance code (principles, rules) in a joint-stock company (with reference to the source of placement of their text), deviations and reasons for such a deviation during the year.** N/D

Private Joint Stock Company Football Club Shakhtar (Donetsk)

Territory DONETSK REGION

Organizational and legal form of management JOINT-STOCK COMPANY

Type of economic activity ACTIVITY OF SPORTS CLUBS

Average number of employees 343

Unit of measure : ths. UAH

Address: 83050 Donetsk region, city of Mariupol, 71-A Sechenova str,  
tel.(044) 4981379

Compiled (make a "v" mark in the corresponding box):

Date (year, month, day)  
under EDRPOU Code

under COATSU  
under COLFM

under KVED

Codes		
2018	01	01
00169816		
1410136300		
230		
93.12		

according to the provisions (standards) of accounting  
according to international financial reporting standards

V

## Balance sheet ( Statement of financial position ) as of December 31, 2017

Form No. 1

Code under SCAR

1801001

Active	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
I. Non-current assets			
Intangible assets	1000	2156443	2539738
Initial cost	1001	73383965	64124385
Accumulated depreciation	1002	71227522	61584647
Unfinished capital investments	1005	12377	61519
Fixed assets	1010	291663	287690
Initial cost	1011	496895	499777
Depreciation	1012	205232	212087
Investment real estate	1015	--	--
Long-term biological assets	1020	--	--
Long-term financial investments: which are accounted for by the method of participation in the capital of other enterprises	1030	10433	30533
Other financial investments	1035	--	--
Long-term receivables	1040	--	--
Deferred tax assets	1045	--	--
Other non-current assets	1090	--	--
Total by Chapter I	1095	2470916	2919480
II. Current assets			
Stocks	1100	7023	2664
Production stocks	1101	7023	2664
Current biological assets	1110	--	--
Accounts receivable for products, goods, works, services	1125	156572	97416
Accounts receivable on settlements: on issued advances	1130	--	--
with budget	1135	6297	6323
including income tax	1136	--	--
Accounts receivable on settlements with accrued income	1140	333	113
Other current receivables	1155	601628	282520
Current financial investments	1160	--	--
Money and its equivalents	1165	469535	83201
Cash	1166	2	2
Bank accounts	1167	469533	83199
Deferred expenses	1170	--	--
Other current assets	1190	34	2299
Total by Chapter II	1195	1241422	474536
III. Non-current assets held for sale and elimination group	1200	--	--
Balance	1300	3712338	3394016



Liabilities	Line code	At the beginning of accounting year	At the end of accounting period
1	2	3	4
I. Capital resources			
Registered (share) capital	1400	2700000	2700000
Capital in revaluation	1405	3700262	4874788
Additional capital	1410	--	--
Reserve capital	1415	--	--
Retained income (uncovered loss)	1420	-3486937	-4841334
Unpaid capital	1425	--	--
Disposed capital	1430	--	--
Total according to section I	1495	2913325	2733454
II. Long-term liabilities and securities			
Deferred tax liabilities	1500	--	--
Long term bank credits	1510	--	--
Other long-term liabilities	1515	726963	558892
Long-term securities	1520	--	--
Target financing	1525	--	--
Total according to section II	1595	726963	558892
III. Current liabilities and securities			
Short-term bank credits	1600	--	--
Current accounts payable for: long-term liabilities	1610	--	--
goods, works, services	1615	18973	20818
budget payments	1620	4148	2840
including from income tax	1621	--	--
insurance payments	1625	--	267
remuneration payments	1630	3679	3720
Current accounts payable for the received advances	1635	166	12787
Current securities	1660	21390	37544
Income of the future periods	1665	--	--
Other current liabilities	1690	23694	23694
Total according to section III	1695	72050	101670
IV. Liabilities connected with the fixed assets held for sale and disposal groups	1700	--	--
Balance	1900	3712338	3394016

Financial statements of the Enterprise are drawn up in accordance with the accounting principles regulated by the Ukrainian Law "On Accounting and Financial Reporting" and the National Regulation (Standard) of Accounting approved by the corresponding orders of the Ministry of Finance of Ukraine. Accounting of the Enterprise is kept in accordance with the Chart of Accounts for Accounting of Assets, Liabilities, Capital and Business Operations of Enterprises and Organizations approved by the Order of the Ministry of Finance of Ukraine in ledgers using the 1C: Accounting software. During the accounting year, the Enterprise ensured permanency of rules used for measurement, assessment and registration of business transactions in accordance with the National Regulation (Standard) of Accounting in order to ensure uniform principles, methods and procedures used for drawing up and presentation of financial statements.

#### ACCOUNTING OF CAPITAL ASSETS, INTANGIBLE ASSETS AND DEPRECIATION (AMORTIZATION) THEREOF.

Intangible assets in the Company Enterprise's accounting as of 31/12/2017 amount to UAH 64,124,385 ths. at initial value, accumulated depreciation amounts to UAH 61,584,647 ths., depreciated value amounts to UAH 2,539,738 ths. Intangible assets as of 31/12/2017 include:

- rights for commercial designations - UAH 826 ths.,
- copyrights and rights related thereto - UAH 230 ths.,
- other intangible assets (IA) including rights for transfer and registration of footballers, software and intellectual property - UAH 64,123,329 ths.

Intangible assets received throughout the accounting year:

- rights for commercial designations - UAH 178 ths.,

- copyrights and rights related thereto (software) - UAH 23 ths.,
- other intangible assets (rights for transfer and registration of footballers, software) - UAH 13,828 ths.

IA retired during the year at initial value:

- other IA (transfer of footballers and software) - UAH 27,641,143 ths.

IA amortization is added by the Enterprise in accordance with the National Regulation (Standard) of Accounting 8 "Intangible assets" with application of straight-line method throughout the period of beneficial use thereof (in relation to transfer of footballers, that is, term of their contracts). IA amortization added during 2017:

- rights for commercial designations - UAH 98 ths.,
- copyrights and rights related thereto - UAH 18 ths.,
- other IA - UAH 1,013,596 ths.

Revaluation for the year with IA amounted to UAH 18,367,534 ths. with the accumulated depreciation of UAH 16,984,273 ths.

Analytical and synthetic accounting of the capital assets in the accounting period was performed by the Enterprise in accordance with the National Regulation (Standard) of Accounting 7 "Capital Assets".

Capital assets of the Enterprise in total of UAH 499,777 ths. are accounted as of 31/12/2017, their depreciation is amounted to UAH 212,087 ths., depreciated value is

UAH 287,690 ths.

Initial values of capital assets are expenses for their purchase, delivery and installation, amortization is added by straight-line method.

Composition and value of the Enterprise's capital assets were changed during the accounting year, namely:

Income of capital assets during the accounting year amounted to UAH 3,306 ths., namely:

- \* machines and equipment - UAH 2,166 ths.,
- \* vehicles - UAH 84 ths.,
- \* tools, devices, equipment - UAH 630 ths.,
- \* other capital assets - UAH 122 ths.,
- \* non-current tangible assets of low cost - UAH 304 ths.

Retirement of capital assets in 2017 due to depreciation or selling:

- \* machines and equipment - UAH 119 ths. (depreciation is UAH 116 ths.),
- \* vehicles - UAH 182 ths. (depreciation is UAH 182 ths.),
- \* tools, devices, equipment - UAH 120 ths. (depreciation is UAH 118 ths.),
- \* non-current tangible assets of low cost - UAH 3 ths. (depreciation is UAH 3 ths.).

There was no revaluation of capital assets in 2017. Amortization

added during 2017 amounted to UAH 7,274 ths., namely:

- \* buildings, structures and transmitters - UAH 2,843 ths.,
- \* machines and equipment - UAH 1,460 ths.
- \* vehicles - UAH 2,118 ths.,
- \* tools, devices, equipment - UAH 377 ths.,
- \* Other capital assets - UAH 172 ths.,
- \* non-current tangible assets of low cost - UAH 304 ths.

Amortization of capital assets is made by straight-line method. The selected methods of assessments and addition of amortization remained unchanged throughout the accounting year.

There are no limitations of use of capital assets by the Enterprise. Main tangible assets are in the area of combat operations due to military confrontation as a part of anti-terrorist operation, some assets are out of order, but it did not affect the economic activity.

#### ACCOUNTING OF THE UNFINISHED CAPITAL INVESTMENTS

The amount of UAH 61,519 ths. is accounted as of 31/12/2017 according to article "Unfinished Capital Investments", namely: works on construction and reconstruction of sports structures, expenses for education and preparation of young footballers (qualification asset). Balance value of the unfinished construction equals the amount of actual expenses connected with the facility construction of capital and intangible assets.

#### ACCOUNTING OF FINANCIAL INVESTMENTS

Long-term financial investments of the Enterprise of UAH 30,533 ths. as of 31/12/2017 are accounted (investments in authorized capitals of other companies). Accounting of investments is performed on account 14 "Long-Term

Financial Investments" and was reflected in line 1030 of F.1. Balance (Financial Condition Report).

#### ACCOUNTING OF RESERVES

Accounting of reserves of the Enterprise during the accounting period was performed in accordance with the National Regulation (Standard) of Accounting 9 "Reserves". According to the Order on Accounting Policy of the Enterprise, the reserve unit is every name thereof. The Enterprise uses FIFO method in case of retirement of reserves.

The reserves as of 31/12/2017 were reflected in F.1. Balance (Financial Condition Report) at initial value and amounted to UAH 2,664 ths. including:

\* production reserves - UAH 2,664 ths.

Production reserves consist of:

- raw and materials - UAH 1,061 ths.,
- fuel - UAH 217 ths.,
- building materials - UAH 135 ths.,
- spare parts - UAH 1,251 ths.

Reserves are indicated in the accounting and financial statements at initial value (cost value) appointed on the basis of purchase, delivery and processing thereof. The Enterprise has no reserves at pawn.

#### ACCOUNTING OF FUNDS AND RECEIVABLES

Demand balance of the Enterprise in national currency as of 31/12/2017 amount to UAH 83,201 ths., UAH 83,199 ths. Of which is in the banks and UAH 2 ths. is in cash.

#### ACCOUNTING OF RECEIVABLES

Accounting of receivables was performed by the Enterprise according to the requirement of the National Regulation (Standard) of Accounting 10 "Receivables". The Enterprise performed an inventory taking of receivables, in the process of which only the receivables with a probability of receiving future economic benefits and value that can be reliably determined were recognized as assets in accordance with the National Regulation (Standard) of Accounting.

Structure of receivables of the Enterprise as of 31/12/2017 is as follows:

1. Receivables for the foods, works and services, the payment term of which has not come (line 1125 of F.1), at initial value is UAH 97,416 ths.

The most significant debtors:

- \* Security Agency - UAH 1,104 ths.,
- \* VESKO, PJSC - UAH 1,970 ths.,
- \* Herbalife ukraine, LLC - UAH 629 ths.,
- \* Druzhkivske Rudoupravlinnya, PJSC - UAH 1,970 ths.,
- \* Konti, PJSC - UAH 1,000 ths.
- \* Lemtrans, LLC - UAH 1,979 ths.,
- \* Kryvorizskyi Zavod Hirnychoho Obladnannia - UAH 867 ths.,
- \* Okhoronnyi Kholdinh, LLC - UAH 1,209 ths.,
- \* Ukrainian Premier League, APFCU - UAH 4,230 ths.,
- \* Svitlo Shakhtaria, PJSC - UAH 1,200 ths.,
- \* SCM, PJSC - UAH 23,857 ths.,
- \* Ukrainskyi Retail, LLC - UAH 4,652 ths.,
- \* Shakhtar Service, LLC - UAH 6,211 ths.,
- \* ETK PTE.LTD - UAH 1,020 ths.,
- \* FC Zarya, LLC - UAH 43,540 ths.,
- \* others - UAH 1,978 ths.

2. Receivables of budget payments (line 1135) - UAH 6,323 ths.

3. Receivables of accrued income (line 1140) are UAH 113 ths.

4. Other current receivables (line 1155) - UAH 282,520 ths. Receivables include:

- \* payments to persons accountable - UAH 242 ths.,
- \* payments to other debtors in national currency - UAH 253,921 ths.,
- \* payments to suppliers - UAH 1,874 ths.,
- \* payments to other suppliers - UAH 26,464 ths.,
- \* payments to social insurance funds - UAH 19 ths.,

The Enterprise owns other current assets (balances according to tax calculations) of UAH 2,299 ths. as of 31/12/2017.

#### CAPITAL RESOURCES

Authorized capital of the Enterprise as of 31/12/2017 is UAH 2,700,000 ths. (line 1400 of the Balance Financial Condition Report).



Amount of the capital in revaluation has changed during the accounting year. Capital in revaluation is UAH 4,874,788 ths. Uncovered losses of the Enterprise were UAH 3,486,937 ths. at beginning of the accounting year. There are losses of UAH 1,354,397 ths. according to results of the year. As a result, the Enterprise has the uncovered losses of UAH 4,841,334 ths. at the end of the year. Amount of capital resources as of 31/12/2017 is UAH 2,733,454 ths.

#### ACCOUNTING OF LIABILITIES

During the reporting year, recognition of liabilities was carried out by the Enterprise in accordance with the National Regulation (Standard) of Accounting 11 "Liabilities". That is, liabilities, assessment of which can be reliably determined and for which there is a possibility of a decrease in economic benefits in the future as a result of the repayment of such a liability, were reflected in the accounting. All liabilities were indicated within the accounting period and financial statements of the Enterprise at historical cost value.

All the Enterprise's liabilities are classified as long-term and current as of 31/12/2017 and amount to UAH 660,562 ths. at the end of the year.

Long-term liabilities (other long-term liabilities) amount to UAH 558,892 ths.

Current liabilities are reflected in accounting in the amount of repayment and include:

1. Current accounts payable for goods, works and services of UAH 20,818 ths. (line 1615).

The most significant creditors:

- \* Paralel LTD, LLC - UAH 378 ths.,
- \* Animation Studio Baraban, LLC - UAH 142 ths.,
- \* Voles, LLC - UAH 107 ths.,
- \* Medisport, LLC - UAH 119 ths.,
- \* Stadion Shakhtar, LLC - UAH 196 ths.,
- \* Sviatoshyn, FTU - UAH 360 ths.,
- \* Dornelles Assessoria Esportiva LTDA - UAH 14,033 ths.,
- \* others - UAH 5,483 ths.

2. Debts of budget payments (line 1620) - UAH 2,840 ths.

3. Current debts of remuneration payments (line 1630) - UAH 3,720 ths.

4. Debts of the received advances - UAH 12,787 ths.

5. Current securities - UAH 37,544 ths.

6. Other current liabilities (line 1690) - UAH 23,694 ths. consisting of:

- \* payments to persons accountable - UAH 48 ths.,
- \* trade union contributions - UAH 77 ths.,
- \* payments to other debtors - UAH 59 ths.,
- \* tax credit with VAT - UAH 2,959 ths.,
- \* Payments for accrued interest - UAH 59 ths.,
- \* Payments for savings certificates - UAH 20,475 ths.,
- \* others - UAH 16 ths.

**CEO**

-

(signature)

**Palkin S.A.**

**Accountant General**

-

(signature)

**Beliavtseva I.I.**

Enterprise Private Joint Stock Company Football Club  
Shakhtar (Donetsk)

Date (year, month, day)  
according to EDRPOU

Codes		
2018	01	01
00169816		

**Statement of financial results (statement of comprehensive income) for 2017**

Form No. 2  
SCAR

Code according to 1801003

**I. FINANCIAL RESULTS**

Article	Line code	For accounting period	For similar period of previous year
1	2	3	4
Net income from product realization (goods, works, service)	2000	--	--
Cost of products sold (goods, works, service)	2050	(--)	(--)
Gross: income	2090	--	--
loss	2095	(--)	(--)
Other operating income	2120	1845567	3273123
Administrative expenses	2130	(3007402)	(3058745)
Marketing expenses	2150	(15414)	(17229)
Other operating expenses	2180	(393103)	(739501)
Financial result of operating activity: income	2190	--	--
loss	2195	(1570352)	(542352)
Equity income	2200	--	--
Other financial income	2220	7581	38846
Other income	2240	71097	203
Financial expenses	2250	(63)	(51)
Equity losses	2255	(--)	(--)
Other expenses	2270	(71395)	(14959)
Financial result before taxing: income	2290	--	--
loss	2295	(1563132)	(518313)
Expenses (income) from income tax	2300	--	--
Income (loss) from terminated activity after taxing	2305	--	--
Net financial result: income	2350	--	--
loss	2355	(1563132)	(518313)

**II. AGGREGATE INCOME**

Article	Line code	For accounting period	For similar period of previous year
1	2	3	4
Revaluation (write-down) of fixed assets	2400	208735	322083
Revaluation (write-down) of financial instruments	2405	--	--
Accumulated exchange differences	2410	--	--
Share of aggregate income of associated and joint ventures	2415	--	--
Other aggregate income	2445	--	--
Other aggregate income before taxing	2450	208735	322083
Income tax connected with other aggregate income	2455	--	--
Other aggregate income after taxing	2460	208735	322083
Aggregate income (sum of lines 2350, 2355 and 2460)	2465	-1354397	-196230

### III. ELEMENTS OF OPERATING EXPENSES

Article name	Line code	For accounting period	For similar period of previous year
1	2	3	4
Material costs	2500	21026	29390
Labour costs	2505	1884951	1905112
Charge for social events	2510	20231	20407
Amortization	2515	1020986	1027781
Other operating expenses	2520	468725	832785
<b>Total</b>	2550	3415919	3815475

### IV. CALCULATION OF PROFITABILITY OF SHARES

Article name	Line code	For accounting period	For similar period of previous year
1	2	3	4
Average annual quantity of ordinary shares	2600	2700000	2700000000
Corrected average annual quantity of ordinary shares	2605	2700000	2700000000
Net income (loss) per one ordinary share	2610	(578.93777780)	( -0.19196780)
Corrected net income (loss) per one ordinary share	2615	(578.93777780)	( -0.19196780)
Dividends per one ordinary share	2650	--	--

The Enterprise has losses in the amount of UAH 1,354,397 ths. according to operating results of 2017. Amount of losses of the accounting period are confirmed with data of the Enterprise's accounting. Recognition and assessment of income and expenses in accounting and financial statements of the Enterprise were performed in accordance with the National Regulation (Standard) of Accounting 15 "Income" and the National Regulation (Standard) of Accounting 16 "Expenses". Income and expenses are included into F.2. "Statement of Financial Results (Statement of Comprehensive Income)" based on principles of charging and correspondence. Hence, income and expenses were recognized within the period where they happened and were indicated in accounting and financial statements of the period they belong to.

Classification of income and expenses of the Enterprise in 2017 is as follows:

#### INCOME:

1. Other operating income amount to UAH 1,845,567 ths. It includes income from:
  - \* Operating lease of assets - UAH 346 ths.,
  - \* Operating exchange difference - UAH 208,323 ths.
  - \* Realization of other current assets - UAH 28 ths.,
  - \* Other operating income - UAH 1,636,870 ths.,
2. Other financial income - UAH 7,581 ths.,
3. Other income - UAH 71,097 ths.,
4. Revaluation of assets - UAH 208,735 ths.

#### EXPENSES:

1. Administrative expenses - UAH 3,007,402 ths.,
2. Marketing expenses - UAH 15,414 ths.,
3. Other operating expenses - UAH 393,103 ths., namely:
  - \* operating exchange difference - UAH 195,101 ths.,
  - \* realization of other current assets - UAH 28 ths.,
  - \* other financial expenses - UAH 197,974 ths.,
4. financial expenses - UAH 63 ths.,
5. Other expenses (writing-off of fixed assets) - UAH 71,395 ths.

CEO

-  
(signature)

Palkin S.A.

Accountant General

-  
(signature)

Beliavtseva I.I.



Codes		
2018	01	01
00169816		

## Statement of cash flows (straight-line method) for 2017

Form No. 3  
to SCAR

Code according

1801004

Article	Line code	For accounting period	For similar period of previous year
1	2	3	4
I. Cash flows as a result of operating activity			
Revenue from:	3000	716977	387959
Product realization (goods, works, services)			
Refund of taxes and charges	3005	--	--
including value added tax	3006	--	--
Target financing	3010	--	--
Revenue from advance return	3020	275	1941
Revenue from interest on demand balance on current accounts	3025	7807	40606
Other revenue	3095	2680011	586898
Expenditures on payment for:	3100	(308632)	(328534)
Goods (works, services)			
Labour	3105	(1484806)	(1510307)
Charges for social events	3110	(17859)	(18973)
Liabilities from taxes and charges	3115	(452764)	(387427)
Liabilities from value added tax	3117	(86187)	(8113)
Liabilities from other taxes and charges	3118	(366577)	(343796)
Expenditures on payment for advance return	3140	(--)	(150)
Other expenditures	3190	(1528183)	(807251)
Net cash flow from operating activity	3195	-387174	-2035238
II. Cash flows as a result of investment activity			
Revenue from realization of:	3200	--	--
financial investments			
fixed assets	3205	111581	2053862
Revenue from received:	3215	--	--
interest			
dividends	3220	--	--
Revenue from derivatives	3225	--	--
Other revenue	3250	--	--
Expenditures on purchase of:	3255	(--)	(--)
financial investments			
fixed assets	3260	(--)	(64621)
Derivative payments	3270	(--)	(--)
Other payments	3290	(124537)	(--)
Net cash flow from investment activity	3295	-12956	1989241
III. Cash flows as a result of financial activity			
Revenue from:	3300	--	--
Capital resources			
Loan receipt	3305	--	--
Other revenue	3340	--	--
Expenditures on:	3345	(--)	(--)
Repurchase of own shares			
Repayment of loans	3350	--	--
Dividend payment	3355	(--)	(--)
Expenditures for purchase of share in subsidiary company	3370	(20100)	(--)
Other payments	3390	(--)	(--)
Net cash flow from financial activity	3395	-20100	--
Net cash flow within the accounting period	3400	-420230	-45997
Demand balance at the beginning of the year	3405	469535	469691
Influence of exchange rate on demand balance	3410	33896	45841

Demand balance at the end of the year	3415	83201	469535
---------------------------------------	------	-------	--------

Accounting of funds was performed according to the Instruction on Use of Chart of Accounts for Accounting of Assets, Liabilities, Capital and Business Operations approved by the Order of the Ministry of Finance of Ukraine No. 291. dated 30/11/1999.

The amount of UAH 2,680,011 ths. was added to other revenue from operating activity (line 3,095) within the accounting period, namely:

- payments to other debtors (in national currency) - UAH 1,894,597 ths.,
- payments to other debtors (non-residents) - UAH 784,562 ths.,
- payments to persons accountable - UAH 62 ths.,
- payments to suppliers (in national currency) - UAH 671 ths.,
- salary payments - UAH 11 ths.,
- payments to buyers - UAH 108 ths.

Other expenditures from operating activity - UAH 1,528,183 ths., namely:

- payments to other debtors (in national currency) - UAH 1,508,001 ths.,
- payments to persons accountable - UAH 13,584 ths.,
- payments according to executive documents - UAH 350 ths.,
- payments to other creditors (in national currency) on other operations - UAH 3,023 ths.,
- insurance compensation - UAH 5 ths.,
- payments to other foundations - UAH 302 ths.,
- payments to suppliers (in national currency) - UAH 2,918 ths.

Net cash flow within the accounting period is UAH 420,230 ths. Demand balance of the Company at the beginning of the accounting year is UAH 469,535 ths. Demand balance at the end of the accounting year (as of 31/12/2017) is UAH 83,201 ths.

**CEO**

-

(signature)

**Palkin S.A.**

**Accountant General**

-

(signature)

**Beliavtseva I.I.**

Codes		
2018	01	01
00169816		

## Statement of capital resources for 2017

Form No. 4  
to SCAR

Code according to 1801005

Article	Line code	Registered (share) capital	Capital in revaluation	Addition al capital	Reserve capital	Retained income (uncovered loss)	Unpaid capital	Disposed capital	Total
1	2	3	4	5	6	7	8	9	10
Balance at the beginning of the year	4000	2700000	3700262	--	--	-3486937	--	--	2913325
Correction: Accounting policy change	4005	--	--	--	--	--	--	--	--
Error correction	4010	--	--	--	--	--	--	--	--
Other changes	4090	--	--	--	--	--	--	--	--
Corrected balance at the beginning of the year	4095	2700000	3700262	--	--	-3486937	--	--	2913325
Net profit (loss) for the accounting period	4100	--	--	--	--	-1563132	--	--	-1563132
Other aggregate income for the accounting period	4110	--	1174526	--	--	208735	--	--	1383261
Revaluation (write-down) of fixed assets	4111	--	1174526	--	--	208735	--	--	1383261
Income distribution									
Payments to owners (dividends)	4200	--	--	--	--	--	--	--	--
Allocation of income to registered capital	4205	--	--	--	--	--	--	--	--
Contribution to reserve capital	4210	--	--	--	--	--	--	--	--
Contributions of participants: Contributions to capital	4240	--	--	--	--	--	--	--	--
Capital debt redemption	4245	--	--	--	--	--	--	--	--
Capital disposal: Repurchase of shares	4260	--	--	--	--	--	--	--	--
Selldown of repurchased shares	4265	--	--	--	--	--	--	--	--
Cancellation of repurchased shares	4270	--	--	--	--	--	--	--	--
Exemption of share in capital	4275	--	--	--	--	--	--	--	--
Other changes in capital	4290	--	--	--	--	--	--	--	--
Total changes in capital	4295	--	1174526	--	--	-1354397	--	--	-179871
Balance at the end of the year	4300	2700000	4874788	--	--	-4841334	--	--	2733454

Statutory capital at the end of the accounting year is UAH 2,700,000,000. Capital in revaluation is UAH 4,874,788 ths. as of 31/12/2017 and includes revaluation amount of intangible assets. Uncovered loss of the Enterprise at the end of 2017 is UAH 4,841,334 ths. Balance of capital resources at the end of accounting year (as of 31/12/2017) is UAH 2,733,454 ths.

CEO

\_\_\_\_\_  
(signature)

Palkin S.A.

Accountant General

\_\_\_\_\_  
(signature)

Beliavtseva I.I.





## **XV. Information on audit certificate (report)**

1	Audit company name (full name of individual entrepreneur)	<b>LIMITED LIABILITY COMPANY AC CROWE UKRAINE</b>
2	EDRPOU code (registration number of taxpayer's registration card* of individual)	<b>33833362</b>
3	Location of audit company, auditor	<b>04070, Kyiv, 37 Spaska St</b>
4	Number and date of issue of the certificate of registration in the Register of Audit Companies and Auditors given by the Chamber of Auditors of Ukraine	<b>3681 10/11/2005</b>
5	Registration number, series and number, date of issue and validity period of the certificate of registration of the companies that can carry out audits of the professional stock market participants	<b>405 II 000404 09/02/2017 to 29/10/2020</b>
6	Number and date of issue of the certificate of conformity of the quality control system given by the Chamber of Auditors of Ukraine	<b>353/4 21/12/2017</b>
7	Accounting period for which audit of financial statements was performed	<b>01/01/2017–31/12/2017</b>
8	Audit opinion (01 - not qualified; 02 - with warnings; 03 - failed; 04 - disclaimer of opinion)	<b>02</b>
9	Declaratory paragraph (of any)	<b>n/d</b>
10	Number and date of audit agreement	<b>18/265-U 19/03/2018</b>
11	Date of audit commencement and completion	<b>19/03/2018–30/03/2018</b>
12	Audit certificate (report) date	<b>10/04/2018</b>
13	Remuneration amount for annual audit, UAH	<b>72000.00</b>