



OBLINARIUM HOLDINGS LIMITED
FINANCIAL STATEMENTS
Year ended 31 December 2022

OBLINARIUM HOLDINGS LIMITED

FINANCIAL STATEMENTS

Year ended 31 December 2022

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OBLINARIUM HOLDINGS LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	BT Nominees Limited (appointed on 20 January 2022) Bizserve Management Limited (resigned on 20 January 2022)
Company Secretary:	BT Secretaries Limited
Independent Auditors:	BDO Limited Certified Public Accountants (CY) and Registered Auditors 261, 28th October Street (Seafront Road) View Point Tower Floors 6, 7 and 8 P. O. Box 51681 3507 Limassol, Cyprus
Registered office:	11, Boumpoulinas floor 1 1060, Nicosia Cyprus
Bankers:	Alpha Bank S.A. Alpha Bank Cyprus Limited Optima Bank S.A.

OBLINARIUM HOLDINGS LIMITED

MANAGEMENT REPORT

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2022.

Principal activity and nature of operations of the Company

The principal activity of the Company is that of investment holding.

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 20 of the financial statements.

Use of financial instruments by the Company

The Company is exposed to market risk, credit risk and liquidity risk from the financial instruments it holds. Refer to note 6 of the Financial statements.

Results

The Company's results for the year are set out on page 7.

Dividends

The Board of Directors does not recommend the payment of a dividend and the net profit for the year is retained (2021: €4,400,000).

Share capital

Authorised capital

Under its Memorandum the Company fixed its share capital at 10,000 ordinary shares with nominal value of €1 each.

Issued capital

On 26 April 2021, the Company issued 100 ordinary shares with a nominal value of €1 and at a premium of €4,999 each.

On 31 May 2021, the Company issued additional 100 ordinary shares with a nominal value of €1 and at a premium of €7,999 each.

On 26 October 2022, the Company decreased its share premium by €1,000,000.

Board of Directors

The members of the Company's Board of Directors as at 31 December 2022 and at the date of this report are presented on page 1. Bizserve Management Limited who was appointed director at the date of incorporation resigned on 20 January 2022 and on the same date BT Nominees Limited was appointed in its place.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Operating Environment of the Company

Russia – Ukraine conflict

Tensions between Russia and the US, the UK and EU members are at an all time high following recognition of the Donetsk and Luhansk regions as independent states by Russia on 21 February and the military actions that were taken by Russian forces on the morning of 24 February 2022 in those regions and other parts of Ukraine.

OBLINARIUM HOLDINGS LIMITED

MANAGEMENT REPORT

As a result of these actions the US, the UK and the EU have already announced wide ranging sanctions against Russia and Russian officials (as well as Belarus) which are expected to be further increased as the conflict escalates. Such sanctions include widespread asset freezing of state and other large organisations as well as Russian citizens. Restriction of access to international financial markets of Russian state and other large banks has already begun and several large multinational businesses have announced their withdrawal from the Russian market. These actions together with the effect of the conflict as a whole have weakened the Russian rouble and there has been a major impact on Russian securities and the economy as a whole. In exchange Russia has also issued retaliatory sanctions.

The combined financial effect of both of these current crises on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the high level of uncertainties arising from the inability to reliably predict the outcome.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 22 to the financial statements.

Independent Auditors

The Independent Auditors, BDO Limited, have expressed their willingness to continue in office.

By order of the Board of Directors,

BT Nominees Limited
Director

Nicosia, 15 September 2023



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3507 Limassol
Cyprus

Independent Auditor's Report

To the Members of Oblinarium Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of parent company Oblinarium Holdings Limited (the "Company"), which are presented in pages 7 to 21 and comprise the statement of financial position as at 31 December 2022, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of parent company Oblinarium Holdings Limited as at 31 December 2022, 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 Management Report, 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 International Financial Reporting Standards 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 Oblinarium Holdings Limited

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 skepticism 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.



Independent Auditor's Report (continued)

To the Members of Oblinarius Holdings Limited

Report on Other Legal Requirements

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

- In our opinion, the Management Report 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.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Management Report.

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.

Yiannis Kapetanos

Certified Public Accountant (CY) and Registered Auditor
for and on behalf of

BDO Limited

Certified Public Accountants (CY) and Registered Auditors

Limassol, 15 September 2023

OBLINARIUM HOLDINGS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2022

	Note	2022 €	2021 €
Revenue		-	-
Other operating income	8	-	3,598,695
Administration expenses	9	(25,106)	(20,928)
Net fair value gains / (losses) on financial assets measured at fair value through profit or loss (investments in subsidiaries)	10	<u>1,650,355</u>	<u>(29,207)</u>
Operating profit		1,625,249	3,548,560
Finance costs	11	<u>(1,924)</u>	<u>(12,027)</u>
Profit before tax		1,623,325	3,536,533
Tax	12	<u>-</u>	<u>-</u>
Net profit for the year		1,623,325	3,536,533
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>1,623,325</u>	<u>3,536,533</u>

The notes on pages 11 to 21 form an integral part of these financial statements.

OBLINARIUM HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2022

	Note	2022 €	2021 €
ASSETS			
Non-current assets			
Investments in subsidiaries	14	<u>3,330,921</u>	910,566
		<u>3,330,921</u>	910,566
Current assets			
Cash and cash equivalents	15	<u>112,851</u>	2,572,356
		<u>112,851</u>	2,572,356
Total assets		<u><u>3,443,772</u></u>	<u>3,482,922</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	16	1,900	1,900
Share premium		1,599,600	2,599,600
Retained earnings		<u>1,832,981</u>	209,656
Total equity		<u>3,434,481</u>	2,811,156
Current liabilities			
Accounts payable	18	9,291	4,187
Borrowings	17	-	667,579
Total liabilities		<u>9,291</u>	671,766
Total equity and liabilities		<u><u>3,443,772</u></u>	<u>3,482,922</u>

On 15 September 2023 the Board of Directors of Oblinarium Holdings Limited authorised these financial statements for issue.

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BT Nominees Limited
Director

The notes on pages 11 to 21 form an integral part of these financial statements.

OBLINARIUM HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2022

	Note	Share capital €	Share premium €	Retained earnings €	Total €
Balance at 1 January 2021		1,700	1,299,800	1,073,123	2,374,623
Total comprehensive income for the year		-	-	3,536,533	3,536,533
Issue of share capital and share premium	16	200	1,299,800	-	1,300,000
Dividends	13	-	-	(4,400,000)	(4,400,000)
Balance at 31 December 2021/ 1 January 2022		1,900	2,599,600	209,656	2,811,156
Total comprehensive income for the year		-	-	1,623,325	1,623,325
Reduction of share premium		-	(1,000,000)	-	(1,000,000)
Balance at 31 December 2022		1,900	1,599,600	1,832,981	3,434,481

On 26 October 2022, the Company decreased its share premium by €1,000,000.

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at the rate of 17% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents and domiciled. Deemed dividend distribution is also subject to a 2,65% contribution to the General Healthcare System. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 11 to 21 form an integral part of these financial statements.

OBLINARIUM HOLDINGS LIMITED

STATEMENT OF CASH FLOWS

Year ended 31 December 2022

	2022	2021
Note	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,623,325	3,536,533
Adjustments for:		
Gain on disposal of investments in subsidiaries	-	(3,598,695)
Net fair value losses/(gains) on investments in subsidiaries	(1,650,355)	29,207
Interest expense	660	3,300
	(26,370)	(29,655)
Changes in working capital:		
Decrease in trade and other receivables	-	61,440
Increase in accounts payable	5,104	1,498
Cash (used in)/generated from operations	(21,266)	33,283
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for contribution to investments in subsidiaries	(770,000)	(1,275,000)
Proceeds from sale of investments in subsidiaries	-	6,763,169
Net cash (used in)/generated from investing activities	(770,000)	5,488,169
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	1,300,000
Return of share premium	(1,000,000)	-
Repayments of borrowings	(660,000)	-
Repayments of interest on borrowings	(8,239)	-
Dividends paid	-	(4,400,000)
Net cash used in financing activities	(1,668,239)	(3,100,000)
Net (decrease)/increase in cash and cash equivalents	(2,459,505)	2,421,452
Cash and cash equivalents at beginning of the year	2,572,356	150,904
Cash and cash equivalents at end of the year	112,851	2,572,356

The notes on pages 11 to 21 form an integral part of these financial statements.

OBLINARIUM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

1. Incorporation and principal activities

Country of incorporation

The Company Oblinarium Holdings Limited (the "Company") was incorporated in Cyprus on 13 May 2019 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 11, Boumpoulinas, floor 1, 1060, Nicosia, Cyprus.

Principal activity

The principal activity of the Company is that of investment holding.

2.1. Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS as adopted by European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113.

These financial statements are the separate (stand-alone) financial statements. The Company has not prepared consolidated financial statements as the exemption from consolidation in paragraph 4(a) of IFRS10 'Consolidated Financial Statements', has been used. The Company's ultimate parent Dimand S.A., a Company incorporated in Greece produced consolidated financial statements available for public use that comply with International Financial Reporting Standards as issued by the IASB. These consolidated financial statements can be obtained from www.dimand.gr.

2.2. Going Concern Considerations

The Management of the Company and the Group of Dimand S.A, to which it belongs, have carefully examined the appropriateness of adoption of the Going Concern assumption for the preparation of the Company's and the Group's financial statements by critically reviewing the current business uncertainties emanating from COVID 19 pandemic. The Directors have assessed the negative impact of the pandemic of Covid 19 in all markets in which directly or indirectly the Company conducts its business activity and have concluded that the Company and the Group at large have taken the necessary measures to secure the company's business continuity.

The resumption of the economic activity and the gradual emergence from the economic crisis caused by pandemic COVID-19, as well as developments due to the war in Ukraine, have contributed globally both to delays in the supply chain and to rising construction costs. The increase in construction costs was further compounded by the increase in raw material and energy costs. Any increase in the construction costs of projects developed by the Group may adversely affect the Group's results and financial condition in the future to the extent that the increased costs have not been fully absorbed through a corresponding increase in the rents of the investment companies.

On the basis of the Company's investment programme, the evaluation performed, and the expected exit from the pandemic crisis, the Company's management has concluded that the adoption of the Going Concern assumption for the continuity of the Company's business activities and the preparation of its financial statements is appropriate.

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 (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2022. This adoption did not have a material effect on the accounting policies of the Company.

4. Significant accounting policies

The principal 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.

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

OBLINARIUM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

4. Significant accounting policies (continued)

Subsidiary companies (continued)

Investments in subsidiary companies are accounted for in accordance with IFRS 9 Financial Instruments and measured at fair value using the Net Asset Value (NAV) of the assets, excluding Deferred tax liabilities. Fair value gains or losses on investments in subsidiary companies are recognised in profit or loss.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss on an accrual basis using the effective interest method which incorporates other closely related financial costs.

Dividends

Interim dividends are recognised as a liability in the period in which these are authorised by the Board of Directors and in the case of final dividends, these are recognised in the period in which these are approved by the Company's shareholders.

Financial instruments

(a) Financial assets

Classification and measurement

The Company classifies its financial assets based on the business model for managing those assets and their contractual cash flow characteristics. Accordingly, financial assets are classified into one of the following measurement categories:

Amortised cost: Financial assets held within a business model whose objective is to hold financial assets to collect contractual cash flows, where those cash flows are solely payments of principal and interest, are measured at amortised cost.

Fair Value through Other Comprehensive Income (FVTOCI): Financial assets held within a business model whose objective is to hold for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income.

Fair Value through Profit or Loss (FVTPL): All other financial assets are measured at fair value through profit or loss.

Investments in equity instruments are subsequently measured at fair value through profit or loss, unless on initial recognition, the Company has made an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company's financial assets as at 31.12.2022 consist of investments in subsidiaries, measured at fair value through profit or loss and cash and cash equivalents.

Impairment

Financial assets measured at amortized cost or at fair value through other comprehensive income are subject to impairment. According to IFRS 9, impairment is calculated based on expected credit losses.

OBLINARIUM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

4. Significant accounting policies (continued)

Financial instruments (continued)

(b) Financial liabilities

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial liabilities are measured at amortised cost unless they are held for trading or are designated as at FVTPL. Interest expenses on financial liabilities measured at amortised cost are calculated using the effective interest rate method and are recognized in profit or loss unless they constitute borrowing costs.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired. Financial liabilities are classified as current liabilities, if the payment is due within one year or less; otherwise they are classified as non-current liabilities.

Borrowings are recorded initially at the amount of proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. The Company has no Borrowings from the parent company as at 31.12.2022 (Note 17 and 19.2).

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.

Share capital

Ordinary (common) shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction from the proceeds, net of tax.

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.

At the date of approval of these financial statements the following accounting standards were issued by the International Accounting Standards Board but were not yet effective:

(i) Not adopted by the European Union

New standards

- *IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 1 January 2023).*

The Board of Directors expects that the adoption of these standards in future periods will not have a material effect on the financial statements of the Company.

OBLINARIUM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

6. Financial risk management

Financial risk factors

Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The primary objectives of the financial risk management are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Risk management is carried out by the Board of Directors.

6.1 Market price risk

i) Foreign exchange risk

Foreign exchange 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 not exposed to foreign exchange risk since the Company's operations is conducted in Euro which is the Company's functional currency.

ii) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's has no interest rate risk as has no lendings or borrowings granted or issued are at variable rates.

iii) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Company holds equity securities relative to its investments in subsidiaries which are accounted for in accordance with IFRS 9 "Financial Instruments" and are measured at fair value through profit or loss.

The Company may be exposed to price risk to the extent the value of its subsidiaries fluctuates due to changes in the value of their underlying assets (properties).

6.2 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 held at banks measured at amortised cost.

For banks and financial institutions, only independently rated parties with a minimum rating of 'C' are accepted.

The loss allowances for financial assets other than equity investments 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.

6.3 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.

OBLINARIUM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

6. Financial risk management (continued)

6.3 Liquidity risk (continued)

31 December 2022	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-5 years €	More than 5 years €
Accounts payable	9,231	9,231	-	9,231	-	-
Shareholder's current account	60	60	-	60	-	-
	9,291	9,291	-	9,291	-	-

31 December 2021	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-5 years €	More than 5 years €
Accounts payable	4,187	4,187	-	4,187	-	-
Loan from shareholder	667,579	667,579	-	667,579	-	-
	671,766	671,766	-	671,766	-	-

6.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or sell assets or reduce debt.

Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

Under IFRS 13, the fair value of financial assets that are not traded in active market is determined by using other valuation techniques such as the adjusted Net Asset Value (NAV) of the assets, excluding Deferred tax liabilities.

The Company's Investments in subsidiaries are accounted for in accordance with IFRS 9 Financial Instruments and are measured at fair value using the NAV method of the assets (excluding Deferred tax liabilities) after taking into account the revaluation of the assets (property freehold and leasehold rights) of the subsidiaries at year end by independent accredited appraisers.

Fair value measurements recognised in statement of financial position

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

31 December 2022	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets				
Investments in subsidiaries	-	-	3,330,921	3,330,921
Total	-	-	3,330,921	3,330,921

31 December 2021	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets				
Investment in subsidiary	-	-	910,566	910,566
Total	-	-	910,566	910,566

OBLINARIUM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

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.

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:

- **Valuation of non-listed investments**

The Company uses valuation methods to value non listed investments. These methods are based on assumptions made by the Board of Directors at the reporting date. Refer to the section "Fair Value estimation" above.

- **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.

8. Other operating income

	2022	2021
	€	€
Gain on disposal of investments in subsidiaries (Note 14)	-	3,598,695
	<u>-</u>	<u>3,598,695</u>

9. Administration expenses

	2022	2021
	€	€
Annual levy	350	350
Auditors' remuneration	3,570	2,400
Auditors' remuneration - prior years	1,289	1,127
Accounting fees	1,785	1,200
Legal fees	5,355	2,678
Other professional fees	12,410	13,001
Accounting fees - prior years	347	152
Sundry expenses	-	20
	<u>25,106</u>	<u>20,928</u>

10. Net fair value (gains) / losses on financial assets measured at fair value through profit or loss (investments in subsidiaries)

	2022	2021
	€	€
Net fair value losses / (gains) on investments in subsidiaries (Note 14)	<u>(1,650,355)</u>	<u>29,207</u>
	<u>(1,650,355)</u>	<u>29,207</u>

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NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

11. Finance costs

	2022	2021
	€	€
Interest expense (Note 19.1)	660	3,300
Sundry finance expenses	<u>1,264</u>	<u>8,727</u>
Finance costs	<u>1,924</u>	<u>12,027</u>

12. Tax

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

	2022	2021
	€	€
Profit before tax	<u>1,623,325</u>	<u>3,536,533</u>
Tax calculated at the applicable tax rates	202,916	442,067
Tax effect of expenses not deductible for tax purposes	2,505	7,160
Tax effect of allowances and income not subject to tax	(206,295)	(449,837)
Tax effect of tax loss for the year	<u>874</u>	<u>610</u>
Tax charge	<u>-</u>	<u>-</u>

The corporation tax rate is 12.5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. 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%.

13. Dividends

	2022	2021
	€	€
Declared dividend	<u>-</u>	<u>4,400,000</u>
	<u>-</u>	<u>4,400,000</u>

Dividends are subject to a deduction of special contribution for defence at 17% for individual shareholders that are both Cyprus tax resident and Cyprus domiciled. From 1 March 2019, dividends are also subject to a 1,70% contribution to the General Healthcare System, increased to 2,65% from 1 March 2020, with the exception of April 2020 until June 2020 when the 1,70% rate was applicable.

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NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

14. Investments in subsidiaries

	2022	2021
	€	€
Balance at 1 January	910,566	2,714,247
Additions	770,000	1,390,000
Disposals	-	(3,164,474)
Fair value change (Note 10)	1,650,355	(29,207)
Balance at 31 December	3,330,921	910,566

The details of the subsidiaries are as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Holding %</u>	2022	2021
				€	€
Piraeus Regeneration 138 S.M.S.A.	Greece	Development and exploitation of real estates, hotel facilities and enterprises.	100	1,786,331	910,566
Top Realty S.M.S.A	Greece	Development and exploitation of real estates, hotel facilities and enterprises.	-	-	-
Piraeus Regeneration Zonas S.M.S.A	Greece	Development and exploitation of real estates, hotel facilities and enterprises.	-	-	-
Kalliga Estate S.M.S.A.	Greece	Development and exploitation of real estates, hotel facilities, houses and enterprises.	100	1,530,616	-
Thomais Akinita S.M.S.A.	Greece	Development and exploitation of real estates, hotel facilities and enterprises.	100	13,974	-
				3,330,921	910,566

On 30 November 2021, the Company sold its investments in Top Realty Piraeus S.M.S.A and Piraeus Regeneration Zonas S.M.S.A for the consideration price of €3,721,766 and €3,041,403 respectively.

Kalliga Estate S.M.S.A. was incorporated on 8 March 2022 with an issued share capital of €25,000 divided into 2,500 ordinary shares with a nominal value of €10 each. On 23 December 2022, the company increased its share capital by the amount of €170,000 having issued 17,000 additional ordinary shares of nominal value of €10 each.

Thomais Akinita S.M.S.A. was incorporated on 3 May 2022 with an issued share capital of €500,000 divided into 50,000 ordinary shares with a nominal value of €10 each. On 1 July 2022, it was decided that the initial issued share capital to be decreased to the amount of €25,000 divided into 2,500 ordinary shares with a nominal value of €10 each.

On 1 April 2022, Piraeus Regeneration 138 S.M.S.A. and Kalliga Estate S.M.S.A. entered into separate credit facility agreements with Optima Bank S.A. for the amounts of €500,000 and €2,000,000 respectively. No financial covenants exist for both agreements.

On 18 April 2022, the Company's shares in Kalliga Estate S.M.S.A. were pledged in favor of Optima bank S.A. to guarantee the above credit facility.

On 20 April 2022, Kalliga Estate S.M.S.A acquired a plot of land of 1,290 sq.m. on which there is an old two-storey building with a total area of 359.20 sq.m. in Filothei for a consideration of €2,030,000 plus taxes and expenses of €93,447. According to the business plan, the development of a residential compound with a total area of 1,518 sq.m., with modern design and specifications, is envisaged for its lease.

On 27 April 2022, the Company's shares in Piraeus Regeneration 138 S.M.S.A. were pledged in favor of Optima bank S.A. to guarantee the above credit facility.

On 23 December 2022, Piraeus Regeneration 138 S.M.S.A. increased its share capital by the amount of €550,000 having issued 11,000 additional ordinary shares of nominal value of €10 and at a share premium of €40 each.

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NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

15. Cash and cash equivalents

	2022	2021
	€	€
Cash at bank	<u>112,851</u>	<u>2,572,356</u>
	<u>112,851</u>	<u>2,572,356</u>

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.

16. Share capital

	2022	2022	2021	2021
	Number of shares	€	Number of shares	€
Authorised				
Ordinary shares of €1 each	<u>10,000</u>	<u>10,000</u>	10,000	10,000
Issued and fully paid				
Balance at 1 January	1,900	1,900	1,700	1,700
Issue of shares	<u>-</u>	<u>-</u>	200	200
Balance at 31 December	<u>1,900</u>	<u>1,900</u>	1,900	1,900

Issued capital

On 26 April 2021, the Company issued 100 ordinary shares with a nominal value of €1 and at a premium of €4,999 each.

On 31 May 2021, the Company issued additional 100 ordinary shares with a nominal value of €1 and at a premium of €7,999 each.

17. Borrowings

	2022	2021
	€	€
Current borrowings		
Loan from shareholder (Note 19.2)	<u>-</u>	<u>667,579</u>
	<u>-</u>	<u>667,579</u>

On 14 March 2022, the loan from the shareholder has been fully repaid.

The weighted average effective interest rates at the reporting date were as follows:

	2022	2021
Loan from shareholder	0.5%	0.5%

18. Accounts payable

	2022	2021
	€	€
Shareholder's current account - credit balance (Note 19.3)	60	-
Accruals	4,463	3,601
Other creditors	<u>4,768</u>	<u>586</u>
	<u>9,291</u>	<u>4,187</u>

OBLINARIUM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

19. Related party transactions

The shareholder of the Company is Arcela Investments Limited, which is 100% owned by Dimand S.A., a company registered in Greece.

For the purpose of these financial statements, parties are considered to be related if one party has the ability to control the other or exercise significant influence over the other party in making financial or operational decisions as defined by IAS 24 “Related Party Disclosures”. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

The following transactions were carried out with related parties:

19.1 Interest expense (Note 11)

<u>Name</u>	2022	2021
	€	€
Arcela Investments Limited	<u>660</u>	<u>3,300</u>
	<u>660</u>	<u>3,300</u>

19.2 Loan from shareholder (Note 17)

<u>Name</u>	<u>Interest rate</u>	<u>Maturity date</u>	2022	2021
			€	€
Arcela Investments Limited	0.50%	14/03/2022	<u>-</u>	<u>667,579</u>
			<u>-</u>	<u>667,579</u>

19.3 Shareholder's current account - credit balance (Note 18)

<u>Name</u>	2022	2021
	€	€
Arcela Investments Limited	<u>60</u>	<u>-</u>
	<u>60</u>	<u>-</u>

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

20. Contingent liabilities

The company's activities are concerned with the holding of investments outside Cyprus. There are limited operating activities in Cyprus referring to administration and management services received and occasionally intragroup financing arrangements. Management's assertion regarding the tax status of the company in Cyprus is that based on prevailing tax legislation, companies holding investments outside Cyprus are exempt from taxes and accordingly no material tax liability is expected to arise in the future. However, as advised by local experts in this field, Cyprus tax legislation may be subject to varying interpretations and the activities of the Company which have not been challenged in the past may be challenged by the tax authorities as a result of which taxes, penalties and interest may be assessed. Neither the basis of the authorities' challenge nor the nature of the charges, if any can be predicted. Fiscal periods remain open for review by the taxation authorities in respect of taxes for the six calendar years preceding the year of review. Under certain circumstances, reviews may cover longer periods.

21. Commitments

The Company had no capital or other commitments as at 31 December 2022.

22. Events after the reporting period

There were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.

OBLINARIUM HOLDINGS LIMITED

Independent auditor's report on pages 4 to 6