

CHITIEN LTD
56, Alekou Konstantinou Street
Nicosia
2024
Cyprus

HE 421174

REPORT AND FINANCIAL STATEMENTS

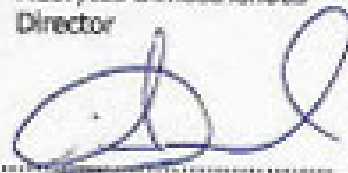
The Auditor's report and the Financial Statements of the Company for the year ended 31 December 2024 are true copies of those presented at the Annual General Meeting.

Signature



Neofytos Dimosthenous
Director

Signature



Neofytos Dimosthenous
Secretary

Signature:  Date: 12.05.2026

Full name of the Signatory: Marina Chrysanthou

Advocate

Registration number: 6611

pages (33)

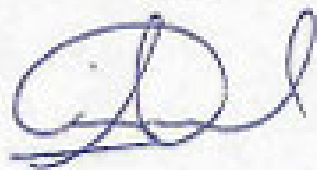
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CHITIEN LTD

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024**

True copy of the original

A handwritten signature in blue ink, consisting of a large, stylized capital 'D' followed by a cursive 'L'.

CHITIEN LTD

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

CONTENTS	PAGE
Board of Directors and other officers	1
Independent auditor's report	2 - 4
Statement of profit or loss and other comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Cash flow statement	8
Notes to the financial statements	9 - 24

CHITIEN LTD

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Neofytos Dimosthenous
Company Secretary:	Neofytos Dimosthenous
Independent Auditors:	P.D. Audit Limited Certified Public Accountants and Registered Auditors 61, Griva Digeni Street A&V Court, Office 301 3101 Limassol Cyprus
Registered office:	56, Alekpu Konstantinou Street Nicosia 2024 Cyprus
Bankers:	Revolut Bank Walter, UAB Procryptic Sp. Z.O.O. (XBO.com) One.io UK Limited
Registration number:	HE421174





Independent Auditor's Report

To the Members of Chitien Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Chitien Ltd (the "Company"), which are presented in pages 5 to 24 and comprise the statement of financial position as at 31 December 2024, 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 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards 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.

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 IFRS Accounting 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.

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.

61, Gava Digeni Street, A&V Court, Office 301, 3101 Limassol, Cyprus. Tel (+357) 25 828 233, Fax (+357) 25 828 266
info@pdaudit.com www.pdaudit.com



Independent Auditor's Report (continued)

To the Members of Chitien Ltd

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.

Other Matters

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.



Independent Auditor's Report (continued)

To the Members of Chitien Ltd

Comparative figures

The financial statements of the Company for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 5 August 2025.

A handwritten signature in blue ink, appearing to read "Panayiotis Diamantou", written over a horizontal line.

Panayiotis Diamantou
Certified Public Accountant and Registered Auditor
for and on behalf of
P.D. Audit Limited
Certified Public Accountants and Registered Auditors

Limassol, 5 November 2025

CHITIEN LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 €	2023 €
Revenue	8	120,915	-
Staff costs	11	(67,664)	(15,255)
Administration and other operating expenses	9	<u>(30,461)</u>	<u>(17,008)</u>
Operating profit/(loss)	10	22,790	(32,263)
Net finance costs	12	<u>(23,329)</u>	<u>(9,010)</u>
Loss before tax		(539)	(41,273)
Tax	13	<u>-</u>	<u>-</u>
Net loss for the year		(539)	(41,273)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(539)</u>	<u>(41,273)</u>

The notes on pages 9 to 24 form an integral part of these financial statements.

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CHITIEN LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital €	Non- refundable advances €	Accumulated losses €	Total €
Balance at 1 January 2023	1,000	-	(3,823)	(2,823)
Comprehensive Income				
Net loss for the year	-	-	(41,273)	(41,273)
Transactions with owners				
Non-reciprocal capital contribution	-	64,693	-	64,693
Balance at 31 December 2023/ 1 January 2024	1,000	64,693	(45,096)	20,597
Comprehensive income				
Net loss for the year	-	-	(539)	(539)
Transactions with owners				
Non-reciprocal capital contribution	-	22,841	-	22,841
Balance at 31 December 2024	1,000	87,534	(45,635)	42,899

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.

During 2024, the sole shareholder of the Company contributed the amount of €181,368 (2023: €64,693). The

amount is distributable to the Company's shareholder at the discretion of the Board of Directors and subject to the approval of Company's sole shareholder. The balance may otherwise be utilized as the Board of Directors deems necessary, carry no interest and has no specified repayment date.

The notes on pages 9 to 24 form an integral part of these financial statements.

CHITIEN LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 €	2023 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(539)	(41,273)
Adjustments for:			
Other computer expenses		-	1,644
Unrealised exchange loss		<u>2,026</u>	<u>-</u>
		1,487	(39,629)
Changes in working capital:			
Increase in receivables		(92,410)	(9,622)
Increase in trade and other payables		<u>145,135</u>	<u>14,891</u>
Cash generated from/(used in) operations		<u>54,212</u>	<u>(34,360)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		<u>-</u>	<u>(1,644)</u>
Net cash used in investing activities		<u>-</u>	<u>(1,644)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Advances from shareholders		<u>22,841</u>	<u>64,693</u>
Net cash generated from financing activities		<u>22,841</u>	<u>64,693</u>
Net increase in cash and cash equivalents		77,053	28,689
Cash and cash equivalents at beginning of the year		<u>28,689</u>	<u>-</u>
Effect of exchange rate fluctuations on cash held		<u>(2,026)</u>	<u>-</u>
Cash and cash equivalents at end of the year	15	<u>103,716</u>	<u>28,689</u>

The notes on pages 9 to 24 form an integral part of these financial statements.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Incorporation and principal activities

Country of incorporation

Chitien Ltd (the "Company") was incorporated in Cyprus on 4 May 2021 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 56, Alekou Konstantinou Street, Nicosia, 2024, Cyprus.

Principal activities

The principal activity of the Company, which is unchanged from last year, is the provision of payment agency services.

During the year under examination, all funds received for and behalf of the parent entity were contributed to the Company in a form of non-reciprocal contributions and hence no funds were held on behalf of the parent entity.

2. Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards 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.

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised IFRS Accounting Standards that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Company.

4. Material accounting policy information

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.

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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

4. Material accounting policy information (continued)

Revenue (continued)

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.

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.

- **Rendering of services**

- Rendering of services - over time:*

- Revenue from rendering of services is recognised over time while the Company satisfies its performance obligation by transferring control over the promised service to the customer in the accounting period in which the services are rendered.

- For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

- The input method is used to measure progress toward completion of the performance obligation as it provides a faithful depiction of the transfer of the control of the services to the customer.

- Rendering of services - at a point in time:*

- The Company concluded that it transfers control over its services at a point in time, upon receipt by the

customer of the service, because this is when the customer benefits from the relevant service.

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.

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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

4. Material accounting policy information (continued)

Foreign currency translation (continued)

(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.

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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

4. Material accounting policy information (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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

4. Material accounting policy information (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 cash flow statement, cash and cash equivalents comprise cash at bank. 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.

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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

4. Material accounting policy information (continued)

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.

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.

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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

6. Financial risk management

Financial risk factors

The Company is exposed to interest rate risk, 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 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 income and operating cash flows are substantially independent of changes in market interest rates as the Company is only exposed to fixed rate interest bearing assets and liabilities. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

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 and receivables from the parent entity.

(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 [1C].

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

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

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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

6. Financial risk management (continued)

6.2 Credit risk (continued)

(i) Impairment of financial assets (continued)

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
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Company and changes in the operating results of the borrower/counterparty.

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.

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.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

6. Financial risk management (continued)

6.2 Credit risk (continued)

(ii) Impairment of financial assets (continued)

The Company's exposure to credit risk for each class of (asset/instrument) subject to the expected credit loss model is set out below:

Receivables from related parties

For receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Company assesses whether there was a significant increase in credit risk.

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2024 and 31 December 2023:

Company internal credit rating	2024	2023
	€	€
Performing	<u>101,946</u>	<u>9,599</u>
Total	<u>101,946</u>	<u>9,599</u>

The Company does not hold any collateral as security for any receivables from related parties.

There were no receivables from related parties written off during the year that are subject to enforcement activity.

The Company is the immediate extension of its parent entity and constantly receives money for and behalf of it. As

such, the risk of default is deemed immaterial.

Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2024 and 31 December 2023:

Company internal credit rating	External credit rating	2024 €	2023 €
Performing - 3 external banks	Unrated	<u>103,716</u>	<u>28,689</u>
Total		<u>103,716</u>	<u>28,689</u>

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

The Company does not hold any collateral as security for any cash at bank balances.

There were no cash at bank balances written off during the year that are subject to enforcement activity.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

6. Financial risk management (continued)

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.

6.4 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 and the British Pound. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

6.5 Capital risk management

Capital includes equity shares and non-reciprocal contributions from parent company.

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, judgments and assumptions

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.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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 those 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.

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 5, Credit risk section.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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	2024	2023
	€	€
Recharge of expenses	<u>120,915</u>	<u>-</u>
	<u>120,915</u>	<u>-</u>

9. Administration and other operating expenses

	2024	2023
	€	€
Licenses and taxes	2,474	262
Insurance	-	105
Telephone and postage	225	149
Courier expenses	3	-
Computer supplies and maintenance	144	1,644
Auditors' remuneration	1,700	1,700
Other professional fees	3,365	2,828
Fines	-	144
Entertaining	80	-
Recruitment expenses	2,760	-
Irrecoverable vat	-	1,992
Website and domain expenses	3,416	-
Annual levy	-	350
Office expenses	-	34
Sundry expenses	-	7,800
PSP Service fees	<u>16,294</u>	<u>-</u>
	<u>30,461</u>	<u>17,008</u>

10. Operating profit/(loss)

	2024	2023
	€	€
Operating profit/(loss) is stated after charging the following items:		
Staff costs (Note 11)	67,664	15,255
Auditors' remuneration	<u>1,700</u>	<u>1,700</u>

11. Staff costs

	2024	2023
	€	€
Salaries	59,821	13,292
Social security costs	<u>7,843</u>	<u>1,963</u>
	<u>67,664</u>	<u>15,255</u>

Average number of employees	<u>3</u>	<u>2</u>
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CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12. Finance costs

	2024 €	2023 €
Net foreign exchange losses	11,788	290
Sundry finance expenses	11,541	8,720
Finance costs	23,329	9,010

13. Tax

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

	2024 €	2023 €
Loss before tax	(539)	(41,273)
Tax calculated at the applicable tax rates	(67)	(5,159)
Tax effect of expenses not deductible for tax purposes	1,918	411
Tax effect of allowances and income not subject to tax	-	4,748
Tax effect of tax losses brought forward	(1,851)	-
Tax charge	-	-

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 17%. 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, derivatives, rights, options etc) are exempt from

Cyprus income tax.

The Company's chargeable income for the year amounted to €14,805 which has been set off against tax losses brought forward. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years.

14. Receivables

	2024	2023
	€	€
Receivables from parent (Note 20.3)	101,946	9,599
VAT	<u>86</u>	<u>23</u>
	<u>102,032</u>	<u>9,622</u>

The fair values of 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 receivables is reported in note 6 of the financial statements.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

15. Cash at bank

Cash balances are analysed as follows:

	2024	2023
	€	€
Cash at bank	<u>103,716</u>	<u>28,689</u>
	<u>103,716</u>	<u>28,689</u>

Cash and cash equivalents by currency:

	2024	2023
	€	€
United States Dollars	68,014	15,829
Euro	<u>35,702</u>	<u>12,860</u>
	<u>103,716</u>	<u>28,689</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

	2024 Number of shares	2024 €	2023 Number of shares	2023 €
Authorised				
Ordinary shares of €1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Issued and fully paid				
Balance at 1 January	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Balance at 31 December	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

Authorized & Issued share capital

Upon incorporation on 4 May 2021 the Company issued to the subscribers of its Memorandum of Association 1,000 ordinary shares of €1 each at par. The authorized share capital, upon incorporation, was also set to €1,000 divided into 1,000 shares of €1 each.

17. Non-refundable advances

	2024	2023
	€	€
Balance at 1 January	64,693	-
Proceeds during the year	<u>22,841</u>	<u>64,693</u>
Balance at 31 December	<u>87,534</u>	<u>64,693</u>

The non-refundable advances are made available to the Board of Directors for future increases of the share capital of the Company.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

18. Trade and other payables

	2024	2023
	€	€
Payables to parent (Note 20.4)	158,527	10,860
Accruals	4,182	4,134
Other creditors	140	2,720
	<u>162,849</u>	<u>17,714</u>

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

19. 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 Belarusian 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.

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 Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

19. Operating Environment of the Company (continued)

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's profitability position. The event is not expected to have an immediate material impact on the business operations. Management will continue to monitor the situation closely and will reassess in case the crisis becomes prolonged.

20. Related party transactions

The Company is controlled by Medial N.V., which owns 100% of the Company's shares.

The following transactions were carried out with related parties:

20.1 Directors' remuneration

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

	2024	2023
	€	€
Directors' fees	10,200	-

20.2 Rendering of services

	<u>Nature of transactions</u>	2024	2023
		€	€
Parent entity	Agency fees	120,915	-
		120,915	-

The Company is a special purpose entity acting as a payment agent for and behalf of its parent entity. All costs of the entity are recharged to the parent entity at a cost + 2% margin, on all expenses before tax and unrealized foreign exchange differences.

20.3 Receivables from related parties (Note 14)

<u>Name</u>	<u>Nature of transactions</u>	2024 €	2023 €
Medial N.V.	Recharge of expenses	<u>101,946</u>	<u>9,599</u>
		<u>101,946</u>	<u>9,599</u>

The above balance bears no interest, is unsecured and is due for repayment within 60 days from the date of issuing the invoice.

20.4 Payables to related parties (Note 18)

<u>Name</u>	<u>Nature of transactions</u>	2024 €	2023 €
Medial N.V.	Finance	<u>158,527</u>	<u>10,860</u>
		<u>158,527</u>	<u>10,860</u>

CHITIEN LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

21. Contingent liabilities

Cyprus tax legislation is subject to varying interpretations. Management's interpretation of such legislation as applied to the transactions and activity of the company may be challenged by the income tax authorities and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open for review by the tax authorities in respect of taxes for the six calendar years preceding the year under review. Under certain periods reviews may cover longer periods.

The Company had no further contingent liabilities as at 31 December 2024.

22. Commitments

The Company had no capital or other commitments as at 31 December 2024.

23. Events after the reporting period

There were no material events, other than those described in Note 19 currently in progress with unknown outcome after the reporting period, which have a bearing on the understanding of the financial statements. The management has assessed the current operating environment and deems that the Company's activities are unrelated to the current operating environment and has not assessed any material impact on its operating performance and financial position.

Independent auditor's report on pages 2 to 4

CHITIEN LTD

COMPUTATION OF CORPORATION TAX
FOR THE YEAR ENDED 31 DECEMBER 2024

	Page	€	€
Net loss per income statement	5		(539)
<u>Add:</u>			
Realised foreign exchange loss		9,762	
Unrealised foreign exchange loss		2,026	
Article 33 - Imposition of income to reach cost + 5%		<u>3,556</u>	
			<u>15,344</u>
Chargeable income for the year			14,805
Loss brought forward			<u>(39,753)</u>
Loss carried forward			<u>(24,948)</u>

CALCULATION OF TAX LOSSES FOR THE FIVE-YEAR PERIOD

Tax year	Profits/(Losses) for the tax year	Gains Offset	
		Amount €	Year
2019	-	-	
2020	-	-	
2021	-	-	
2022	(1,773)	1,773	2024
2023	(37,980)	13,032	2024
2024	14,805	-	

Net loss carried forward (24,948)

CHITIEN LTD

**56, Alekou Konstantinou Street
Nicosia
2024
Cyprus**

P.D. Audit Limited
Certified Public Accountants and Registered Auditors
61, Griva Digeni Street
A&V Court, Office 301
3101 Limassol
Cyprus

5 November 2025

Management representation letter for the audit of the year ended 31 December 2024

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Chitien Ltd (the "Company") for the year ended 31 December 2024 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

By a resolution of the Board of Directors, passed today, we are directed to confirm to you, in respect of the financial statements of the Company for the year ended 31 December 2024, the following:

We confirm that, to the best of our knowledge and belief and having made appropriate inquiries of other Directors and officials and staff of the Company as we considered necessary for the purpose of appropriately informing ourselves, that we can make the following representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that you are aware of that information.

I. Financial statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 31 January 2025, for the preparation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, which give a true and fair view in accordance therewith, and for making accurate representations to you. We further confirm that we have reviewed and approved the financial statements.
- 2) All transactions undertaken by the Company have been properly reflected in the accounting records and the financial statements.
- 3) We confirm that we have reviewed the Company's accounting policies and estimation techniques and, having regard to the possible alternative policies and techniques, the accounting policies and estimation techniques selected for use in the preparation of the financial statements are the most appropriate to give a true and fair view for the Company's particular circumstances, as required by International Accounting Standard IAS1: Presentation of financial statements.
- 4) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 5) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IFRS Accounting Standards as adopted by the EU.

6) Litigation and claims

- i) We have disclosed to you and have appropriately accounted for and/or disclosed in the financial statements, in accordance with IFRS Accounting Standards as adopted by the EU, all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
- ii) We are not aware of any pending or threatened litigation, proceedings, hearing or claims negotiations, which may result in significant loss to the Company.

7) Events after the reporting period

All events occurring subsequent to the date of the financial statements and for which IFRS Accounting Standards as adopted by the EU require adjustment or disclosure have been adjusted or disclosed in the financial statements. Other than as described in the financial statements, there have been no circumstances or events subsequent to the period end, which require adjustment of or disclosure in the financial statements or in the notes thereto.

8) Uncorrected misstatements

We confirm that the financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements as a whole.

9) Going concern

We confirm that, having considered our future expectations and intentions for the next twelve months, and the availability of working capital, the Company is a going concern. We further confirm that the disclosures in the accounting policies are an accurate reflection of the reasons for our consideration that the financial statements should be drawn up on a going concern basis.

II. Information provided

10) Accounting records

- i) All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken have been properly reflected and recorded in the accounting records. All other records and related information which have requested by you for the purpose of the audit, including minutes of Directors, shareholders and relevant management meetings, have been made available to you and no such

information has been withheld. We have also provided unrestricted access to persons within the Company from whom you determined it necessary to obtain audit evidence.

11) Related parties

We confirm that the ultimate controlling party of the Company is Neofytos Dimosthenous, that we have disclosed to you the identity of the Company's related parties and all the related party relationships and transactions of which we are aware. We also confirm that we have appropriately accounted for and disclosed in the financial statements all related party transactions relevant to the Company and that we are not aware of any other such matters required to be disclosed in the financial statements under International Accounting Standard 24 'Related Party Disclosures'.

12) Fraud

- i) We acknowledge as Directors that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud and error.
- ii) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

- iii) We have disclosed to you all information relating to any fraud or suspected fraud known to us that may have affected the Company (regardless of the source or form and including, without limitation, allegations by "whistle-blowers"), and involves Management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements. We have also disclosed any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others, that could affect the Company's financial statements.

13) Laws and regulations

- i) We confirm that we are not aware of any instances of actual or potential breaches of or non-compliance with laws and regulations that are central to the Company's ability to conduct its business or that could have a material effect on the financial statements.
- ii) We confirm that we are not aware of any irregularities, or allegations of irregularities including fraud, involving management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the financial statements.

14) Contractual arrangements/agreements

- i) All contractual arrangements entered into by the Company with third parties have been properly reflected in the accounting records or, where material (or potentially material) to the financial statements, have been disclosed to you.
- ii) The Company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
- iii) There are no other agreements not in the ordinary course of business.
- iv) The Company has satisfactory title to all assets and there are no liens or encumbrances on the Company's assets, except for those disclosed in the financial statements.

III. Other representations

15) Assets and liabilities

- i) We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

- ii) In our opinion, as reflected in the notes to the financial statements, the carrying value of assets and liabilities reflected in the financial statements is a reasonable estimate of the fair value of the assets and liabilities of the Company as at the end of the reporting period.

and the general and products in the ordinary course of business, the current assets in statement of financial position are expected to produce no less than the carrying amounts at which they are stated.

16) Provisions

- i) Full provision has been made for all liabilities at the reporting date including guarantees, commitments and contingencies where the items are expected to result in significant loss to the Company. Other such items, where in our opinion provision is unnecessary, have been appropriately disclosed in the financial statements.

17) Disclosures

- i) We have recorded or disclosed, as appropriate, all capital stock repurchase options or agreements, and capital stock reserved for options, warrants, conversions and other requirements.
- ii) We have recorded or disclosed, as appropriate, all arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and lines of credit or similar arrangements.
- iii) We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes of the financial statements all guarantees that we have given to third parties, including oral guarantees made by the Company on behalf of an affiliate, Director, officer or any other third party.

- iv) There are no other liabilities that are required to be recognised and no other contingent assets or contingent liabilities that are required to be disclosed in the financial statements in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, including liabilities or contingent liabilities arising from illegal or possible illegal acts.
- 18) We have disclosed to you all the related parties including the Ultimate Beneficial Owner as presented here in the representation letter and in the accounts.

19) Taxation

We have provided you with all information related to all significant income tax uncertainties of which we are aware. We have also provided you with access to all opinions and analyses that relate to positions we have taken in regard to significant income tax matters.

20) Accounting estimates

- i) We confirm that we have used appropriate measurement processes, including related assumptions and models, in determining the accounting estimate that are disclosed in the financial statements. We further confirm that measurement processes were consistently applied from year to year and that the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Company where relevant to the accounting estimates and disclosures.
- ii) We confirm that disclosures related to accounting estimates are complete and appropriate under the IFRS Accounting Standards adopted by the EU.
- iii) We confirm that no adjustments are required to be made to the accounting estimates and disclosures included in the financial statements as a result of subsequent events.
- iv) We believe the assumptions and techniques used by us are appropriate and that all fair value measurements are determined in accordance with IFRS 13 "Fair Value Measurement".

21) Retirement benefits

- i) All significant retirement benefits that the Company is committed to providing, including any arrangements that are statutory, contractual or implicit in the Company's actions, arising in Cyprus or overseas, whether funded or unfunded, approved or unapproved, have been identified and properly accounted for and/or disclosed.
- ii) All settlements and curtailments in respect of retirement benefit schemes have been identified and properly accounted for.

22) Functional Currency

We have considered which currency is the currency of the primary economic environment in which the Company operates (the "functional currency"). In making this assessment, we have used our judgment to determine the functional currency that most faithfully represents the underlying transactions, events and conditions of the Company. We have concluded that the functional currency of the Company is the Euro.

23) Financial Instruments

We confirm that we have disclosed information relating to the Company's exposures to risks arising from financial instruments that is adequate to enable users to evaluate the nature and extent of those risks to which the Company is exposed at the end of the reporting period, in accordance with IFRS 7, including the exposures to risks and how they arise, our objectives, policies and procedures for managing the risks, the methods used to measure risks, and a summary of quantitative data about our exposure to risks. We confirm that:

- Significant concentrations of credit risk arising from all financial instruments and information about the collateral supporting such financial instruments have been appropriately disclosed in the financial statements. Further, the quantitative data disclosed are representative of the Company's exposure to risks arising from financial instruments during the period.
- There are no outflows of cash that could occur significantly earlier than indicated in the summary quantitative data about exposure to liquidity risk, or that could be for significantly different amounts from those included in that data.

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24) We confirm that we have appropriately performed impairment testing in accordance with IAS 36 Impairment of Assets.

25) Transactions with Directors/officers

Except as disclosed in the financial statements, no other transactions involving Directors, officers and others require disclosure in the financial statements under the Companies Law, Cap. 113 have been entered into.

Yours faithfully,
For and on behalf of the Board of Directors of Chiyen Ltd

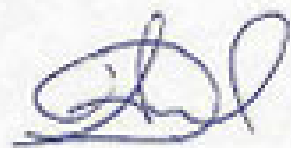
Figure 1

Neoplytes dimorpha

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Neofytos Dimosthenous
Director

True Copy of the original

A handwritten signature in blue ink, consisting of a series of loops and a horizontal line at the bottom.