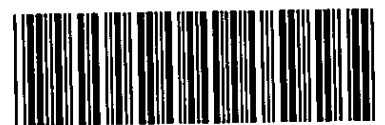


WARGAMING.NET LLP
REPORT OF THE MEMBERS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

OC335225

Kounnis And Partners Ltd
Chartered Certified Accountants
& Statutory Auditors
Sterling House
Fulbourne Road
Walthamstow
London
E17 4EE

MONDAY



L2026R00

LD3

14/01/2013

#55

COMPANIES HOUSE

WARGAMING NET LLP (REGISTERED NUMBER. OC335225)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

	Page
General Information	1
Report of the Members	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Financial Statements	10

WARGAMING NET LLP
GENERAL INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012

DESIGNATED MEMBERS: Kloyster Systems Corp
Lunarbelle Management Inc
Ockster Financial Corp
Sandrix Business Inc

REGISTERED OFFICE 60 Cannon Street
London
EC4N 6NP

REGISTERED NUMBER OC335225 (England and Wales)

**SENIOR STATUTORY
AUDITOR:** Mr C A Joannou BSc, MSc, FCCA

AUDITORS Kounnis And Partners Ltd
Chartered Certified Accountants
& Statutory Auditors
Sterling House
Fulbourne Road
Walthamstow
London
E17 4EE

BANKERS: Nordea Bank Denmark A/S
International Branch
PO Box 850

**REPORT OF THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2012**

The members present their report with the financial statements of the LLP for the year ended 31 March 2012

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of sales of software

REVIEW OF BUSINESS

The Partnership's development to date, financial results and position as presented in the financial statements are considered satisfactory

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements

DESIGNATED MEMBERS

The designated members during the year under review were

Kloyster Systems Corp
Lunarbelle Management Inc
Ockster Financial Corp
Sandrix Business Inc

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year before members' remuneration and profit shares was \$97,645,033 (2011 - \$480,193 profit)

MEMBERS' INTERESTS

Members are remunerated from the profits of the LLP. Members draw a proportion of their profit shares during the year. Profits are allocated and divided between members after finalisation of the financial statements and drawn subsequently subject to the cash requirements of the business.

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the Report of the Members and the financial statements in accordance with applicable law and regulations.

Legislation applicable to limited liability partnerships requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under legislation applicable to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

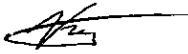
So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

**REPORT OF THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2012**

AUDITORS

The auditors, Kounnis And Partners Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE MEMBERS.



Ockster Financial Corp - Designated Member

14 January 2013

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WARGAMING NET LLP**

We have audited the financial statements of Wargaming net LLP for the year ended 31 March 2012 on pages five to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Statement of Members' Responsibilities set out on page two, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Members to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

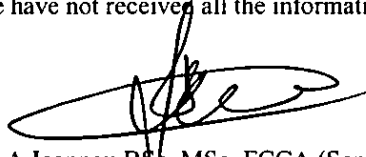
In our opinion the financial statements

- give a true and fair view of the state of the LLP's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to LLPs requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit.



Mr C A Joannou BSc, MSc, FCCA (Senior Statutory Auditor)
for and on behalf of Kounnis And Partners Ltd
Chartered Certified Accountants
& Statutory Auditors
Sterling House
Fulbourne Road
Walthamstow
London
E17 4EE

Date 14/01/2013

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	2012 \$	2011 \$
TURNOVER	2	191,186,189	19,065,982
Cost of sales		<u>83,539,367</u>	<u>16,710,254</u>
GROSS PROFIT		107,646,822	2,355,728
Administrative expenses		<u>10,543,222</u>	<u>1,735,784</u>
		97,103,600	619,944
Other operating income		<u>597,839</u>	<u>4,230</u>
OPERATING PROFIT	4	97,701,439	624,174
Interest payable and similar charges	5	<u>56,406</u>	<u>143,981</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	13	<u>97,645,033</u>	<u>480,193</u>

CONTINUING OPERATIONS

None of the LLP's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

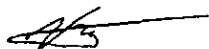
The LLP has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2012

	Notes	2012		2011	
		\$	\$	\$	\$
FIXED ASSETS					
Intangible assets	7		-		154,193
CURRENT ASSETS					
Debtors	8	70,472,651		5,369,824	
Cash at bank		67,460,568		4,327,902	
		<u>137,933,219</u>		<u>9,697,726</u>	
CREDITORS					
Amounts falling due within one year	9	39,602,178		8,870,790	
NET CURRENT ASSETS			<u>98,331,041</u>		<u>826,936</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>98,331,041</u>		<u>981,129</u>
CREDITORS					
Amounts falling due after more than one year	10		-		286,311
NET ASSETS ATTRIBUTABLE TO MEMBERS			<u>98,331,041</u>		<u>694,818</u>
LOANS AND OTHER DEBTS DUE TO MEMBERS					
	12		98,329,051		692,828
MEMBERS' OTHER INTERESTS					
Capital accounts	13		1,990		1,990
			<u>98,331,041</u>		<u>694,818</u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members	12		98,329,051		692,828
Members' other interests	13		1,990		1,990
Amounts due from members	8		-		(8,810)
			<u>98,331,041</u>		<u>686,008</u>

The financial statements were approved by the members of the LLP on 14 January 2013 and were signed by



Ockster Financial Corp - Designated member

The notes form part of these financial statements

WARGAMING NET LLP (REGISTERED NUMBER: OC335225)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	2012		2011	
		\$	\$	\$	\$
Net cash inflow from operating activities	1	63,475,383		4,503,399	
Returns on investments and servicing of finance	2	<u>(56,406)</u>		<u>(143,981)</u>	
		63,418,977		4,359,418	
Financing	2	<u>(286,311)</u>		<u>(278,833)</u>	
Increase in cash in the period		<u><u>63,132,666</u></u>		<u><u>4,080,585</u></u>	
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period		63,132,666		4,080,585	
Cash outflow from decrease in debt		<u>286,311</u>		<u>278,833</u>	
Change in net funds resulting from cash flows		63,418,977		4,359,418	
Non-cash change in loans and other debts due to members		<u>(97,636,223)</u>		<u>(480,193)</u>	
Movement in net funds in the period		<u>(34,217,246)</u>		3,879,225	
Net funds/(debt) at 1 April		<u>3,348,763</u>		<u>(530,462)</u>	
Net (debt)/funds at 31 March		<u><u>(30,868,483)</u></u>		<u><u>3,348,763</u></u>	

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012	2011
	\$	\$
Operating profit	97,701,439	624,174
Depreciation charges	154,193	371,462
Increase in debtors	(65,111,637)	(5,358,217)
Increase in creditors	30,731,388	8,865,980
Net cash inflow from operating activities	63,475,383	4,503,399

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2012	2011
	\$	\$
Returns on investments and servicing of finance		
Interest paid	(56,406)	(143,981)
Net cash outflow for returns on investments and servicing of finance	(56,406)	(143,981)
Transactions with members		
Payments to members	(8,810)	-
Contributions by members	8,810	-
Net cash inflow from transactions with members	-	-
Financing		
Loan repayments in year	(286,311)	(278,833)
Net cash outflow from financing	(286,311)	(278,833)

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 4.11 \$	Cash flow \$	Other non-cash changes \$	At 31 3 12 \$
Net cash				
Cash at bank	4,327,902	63,132,666		67,460,568
	<u>4,327,902</u>	<u>63,132,666</u>		<u>67,460,568</u>
Debt				
Loans and other debts due to members	(692,828)	-	(97,636,223)	(98,329,051)
Debts falling due after one year	(286,311)	286,311	-	-
	<u>(979,139)</u>	<u>286,311</u>	<u>(97,636,223)</u>	<u>(98,329,051)</u>
Total	<u>3,348,763</u>	<u>63,418,977</u>	<u>(97,636,223)</u>	<u>(30,868,483)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have continued to be prepared in US\$ being the most relevant currency relating to the activities of the business

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the LLP obtains the right to consideration

Turnover relates to the trade made outside the UK

Research and development

Expenditure on research and development is written off in the year in which it is incurred

Foreign currencies

Assets and liabilities in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into US dollars at the rate of exchange ruling at the date of transaction Exchange differences are taken into account in arriving at the operating result

INTANGIBLE FIXED ASSETS

Intangible assets are amortised over its estimated useful life

2 TURNOVER

The turnover and profit for the financial year before members' remuneration and profit shares are attributable to the one principal activity of the LLP

An analysis of turnover by geographical market is given below

	2012	2011
	\$	\$
United States of America	8,598,019	2,082,038
Asia	17,173,644	1,388,025
Russia and CIS	125,509,846	15,216,430
Europe (Excluding UK)	39,904,680	379,489
	<u>191,186,189</u>	<u>19,065,982</u>

3 EMPLOYEE INFORMATION

There were no staff costs for the year ended 31 March 2012 nor for the year ended 31 March 2011

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012	2011
	\$	\$
Development costs amortisation	154,193	154,194
Foreign exchange differences	<u>(400,895)</u>	<u>(4,230)</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	\$	\$
Other loan interest	<u>56,406</u>	<u>143,981</u>

6 INFORMATION IN RELATION TO MEMBERS

	2012	2011
	\$	\$
The amount of profit attributable to the member with the largest entitlement was	<u>39,058,013</u>	<u>192,077</u>

	2012	2011
The average number of members during the year was	<u>4</u>	<u>4</u>

7 INTANGIBLE FIXED ASSETS

	Development costs \$
COST	
At 1 April 2011 and 31 March 2012	<u>319,953</u>
AMORTISATION	
At 1 April 2011	165,760
Amortisation for year	<u>154,193</u>
At 31 March 2012	<u>319,953</u>
NET BOOK VALUE	
At 31 March 2012	<u>-</u>
At 31 March 2011	<u>154,193</u>

WARGAMING NET LLP (REGISTERED NUMBER: OC335225)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

8	DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR	2012	2011
		\$	\$
	Trade debtors	49,046,892	5,361,014
	Amounts due from members	-	8,810
	Other debtors	21,425,759	-
		<u>70,472,651</u>	<u>5,369,824</u>
9	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2012	2011
		\$	\$
	Trade creditors	35,362,004	7,288,517
	Other creditors	-	113,332
	Accrued expenses	4,240,174	1,468,941
		<u>39,602,178</u>	<u>8,870,790</u>
10	CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2012	2011
		\$	\$
	Other loans (see note 11)	<u>-</u>	<u>286,311</u>
11	LOANS		
	An analysis of the maturity of loans is given below		
		2012	2011
		\$	\$
	Amounts falling due between one and two years		
	Other loans	<u>-</u>	<u>286,311</u>
12	LOANS AND OTHER DEBTS DUE TO MEMBERS	2012	2011
		\$	\$
	Amounts owed to members in respect of profits	<u>98,329,051</u>	<u>692,828</u>
	Falling due within one year	<u>98,329,051</u>	<u>692,828</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

13 MEMBERS' INTERESTS

	Members' other interests			Loans and other debts due to/(from) members \$	Total \$
	Members' capital (classified as equity) \$	Reserves \$	Total \$		
Amount due to members				692,828	
Amount due from members				(8,810)	
Balance at 1 April 2011	1,990	-	1,990	684,018	686,008
Profit for the financial year available for discretionary division among members		97,645,033	97,645,033		97,645,033
Members' interests after profit for the year	1,990	97,645,033	97,647,023	684,018	98,331,041
Other divisions of profit Introduced by members		(97,645,033)	(97,645,033)	97,645,033	
Drawings				8,810	8,810
				(8,810)	(8,810)
Amount due to members				98,329,051	
Amount due from members				-	
Balance at 31 March 2012	1,990	-	1,990	98,329,051	98,331,041

14 RELATED PARTY DISCLOSURES**GamesStream Limited**

A company which is under common control with the LLP

The LLP paid \$2,900,000 (2011 \$2,054,512) to the company which is included in purchases as cost of sales. As at the year end no amounts were outstanding or payable to/by the company (2011 \$Nil)

Wargaming Public Company Limited

A company which is under common control with the LLP

The LLP entered into a reseller agreement with Wargaming Public Company Limited during the year, to sell the rights to market, promote, and resell software products owned by Wargaming Net LLP, and use the Wargaming Net LLP trademark, service mark and logo. Wargaming Net LLP earned revenue of US\$32,114,003 and as at 31 March 2012 the balance receivable from Wargaming Public Company Limited was US\$23,173,782.

The LLP also entered into several agreements with Wargaming Public Company Limited to provide loans for US\$12,423,900. The loans bear interest between 2.8% to 3.16% and are all repayable within 12 months. Interest income of US\$91,726 was credited to the profit & loss during the year. As at 31 March 2012 balance outstanding relating to these was US\$12,765,735.

In addition the LLP entered into a royalty agreement with BigWorld PTY Limited and during the year paid a royalty of 5% of its gross revenue to BigWorld PTY Limited. These costs totalling US\$2,285,323 were paid and recharged to Wargaming Public Company Limited. There was no outstanding amount relating to this as at 31 March 2012.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

14 RELATED PARTY DISCLOSURES - continued

Wargaming America Inc

A company which is under common control with the LLP

During the year, Wargaming Net LLP entered into an agreement with Wargaming America Inc, to receive customer support and marketing services. These services are billed at cost plus 12% mark-up. An amount of US\$885,439 was charged to the profit & loss for the year ended 31 March 2012.

During the year, Wargaming Net LLP entered into several agreements with Wargaming America Inc, to provide loans of US\$4,535,318. All the loans bear interest at 6% and are repayable within one year. During the year to 31 March 2012, total loan interest income of US\$99,405 was credited to the profit & loss. As at 31 March 2012, the total amount outstanding was US\$3,749,244.

15 POST BALANCE SHEET EVENTS

On 6 July 2012 the LLP acquired 100% of Micro Forte PTY Limited a group holding company for US\$45.8 million. The group companies are all incorporated in Australia. The subsidiary of Micro Forte PTY Limited (Big World PTY Limited) holds Intellectual Property and Trade Marks licenced to the LLP providing access to technology developed by Big World PTY Limited.

16 ULTIMATE CONTROLLING PARTY

The limited liability partnership is controlled by the members and no one member is considered to be controlling party.