

LARKINOLA PROJECTS LIMITED

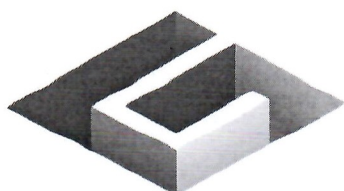
REPORT AND FINANCIAL STATEMENTS 31 December 2023

Dr. James Palmier
B.A. LL.D. Dip. Trib. Eccl. Malit.
Ayama International Ltd
86, Merchants Street,
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Malta

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Date: 22/01/2025

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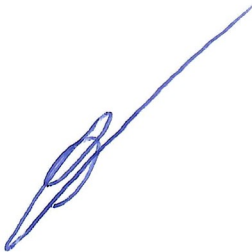


ECONOMIDES & CO
CHARTERED ACCOUNTANTS

LARKINOLA PROJECTS LIMITED

REPORT AND FINANCIAL STATEMENTS
31 December 2023

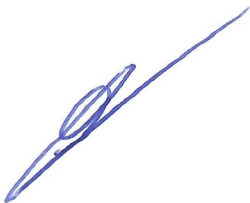
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LARKINOLA PROJECTS LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Nicos Hadjinicolaou (appointed on 22/02/2023) Pericles Spyrou (appointed on 07/07/2022 and resigned on 22/02/2023)
Company Secretary:	Nicos Hadjinicolaou (appointed on 22/02/2023) Pericles Spyrou (appointed on 07/07/2022 and resigned on 22/02/2023)
Independent Auditors:	G. ECONOMIDES & CO. LTD Chartered Accountants 4 Evagora Papachristoforou street Themis Court 3rd floor, office 301 3030 Limassol, Cyprus
Registered office:	489 Cavo Greco Mesogeios Gardens 2, House 1 Protaras, Paralimni 5296 Famagusta Cyprus
Bankers:	Paymix
Registration number:	HE436271



LARKINOLA PROJECTS LIMITED

REPORT OF THE BOARD OF DIRECTORS

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

Principal activities and nature of operations of the Company

The principal activities of the Company, which are unchanged from last year, are the consulting services, holding of investments and provision of finance.

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 and 15 of the financial statements.

Use of financial instruments by the Company

The Company is exposed to interest rate risk, credit risk and liquidity risk from the financial instruments it holds.

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 has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

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 including outstanding receivables and contract assets as well as lease receivables. Further, credit risk arises from financial guarantees and credit related commitments.

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.

Results and Dividends

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

Dividends

During the year 2023 the Company in General Meeting declared the payment of a final dividend of €450.000 (2022: €NIL).

Share capital

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

Board of Directors

The members of the Company's Board of Directors as at 31 December 2023 and at the date of this report are presented on page 1.

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

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

LARKINOLA PROJECTS LIMITED

REPORT OF THE BOARD OF DIRECTORS

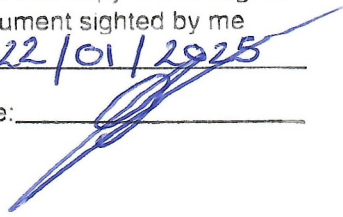
Independent Auditors

The Independent Auditors, G. ECONOMIDES & CO. LTD, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,


Nicos Hatzinicolaou
Secretary
Limassol, 13 February 2024

Dr. James Palmier
B.A. LL.D. Dip. Trib. Eccl. Malit.
Ayama International Ltd
86, Merchants Street,
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Independent Auditor's Report

To the Members of LARKINOLA PROJECTS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of parent company LARKINOLA PROJECTS LIMITED (the "Company"), which are presented in pages 7 to 20 and comprise the statement of financial position as at 31 December 2023, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes 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 LARKINOLA PROJECTS LIMITED as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

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

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors, 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.

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.

Independent Auditor's Report (continued)

To the Members of LARKINOLA PROJECTS LIMITED

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

Report on Other Legal Requirements

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

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

Independent Auditor's Report (continued)

To the Members of LARKINOLA PROJECTS LIMITED

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.



G. ECONOMIDES & CO. LTD
CHARTERED ACCOUNTANTS

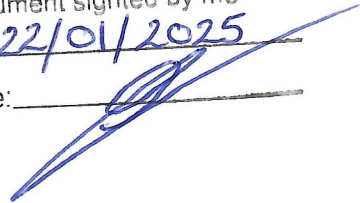
Elena Demetriou
Chartered Accountant and Registered Auditor
for and on behalf of
G. ECONOMIDES & CO. LTD
Chartered Accountants

Limassol, 13 February 2024

Dr. James Palmier
B.A. LL.D. Dip. Trib. Eccl. Malit.
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Date: 22/01/2025

Signature: 

LARKINOLA PROJECTS LIMITED

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

	Note	2023 €	07/07/2022 - 31/12/2022 €
Dividend income		2.175.000	-
Loan interest income		1.672	-
Administration expenses		(5.385)	-
Operating profit		2.171.287	-
Finance costs	8	(1.712)	-
Net profit for the year/period		2.169.575	-
Other comprehensive income		-	-
Total comprehensive income for the year/period		2.169.575	-

The notes on pages 11 to 20 form an integral part of these financial statements.

LARKINOLA PROJECTS LIMITED

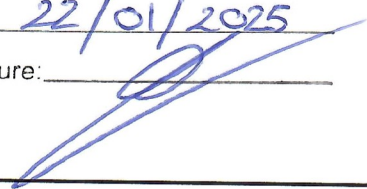
STATEMENT OF FINANCIAL POSITION
31 December 2023

	Note	2023 €	2022 €
ASSETS			
Non-current assets			
Investments in subsidiaries	10	<u>1.350</u>	-
		<u>1.350</u>	-
Current assets			
Receivables	11	1.600.000	-
Receivables from shareholder	16	1.672	-
Cash at bank and in hand	12	<u>124.473</u>	100
		<u>1.726.145</u>	100
Total assets		<u>1.727.495</u>	100
EQUITY AND LIABILITIES			
Equity			
Share capital	13	100	100
Retained earnings		<u>1.719.575</u>	-
Total equity		<u>1.719.675</u>	100
Current liabilities			
Trade and other payables	14	4.820	-
Payables to own subsidiaries	16	<u>3.000</u>	-
		<u>7.820</u>	-
Total equity and liabilities		<u>1.727.495</u>	100

On 13 February 2024 the Board of Directors of LARKINOLA PROJECTS LIMITED authorised these financial statements for issue.


Nicos Hatzicolaou
Director

Dr. James Palmier
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The notes on pages 11 to 20 form an integral part of these financial statements.

LARKINOLA PROJECTS LIMITED

STATEMENT OF CHANGES IN EQUITY
31 December 2023

	Note	Share capital €	Retained earnings €	Total €
Transactions with owners				
Issue of share capital	13	<u>100</u>	-	<u>100</u>
Total transactions with owners		<u>100</u>	-	<u>100</u>
Balance at 31 December 2022/ 1 January 2023		<u>100</u>	<u>-</u>	<u>100</u>
Comprehensive income				
Net profit for the year		-	<u>2.169.575</u>	<u>2.169.575</u>
Total comprehensive income for the year		-	<u>2.169.575</u>	<u>2.169.575</u>
Transactions with owners				
Dividends	9	-	<u>(450.000)</u>	<u>(450.000)</u>
Total transactions with owners		-	<u>(450.000)</u>	<u>(450.000)</u>
Balance at 31 December 2023		<u>100</u>	<u>1.719.575</u>	<u>1.719.675</u>

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.

The notes on pages 11 to 20 form an integral part of these financial statements.

LARKINOLA PROJECTS LIMITED

CASH FLOW STATEMENT 31 December 2023

	Note	2023 €	07/07/2022 - 31/12/2022 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		2.169.575	-
Adjustments for:			
Dividend income		(2.175.000)	-
Interest income		(1.672)	-
		(7.097)	-
Changes in working capital:			
Increase in receivables		(1.600.000)	-
Increase in receivables from parent		(1.672)	-
Increase in trade and other payables		4.820	-
Increase in payables to own subsidiaries		3.000	-
		(1.600.949)	-
Cash used in operations			
Interest received		1.672	-
Dividends received		2.175.000	-
		575.723	-
Net cash generated from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of investments in subsidiaries	10	(1.350)	-
		(1.350)	-
Net cash used in investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	100
Dividends paid		(450.000)	-
		(450.000)	100
Net cash (used in)/generated from financing activities			
		124.373	100
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the year/period		100	-
Cash and cash equivalents at end of the year/period	12	124.473	100

The notes on pages 11 to 20 form an integral part of these financial statements.

LARKINOLA PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS 31 December 2023

1. Incorporation and principal activities

Country of incorporation

The Company LARKINOLA PROJECTS LIMITED (the "Company") was incorporated in Cyprus on 7th July 2022 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 489 Cavo Greco, Mesogeios Gardens 2, House 1, Protaras, Paralimni, 5296 Famagusta, Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the consulting services, holding of investments and provision of finance.

2. Basis of preparation

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

The Company is not required by the Cyprus Companies Law, Cap. 113, to prepare consolidated financial statements because the Company and its subsidiaries constitute a medium sized group as defined by the Law and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2023.

The European Commission has concluded that since parent companies are required by the EU Accounting (2013/34/EU) Directive to prepare separate financial statements and since the Cyprus Companies Law, Cap. 113, requires the preparation of such financial statements in accordance with IFRS as adopted by the EU, the provisions in IFRS 10 "Consolidated Financial statements" requiring the preparation of consolidated financial statements in accordance with IFRS do not apply.

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 International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2023. This adoption did not have a material effect on the accounting policies of the Company.

4. 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.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

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.

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

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

Identification of performance obligations

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

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

- **Interest income**

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

- **Dividend income**

Dividends are received from financial assets measured at fair value through profit or loss (FVTPL) and at fair value through other comprehensive income (FVOCI). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Finance costs

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

Dividends

Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company's shareholders.

Financial assets

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - Measurement (continued)

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

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 -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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Financial assets (continued)

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.

Classification as financial assets at amortised cost

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

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Financial assets (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.

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.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

6. 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 these drivers will affect each other.

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

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

7. Expenses by nature

	2023	07/07/2022 - 31/12/2022
	€	€
Auditors' remuneration	3.570	-
Other expenses	1.815	-
Total expenses	5.385	-

8. Finance costs

	2023	07/07/2022 - 31/12/2022
	€	€
Sundry finance expenses	1.712	-
Finance costs	1.712	-

LARKINOLA PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

9. Dividends

	2023	07/07/2022 - 31/12/2022
	€	€
Final dividend paid	450.000	-
	450.000	-

During the year 2023 the Company in General Meeting declared the payment of a final dividend of €450.000 (2022: €NIL).

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. Dividends are also subject to a 2,65% contribution to the General Healthcare System.

10. Investments in subsidiaries

	2023	2022
	€	€
Additions	1.350	-
Balance at 31 December	1.350	-

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	Holding %	2023 €
Ayama International Ltd	Malta	Marketing services	100%	1.250
Antopolemis Ventures Ltd	Cyprus	Investing activities	100%	100
				1.350

11. Receivables

	2023	2022
	€	€
Dividends receivable	1.600.000	-
	1.600.000	-

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

12. Cash at bank and in hand

Cash balances are analysed as follows:

	2023	2022
	€	€
Cash in hand	-	100
Cash at bank	124.473	-
	124.473	100

LARKINOLA PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS 31 December 2023

13. Share capital

	2023 Number of shares	2023 €	2022 Number of shares	2022 €
Authorised				
Ordinary shares of €1 each	1.000	1.000	1.000	1.000
Issued and fully paid				
Balance at 1 January	100	100	-	-
Issue of shares	-	-	100	100
Balance at 31 December	100	100	100	100

14. Trade and other payables

	2023 €	2022 €
Accruals	3.570	-
Other creditors	1.250	-
	4.820	-

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

15. Operating Environment of the Company

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

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

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 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 no direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

LARKINOLA PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

16. Related party transactions

The following transactions were carried out with related parties:

16.1 Receivables from related parties

	2023	2022
Name	€	€
Shareholder	1.672	-
	1.672	-

16.2 Payables to related parties

	2023	2022
Name	€	€
Antopolemis Ventures Ltd	3.000	-
	3.000	-

17. Contingent liabilities

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

18. Commitments

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

19. Events after the reporting period

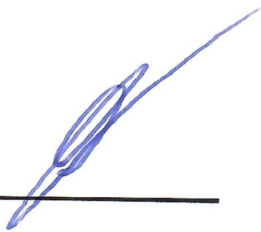
As explained in note 15 the geopolitical situation in Eastern Europe remains intense with the continuation of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

Independent auditor's report on pages 4 to 6

LARKINOLA PROJECTS LIMITED

**ADDITIONAL INFORMATION TO THE STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

CONTENTS	PAGE
Detailed income statement	1
Operating expenses	2
Finance costs	3
Computation of corporation tax	4
Calculation of tax losses for the five-year period	4



LARKINOLA PROJECTS LIMITED

DETAILED INCOME STATEMENT
31 December 2023

		2023	07/07/2022 - 31/12/2022
	Page	€	€
Revenue		2.175.000	-
Dividend income		1.672	-
Loan interest income			-
Operating expenses			
Administration expenses	2	(5.385)	-
Operating profit		2.171.287	-
Finance costs	3	(1.712)	-
Net profit for the year/period before tax		2.169.575	-

LARKINOLA PROJECTS LIMITED

OPERATING EXPENSES
31 December 2023

	2023	07/07/2022
	€	- 31/12/2022
		€
Administration expenses		
Annual levy	350	-
Courier expenses	157	-
Auditors' remuneration	3.570	-
Other professional fees	1.308	-
	<u>5.385</u>	<u>-</u>

LARKINOLA PROJECTS LIMITED

FINANCE COSTS
31 December 2023

	2023	07/07/2022 - 31/12/2022
	€	€
Finance costs		
Sundry finance expenses	1.712	-
Bank charges	1.712	-

LARKINOLA PROJECTS LIMITED

COMPUTATION OF CORPORATION TAX
31 December 2023

	Page	€	€
	1		
Net profit per income statement			2.169.575
Add:			
Annual levy		350	350
			2.169.925
Less:			
Dividends received		2.175.000	(2.175.000)
Net loss for the year			(5.075)

CALCULATION OF TAX LOSSES FOR THE FIVE-YEAR PERIOD

Tax year	Profits/(losses) for the tax year	Gains Offset		Gains Offset		Gains Offset	
		Amount €	Year	Amount €	Year	Amount €	Year
2018	-	-		-		-	
2019	-	-		-		-	
2020	-	-		-		-	
2021	-	-		-		-	
2022	-	-		-		-	
2023	(5.075)	-		-		-	

Net loss carried forward (5.075)