ELIDI SECURITIES LTD (ex. UGM SECURITIES LTD)

REPORT AND FINANCIAL STATEMENTS
Year ended 31 December 2023

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Year ended 31 December 2023

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ELIDI SECURITIES LTD (ex. UGM SECURITIES LTD)

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Savvas Zannetos - Non Executive Anna Glazunova - Executive Aliki Charalambidou Aresti - Non Executive (appointed on 22 January 2024) Sandugash Aimanova - Executive (appointed on 31 May 2023) Ruslan Adilbaev - Non Executive (appointed on 5 January 2024) Zhaslan Adilbaev - Executive (resigned on 30 November 2023) Natalja Milovanova - Non Executive (resigned on 31 January 2023)
Company Secretary:	Savvas Zannetos
Independent Auditors:	Finexpert Audit Limited Chartered Certified Accountants 30 Chytron street, Office A32 1075, Nicosia
Registered office:	Spyrou Kyprianou 20 Office 102 1075, Nicosia Cyprus
Bankers:	Hellenic Bank Public Company Ltd PJSC Rosbank Ardshinbank CJSC Global Prime Partners Ltd (brokers) Central Securities Depository JSC
Registration number:	HE 360073

ELIDI SECURITIES LTD (ex. UGM SECURITIES LTD)

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2023.

Principal activities and nature of operations of the Company
The company is a Cyprus Investment Firm with the licence number CIF 352/17 and the principle activities are the provision of brokerage and asset safekeeping services to it's individual and corporate clients.

Change of Company name
On 17 October 2023, the Company changed its name from UGM Securities Limited to ELIDI Securities Ltd.

Review of current position, future developments and performance of the Company's business
The Company's development to date, financial results and position as presented in the financial statements are considered satisfactory.

Principal risks and uncertainties
The principal risks and uncertainties faced by the Company are disclosed in notes 6, 7 and 22 of the financial statements.

Results
The Company's results for the year are set out on page 6.

Dividends
The Board of Directors does not recommend the payment of a dividend and the net profit for the year is retained.

Share capital
There were no changes in the share capital of the Company during the year under review.

Board of Directors
The members of the Company's Board of Directors as at 31 December 2023 and at the date of this report are presented on page 1. On 31 January 2023 and 30 November 2023 Mrs. Natalja Milovanova and Mr. Zhaslan Adilbaev respectively resigned from their positions as Directors of the Company and on 31 May 2023, 5 January 2024 and 22 January 2024 Mrs. Sandugash Aimanova, Mr. Ruslan Adilbaev and Mrs. Aliki Charalambidou Aresti respectively were appointed as Directors of the Company.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

Events after the reporting period
Any significant events that occurred after the end of the reporting period are described in note 26 of the financial statements.

Related party transactions
Disclosed in note 23 of the financial statements.

Independent Auditors
The Independent Auditors, Finexpert Audit Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

Savvas Zannetos
Secretary

Nicosia, 3 April 2024

FIN·EXPERT
AUDIT LTD
Chartered Certified Accountants

Independent Auditor's Report

To the Members of ELIDI Securities Ltd (ex. UGM Securities Ltd)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ELIDI Securities Ltd (ex. UGM Securities Ltd) (the "Company"), which are presented in pages 6 to 30 and comprise the statement of financial position as at 31 December 2023, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes of the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the report of the Board of Directors and the additional information to the statement of profit or loss and other comprehensive income in pages 31 to 35, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report (continued)

To the Members of ELIDI Securities Ltd (ex. UGM Securities Ltd)

Responsibilities of the Board of Directors for the Financial Statements (continued)

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, based on the work undertaken in the course of our audit, the Report of the Board of Directors has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.

Independent Auditor's Report (continued)

To the Members of ELIDI Securities Ltd (ex. UGM Securities Ltd)

Report on Other Legal Requirements (continued)

- In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Report of the Board of Directors. We have nothing to report in this respect.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Andreas Georgiou
Certified Public Accountant and Registered Auditor
for and on behalf of
Finexpert Audit Limited
Chartered Certified Accountants

Nicosia, 3 April 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended 31 December 2023

	Note	**2023** €	2022 €
Revenue	8	**3,572,704**	1,780,131
Staff costs	11	**(580,101)**	(340,736)
Depreciation and amortisation expense		**(28,043)**	(31,085)
Administration and other expenses	9	**(454,732)**	(441,064)
Operating profit	**10**	**2,509,828**	967,246
Net finance costs	12	**(648,329)**	(12,688)
Profit before tax		**1,861,499**	954,558
Tax	13	**(301,649)**	(117,688)
Net profit for the year		**1,559,850**	836,870
Other comprehensive income		**-**	-
Total comprehensive income for the year		**1,559,850**	836,870

The notes on pages 10 to 30 form an integral part of these financial statements.

ELIDI SECURITIES LTD (ex. UGM SECURITIES LTD)

STATEMENT OF FINANCIAL POSITION
31 December 2023

	Note	2023 €	2022 €
ASSETS			
Non-current assets			
Property, plant and equipment	14	**641,553**	659,137
Intangible assets	15	**733**	-
Investor compensation fund	17	**42,715**	42,715
		685,001	701,852
Current assets			
Trade and other receivables	16	**367,510**	792,903
Cash at bank and in hand	18	**6,603,940**	4,534,237
		6,971,450	5,327,140
Total assets		**7,656,451**	6,028,992
EQUITY AND LIABILITIES			
Equity			
Share capital	19	**5,000,000**	5,000,000
Other reserves		**8,000**	8,000
Retained earnings		**2,468,506**	908,656
Total equity		**7,476,506**	5,916,656
Current liabilities			
Trade and other payables	20	**78,296**	44,648
Current tax liabilities	21	**101,649**	67,688
		179,945	112,336
Total equity and liabilities		**7,656,451**	6,028,992

On 3 April 2024 the Board of Directors of UGM Securities Ltd authorised these financial statements for issue.

....
Anna Glazunova
Director

....
Sandugash Aimanova
Director

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2023

	Note	Share capital €	Statutory reserve €	Retained earnings €	Total €
Balance at 1 January 2022		**3,500,000**	**8,000**	**71,786**	**3,579,786**
Net profit for the year		-	-	836,870	836,870
Issue of share capital	19	1,500,000	-	-	1,500,000
Balance at 31 December 2022/ 1 January 2023		**5,000,000**	**8,000**	**908,656**	**5,916,656**
Net profit for the year		-	-	1,559,850	1,559,850
Balance at 31 December 2023		**5,000,000**	**8,000**	**2,468,506**	**7,476,506**

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

ELIDI SECURITIES LTD (ex. UGM SECURITIES LTD)

STATEMENT OF CASH FLOWS
Year ended 31 December 2023

	Note	**2023** €	2022 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**1,861,499**	954,558
Adjustments for:			
Depreciation of property, plant and equipment	14	**28,043**	31,085
Unrealised exchange loss/(profit)		**278,803**	(159,035)
Loss from the sale of property, plant and equipment		**35**	-
Interest expense	12	**37,284**	28,180
		2,205,664	854,788
Changes in working capital:			
Decrease/(increase) in trade and other receivables		**409,837**	(678,959)
Decrease in bank deposits		**2,627**	-
Increase in trade and other payables		**33,648**	22,284
Cash generated from operations		**2,651,776**	198,113
Tax paid		**(267,688)**	(88,688)
Net cash generated from operating activities		**2,384,088**	109,425
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of intangible assets	15	**(1,100)**	-
Payment for purchase of property, plant and equipment	14	**(18,350)**	(798)
Proceeds from disposal of property, plant and equipment		**23,779**	-
Net cash generated from/(used in) investing activities		**4,329**	(798)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		**-**	1,500,000
Unrealised exchange (loss)/profit		**(278,803)**	159,035
Interest paid		**(37,284)**	(28,180)
Proceeds from shareholder's conrtibution		**-**	-
Net cash (used in)/generated from financing activities		**(316,087)**	1,630,855
Net increase in cash and cash equivalents		**2,072,330**	1,739,482
Cash and cash equivalents at beginning of the year		**4,531,610**	2,792,128
Cash and cash equivalents at end of the year	**18**	**6,603,940**	4,531,610

The notes on pages 10 to 30 form an integral part of these financial statements.

1. Incorporation and principal activities

Country of incorporation

The Company ELIDI Securities Ltd (the "Company") was incorporated in Cyprus on 15 September 2016 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Spyrou Kyprianou 20, Office 102, 1075, Nicosia, Cyprus.

Change of Company name

On 17 October 2023, the Company changed its name from UGM Securities Limited to ELIDI Securities Ltd.

Principal activities

The company is a Cyprus Investment Firm with the licence number CIF 352/17 and the principle activities are the provision of brokerage and asset safekeeping services to it's individual and corporate clients.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRSs) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2023. This adoption did not have a material effect on the accounting policies of the Company.

4. Material accounting policies

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Management seeks not to reduce the understandability of these financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Company includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Company's experience with similar contracts and forecasted sales to the customer.

4. Material accounting policies (continued)

Revenue (continued)

The Company recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Company can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract), it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Company's contracts with customers.

The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by Management.

Identification of performance obligations

The Company assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Company's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

- **Commission income**

  Commission income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

- **Interest income**

  Interest income is recognised on a time-proportion basis using the effective interest method.

Employee benefits

The Company and its employees contribute to the Government Social Insurance Fund based on employees' salaries. The Company's contributions are expensed as incurred and are included in staff costs. The Company has no legal or constructive obligations to pay further contributions if the scheme does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

4. Material accounting policies (continued)

Foreign currency translation

(1) Functional and presentation currency
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(2) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Buildings	3%
Motor vehicles	20%
Furniture, fixtures and office equipment	10%
Computer equipment	20%
Computer software	33.33%

No depreciation is provided on land.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. Material accounting policies (continued)

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Computer software

Costs that are directly associated with identifiable and unique computer software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4. Material accounting policies (continued)

Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

4. Material accounting policies (continued)

Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 6, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

4. Material accounting policies (continued)

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

4. Material accounting policies (continued)

Classification as trade receivables (continued)

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 6, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Financial liabilities - Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

4. Material accounting policies (continued)

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss.

Share capital

Ordinary shares are classified as equity.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management

Financial risk factors
The Company is exposed to credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, outstanding receivables and credit related commitments.

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of ['C'].

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

6. Financial risk management (continued)

6.1 Credit risk (continued)

(i) Risk management (continued)

The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

These policies enable the Company to reduce its credit risk significantly.

(ii) Impairment of financial assets

The Company has the following types of financial assets that are subject to the expected credit loss model:

- trade receivables
- cash and cash equivalents
- credit commitments

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

- For trade receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the financial assets.
- For all other financial assets that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Impairment losses are presented as net impairment losses on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

6. Financial risk management (continued)

6.1 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Low credit risk

The Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

Write-off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

There were no impairment and/ or past due but not impaired financial assets as at 31 December 2023 and 2022.

The Company does not have any material debt financial assets that are subject to the impairment requirements of IFRS 9 and their contractual cash flows have been modified.

(iii) Credit related commitments

The primary purpose of these instruments is to ensure that funds are available to a borrower as required. Guarantees which represent irrevocable assurances that the Company will make payments in the event that a counterparty cannot meet its obligations to third parties, carry the same credit risk as loans receivable. Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans or guarantees. With respect to credit risk on commitments to extend credit, the Company is potentially exposed to loss in an amount equal to the total unused commitments, if the unused amounts were to be drawn down. The Company monitors the term to maturity of credit related commitments, because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

6.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2023

6. Financial risk management (continued)

6.2 Liquidity risk (continued)

31 December 2023	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Trade and other payables	4,582	4,582	-	4,582	-	-	-
	4,582	**4,582**	**-**	**4,582**	**-**	**-**	**-**

31 December 2022	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Trade and other payables	11,296	11,296	-	11,296	-	-	-
Payables to related parties	11,730	11,730	-	11,730	-	-	-
	23,026	**23,026**	**-**	**23,026**	**-**	**-**	**-**

6.3 Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

6.4 Capital risk management
The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

7. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

7. Critical accounting estimates and judgments (continued)

Judgments

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Calculation of loss allowance**

  When measuring expected credit losses the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

  Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

  Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

- **Income taxes**

  Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Critical judgements in applying the Company's accounting policies

- **Impairment of financial assets**

  The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 6, Credit risk section.

- **Impairment of non-financial assets**

  The impairment test is performed using the discounted cash flows expected to be generated through the use of non-financial assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

- **Impairment of intangible assets**

  Intangible assets are initially recorded at acquisition cost and are amortized on a straight line basis over their useful economic life. Intangible assets that are acquired through a business combination are initially recorded at fair value at the date of acquisition. Intangible assets with indefinite useful life are reviewed for impairment at least once per year. The impairment test is performed using the discounted cash flows expected to be generated through the use of the intangible assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2023

7. Critical accounting estimates and judgments (continued)

- **Useful live of depreciable assets**

  The Board of Directors assesses the useful lives of depreciable assets at each reporting date, and revises them if necessary so that the useful lives represent the expected utility of the assets to the Company. Actual results, however, may vary due to technological obsolescence, mis-usage and other factors that are not easily predictable.

8. Revenue

The Company derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major product lines.

Disaggregation of revenue	2023	2022
	€	€
Commissions receivable	3,572,704	1,780,131
	3,572,704	1,780,131

9. Administration and other expenses

	2023	2022
	€	€
Loss on disposal of property, plant and equipment	35	-
Sewage expenses	58	-
Licenses and taxes	25,875	16,883
Municipality taxes	220	210
Annual levy	350	350
Immovable property tax	70	68
Electricity	4,981	3,543
Water supply and cleaning	140	77
Insurance	1,576	1,915
Repairs and maintenance	10,953	-
Telephone and postage	1,793	1,992
Courier expenses	494	264
Stationery and printing	675	683
Subscriptions and contributions	125,319	139,988
Staff training	5,325	1,238
Sundry staff costs	12,225	5,526
Computer supplies and maintenance	1,960	2,014
Auditors' remuneration	17,000	11,000
Accounting fees	12,000	12,000
Legal fees	4,500	500
Other professional fees	53,125	143,495
Revenue stamps	1,477	1,613
Fines	210	370
Travelling	6,946	66,090
Entertaining	144,561	10,445
Motor vehicle running costs	180	1,642
Domains and hostings	42	-
Administration expenses	14,265	18,143
Variable annual contribution	-	407
Sundry expenses	8,377	608
	454,732	441,064

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2023

10. Operating profit

	2023	2022
	€	€
Operating profit is stated after charging the following items:		
Loss from the sale of property, plant and equipment (Note 14)	**35**	-
Staff costs including Directors in their executive capacity (Note 11)	**580,101**	340,736
Auditors' remuneration	**17,000**	11,000

11. Staff costs

	2023	2022
	€	€
Salaries	**505,778**	296,551
Social security costs	**74,323**	44,185
	580,101	340,736
Average number of employees (including Directors in their executive capacity)	**15**	13

12. Finance income/(costs)

	2023	2022
	€	€
Finance income		
Unrealised foreign exchange profit	**-**	159,035
	-	159,035
Finance costs		
Interest expense		
Bank interest	**(37,284)**	(28,180)
Sundry finance expenses		
Bank charges	**(300,362)**	(95,211)
Net foreign exchange losses		
Realised foreign exchange loss	**(31,880)**	(48,332)
Unrealised foreign exchange loss	**(278,803)**	-
	(648,329)	(171,723)
Net finance costs	**(648,329)**	(12,688)

13. Tax

	2023	2022
	€	€
Corporation tax	**301,649**	117,688
Charge for the year	**301,649**	117,688

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2023

13. Tax (continued)

The tax on the Company's profit before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	2023	2022
	€	€
Profit before tax	1,861,499	954,558
Tax calculated at the applicable tax rates	232,687	119,320
Tax effect of expenses not deductible for tax purposes	63,226	14,978
Tax effect of allowances and income not subject to tax	(3,505)	(22,763)
10% additional charge	9,241	6,153
Tax charge	**301,649**	117,688

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30% (reduced to 17% as of 1 January 2024). In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

14. Property, plant and equipment

	Land and buildings	Motor vehicles	Furniture, fixtures and office equipment	Total
	€	€	€	€
Cost				
Balance at 1 January 2022	695,478	40,087	34,242	773,377
Additions	-	-	798	798
Balance at 31 December 2022/ 1 January 2023	**695,478**	**40,087**	**35,040**	**774,175**
Additions	-	-	26,129	26,129
Disposals	-	(40,087)	-	(40,087)
Balance at 31 December 2023	**695,478**	**-**	**61,169**	**760,217**
Depreciation				
Balance at 1 January 2022	41,733	16,035	22,616	83,954
Charge for the year	20,865	8,017	2,203	31,085
Balance at 31 December 2022/ 1 January 2023	**62,597**	**24,052**	**24,819**	**115,039**
Charge for the year	20,865	-	6,812	27,677
On disposals	-	(24,052)	-	(24,052)
Balance at 31 December 2023	**83,462**	**-**	**31,631**	**118,664**
Net book amount				
Balance at 31 December 2023	**612,016**	**-**	**29,538**	**641,553**
Balance at 31 December 2022	**632,881**	**16,035**	**10,221**	**659,137**

15. Intangible assets

	Computer software €
Cost	
Additions	1,100
Balance at 31 December 2023	**1,100**
Amortisation	
Amortisation for the year (Note 10)	367
Balance at 31 December 2023	**367**
Net book amount	
Balance at 31 December 2023	**733**

16. Trade and other receivables

	2023 €	2022 €
Trade receivables	**313,937**	11,545
Shareholders' current accounts - debit balances (Note 23.3)	**-**	619,426
Receivables from other related parties (Note 23.2)	**1,616**	123,826
Deposits and prepayments	**1,950**	1,200
Other receivables	**3,696**	1,326
Refundable VAT	**46,311**	35,580
	367,510	792,903

The Company does not hold any collateral over the trading balances.

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 6 of the financial statements.

17. Investor compensation fund

	2023 €	2022 €
Balance at 1 January	**42,715**	42,715
Balance at 31 December	**42,715**	42,715

18. Cash at bank and in hand

Cash balances are analysed as follows:

	2023 €	2022 €
Cash at bank and in hand	**6,603,940**	4,531,610
Bank deposits	**-**	2,627
	6,603,940	4,534,237

18. Cash at bank and in hand (continued)

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6 of the financial statements.

19. Share capital

	2023 Number of shares	2023 €	2022 Number of shares	2022 €
Authorised				
Ordinary shares of €1 each	**5,000,000**	**5,000,000**	5,000,000	5,000,000
Issued and fully paid				
Balance at 1 January	**5,000,000**	**5,000,000**	3,500,000	3,500,000
Issue of shares	**-**	**-**	1,500,000	1,500,000
Balance at 31 December	**5,000,000**	**5,000,000**	5,000,000	5,000,000

20. Trade and other payables

	2023 €	2022 €
Social insurance and other taxes	**56,212**	9,336
Shareholders' current accounts - credit balances (Note 23.4)	**-**	11,730
Accruals	**17,502**	12,286
Other creditors	**4,582**	11,296
	78,296	44,648

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

21. Current tax liabilities

	2023 €	2022 €
Corporation tax	**101,649**	67,688
	101,649	67,688

22. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

22. Operating Environment of the Company (continued)

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The event existed in the reporting period however it is not reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2022 as it is considered as a non-adjusting event.

The Company has the following exposures in Ukraine, the Russian Federation and Belarus:
- Bank and custodial accounts
- Counterparties (investment companies)

Operating in Russia, Belarus and Ukraine involves some risk of political instability, which may include changes in government, negative policy shifts and civil unrest. Financial and economic sanctions imposed by the global community on certain sectors of the Russian economy as well as businesses and individuals in Russia in the first quarter of 2022, and the counter-measures imposed by Russia on the United States of America, United Kingdom and European Union, may potentially pose a risk to the Company's operations. These factors may have a negative impact on the Company's supply arrangements, capital flows and ability of the Company to secure external financing.

The Company actively monitors political developments on an ongoing basis. However, the macroeconomic situation in Ukraine, Russia and Belarus is out of Management's control. The scope and impact of any new potential sanctions (and any counter-sanctions) is yet unknown, however they might further affect key Russian financial institutions as well as companies operating in the Russian Federation and Belarus.

Management has considered the unique circumstances that could have a material impact on the business operations and the risk exposures of the Company and has concluded that the main impacts on the Company's profitability/liquidity position may arise from:
- disruption in banking systems and capital markets
- restriction on cash balances
- impairments of financial and non-financial assets
- increase in expected credit losses from trade receivables, debt investments and intercompany loans

Management is in the process of reassessing their trading and relevant cash flows using revised assumptions and incorporating downside scenarios in assessing actual and potential financing needs, taking into consideration the main impacts identified above.

Management will continue to monitor the situation closely and assess additional measures as a fall-back plan in case the crisis becomes prolonged.

23. Related party transactions

The Company is controlled by Mr. Ruslan Adilbaev, a non-Cyprus tax resident individual, who owns 100% of the Company's shares.

The following transactions were carried out with related parties:

23.1 Directors' remuneration

The remuneration of Directors and other members of key management was as follows:

	2023	2022
	€	€
Directors' remuneration	177,992	126,319

23.2 Receivables from related parties (Note 16)

Name	Nature of transactions	2023 €	2022 €
Elidi Capital Ltd	Trade	1,616	123,826
		1,616	123,826

The receivables from related parties were provided interest free and there was no specified repayment date.

23.3 Shareholders' current accounts - debit balances (Note 16)

	2023	2022
	€	€
Shareholders' current account - debit balance	-	619,426

The shareholder's current account is interest free and has no specified repayment date.

23.4 Shareholders' current accounts - credit balances (Note 20)

	2023	2022
	€	€
Shareholders' current account - credit balance	-	11,730

The shareholder's current account is interest free, and has no specified repayment date.

24. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2023.

25. Commitments

The Company had no capital or other commitments as at 31 December 2023.

26. Events after the reporting period

As explained in note 22 the geopolitical situation in Eastern Europe and the Middle East remains intense with the continuation of the conflict between Russia and Ukraine and the Israel-Gaza conflict. As at the date of authorising these financial statements for issue, the conflicts continue to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, the Israel-Gaza conflict and continued negative impact on economic activity, the Company might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2024 which relate to new developments that occurred after the reporting period.

Independent auditor's report on pages 3 to 5

DETAILED INCOME STATEMENT
Year ended 31 December 2023

	Page	**2023** €	2022 €
Revenue			
Commissions receivable		**3,572,704**	1,780,131
Staff costs	32	**(580,101)**	(340,736)
Depreciation and amortisation expense		**(28,043)**	(31,085)
		2,964,560	1,408,310
Other operating expenses	32	**(454,697)**	(441,064)
Loss on disposal of property, plant and equipment		**(35)**	-
Operating profit		**2,509,828**	967,246
Finance income	33	**-**	159,035
Finance costs	33	**(648,329)**	(171,723)
Net profit for the year before tax		**1,861,499**	954,558

OPERATING EXPENSES
Year ended 31 December 2023

	2023 €	2022 €
Staff costs		
Wages and salaries	**505,778**	296,551
Social insurance costs and other funds	**74,323**	44,185
	580,101	340,736

	2023 €	2022 €
Other operating expenses		
Sewage expenses	**58**	-
Licenses and taxes	**25,875**	16,883
Municipality taxes	**220**	210
Annual levy	**350**	350
Immovable property tax	**70**	68
Electricity	**4,981**	3,543
Water supply and cleaning	**140**	77
Insurance	**1,576**	1,915
Repairs and maintenance	**10,953**	-
Sundry expenses	**8,377**	608
Telephone and postage	**1,793**	1,992
Courier expenses	**494**	264
Stationery and printing	**675**	683
Subscriptions and contributions	**125,319**	139,988
Staff training	**5,325**	1,238
Sundry staff costs	**12,225**	5,526
Computer supplies and maintenance	**1,960**	2,014
Auditors' remuneration	**17,000**	11,000
Accounting fees	**12,000**	12,000
Legal fees	**4,500**	500
Other professional fees	**53,125**	143,495
Revenue stamps	**1,477**	1,613
Fines	**210**	370
Travelling	**6,946**	66,090
Entertaining	**144,561**	10,445
Motor vehicle running costs	**180**	1,642
Domains and hostings	**42**	-
Administration expenses	**14,265**	18,143
Variable annual contribution	**-**	407
	454,697	441,064

FINANCE INCOME/COSTS
Year ended 31 December 2023

	2023 €	2022 €
Finance income		
Unrealised foreign exchange profit	-	159,035
	-	159,035
Finance costs		
Interest expense		
Bank interest	**37,284**	28,180
Sundry finance expenses		
Bank charges	**300,362**	95,211
Net foreign exchange losses		
Realised foreign exchange loss	**31,880**	48,332
Unrealised foreign exchange loss	**278,803**	-
	648,329	171,723

COMPUTATION OF WEAR AND TEAR ALLOWANCES
Year ended 31 December 2023

	Year	%	COST				ANNUAL ALLOWANCES				
			Balance 01/01/2023 €	Additions for the year €	Disposals for the year €	Balance 31/12/2023 €	Balance 01/01/2023 €	Charge for the year €	On disposals €	Balance 31/12/2023 €	Net value 31/12/2023 €
Land and buildings											
Bulding	2009	3	695,478	-	-	695,478	292,105	20,864	-	312,969	382,509
			695,478	-	-	695,478	292,105	20,864	-	312,969	382,509
Motor vehicles											
Mercedes CLS350	2020	-	40,087	-	(40,087)	-	-	-	-	-	-
			40,087	-	(40,087)	-	-	-	-	-	-
Furniture, fixtures and office equipment											
Furniture and Fittings	2017	10	3,213	-	-	3,213	1,927	321	-	2,248	965
Computer Equipment	2017	20	18,397	-	-	18,397	18,397	-	-	18,397	-
Furniture and Fittings	2019	10	571	-	-	571	228	57	-	285	286
Furniture and Fittings	2020	10	5,566	-	-	5,566	1,671	557	-	2,228	3,338
Computer Equipment	2020	20	1,096	-	-	1,096	657	219	-	876	220
Furniture and Fittings	2021	10	1,905	-	-	1,905	382	191	-	573	1,332
Computer Equipment	2021	20	3,494	-	-	3,494	1,398	699	-	2,097	1,397
Computer Equipment	2022	20	798	-	-	798	160	160	-	320	478
Furniture and Fittings	2023	10	-	6,171	-	6,171	-	617	-	617	5,554
Computer Equipment	2023	20	-	19,958	-	19,958	-	3,992	-	3,992	15,966
			35,040	26,129	-	61,169	24,820	6,813	-	31,633	29,536
Computer Software											
Computer Software	2018	33	3,570	-	-	3,570	3,570	-	-	3,570	-
Computer Software	2023	33	-	1,100	-	1,100	-	366	-	366	734
			3,570	1,100	-	4,670	3,570	366	-	3,936	734
Total			**774,175**	**27,229**	**(40,087)**	**761,317**	**320,495**	**28,043**	**-**	**348,538**	**412,779**

COMPUTATION OF CORPORATION TAX
Year ended 31 December 2023

	Page	€	€
Net profit per income statement	31		1,861,499
Add:			
Depreciation		28,043	
Loss on disposal of property, plant and equipment		35	
Private motor vehicle expenses		180	
Entertaining		127,475	
Realised foreign exchange loss		31,880	
Unrealised foreign exchange loss		278,803	
Annual levy		350	
Immovable property tax		70	
Fines		210	
Stamp duties		1,477	
Non-allowable interest		37,284	
			505,807
			2,367,306
Less:			
Annual wear and tear allowances	34	28,043	
			(28,043)
Chargeable income for the year			2,339,263

Calculation of corporation tax	Income €	Rate %	Total € c
Tax at normal rates:			
Chargeable income as above	2,339,263	12.50	292,407.88
Tax paid provisionally	1,600,000		(200,000.00)
			92,407.88
10% additional charge			9,240.79
TAX PAYABLE			**101,648.67**