Dyninno Fintech Holding Limited

Report and Separate Financial Statements
31 December 2024

Company Registration Number: HE347548

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Board of Directors and other officers

Board of Directors

Dmitrijs Cimbers (resigned on 1 July 2024)
Rucsandra Larisa Stanciu (appointed on 1 July 2024)
Dimosthenis Georgiou
Evdokia Georgiou

Company Secretary

Potam Services Limited
Georgiou Katsounotou, 6
CY-3026, Limassol
Cyprus

Registered office

Agias Fylaxeos 56 and Ethnikis Antistaseos 23
Flat 306
CY-3025, Limassol
Cyprus

Auditors

PricewaterhouseCoopers Limited
PwC Central
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Independent Auditor's Report

To the Members of Dyninno Fintech Holding Limited

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of parent company Dyninno Fintech Holding Limited (the "Company"), which are presented on pages 5 to 39 and comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate 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 Separate 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 separate 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.

Emphases of matter

We draw attention to Note 1 to the separate financial statements, which indicates the uncertainties associated with the conflict in Ukraine and its economic impact. This matter is considered to be of fundamental importance to the users' understanding of the separate financial statements due to its nature and significance. Our opinion is not modified in respect of this matter.

We further draw attention to Note 2 to the separate financial statements which states that Dyninno Fintech Holding Limited is not required by the Cyprus Companies Law, Cap.113, to prepare consolidated financial statements because the parent of the Company, Dynamic Innovations Limited, publishes consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2024. At the time of approval of these separate financial statements,

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Dynamic Innovations Limited has not yet published consolidated financial statements and consolidated financial statements are expected to be issued within a reasonably short period after the issuance of the separate financial statements, not exceeding the parent company's legal/regulatory timeframe obligations. Our opinion is not modified in respect of this matter.

Responsibilities of the Board of Directors for the Separate Financial Statements

The Board of Directors is responsible for the preparation of the separate 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 the separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate 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 separate 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 separate 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 separate financial statements, including the disclosures, and whether the separate 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 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.



Nicos S. Stavrou
Certified Public Accountant and Registered Auditor
for and on behalf of

PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

Nicosia
18 December 2025

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Statement of financial position

	Notes	As at 31 December 2024 USD	2023 USD
ASSETS			
Non-current assets			
Right-of-use assets	13	**3,343**	11,365
Intangible assets	14	**153,499**	239,382
Investments in subsidiaries	15	**3,503,727**	4,287,595
Investments in associates	16	**19,679**	19,679
Investment in joint venture	17	**239,269**	210,045
Financial assets at amortised cost	18	**5,799,582**	5,444,255
Deferred tax assets		**16**	34
Total non-current assets		**9,719,115**	10,212,355
Current assets			
Prepayments		**18,872**	5,144
Financial assets at amortised cost	18	**338,824**	264,582
Cash and cash equivalents	19	**386,531**	297,777
		744,227	567,503
Assets classified as held for sale	20	**204,513**	-
Total current assets		**948,740**	567,503
Total assets		**10,667,855**	10,779,858

The notes on pages 11 to 39 are an integral part of these separate financial statements.

Statement of financial position – continued

	Notes	As at 31 December 2024 USD	2023 USD
EQUITY AND LIABILITIES			
Equity			
Share capital	21	**478,788**	478,788
Share premium	21	**5,712,610**	5,712,610
Accumulated losses		**(3,424,332)**	(278,072)
Total equity		**2,767,066**	5,913,326
Liabilities			
Non-current liabilities			
Borrowings	22	**2,775,101**	558,941
Total non-current liabilities		**2,775,101**	558,941
Current liabilities			
Other payables	23	**339,477**	508,677
Current income tax liabilities		**129,716**	92,316
Lease liabilities	13	**3,468**	11,639
Borrowings	22	**4,653,027**	3,694,959
Total current liabilities		**5,125,688**	4,307,591
Total liabilities		**7,900,789**	4,866,532
Total equity and liabilities		**10,667,855**	10,779,858

On 18 December 2025 the Board of Directors of Dyninno Fintech Holding Limited authorised these separate financial statements for issue.

Dimosthenis Georgiou, Director

Evdokia Georgiou, Director

The notes on pages 11 to 39 are an integral part of these separate financial statements.

Statement of comprehensive income

	Notes	Year ended 31 December 2024 USD	2023 USD
Revenue	8	**756,520**	1,242,856
Administrative expenses	10	**(1,896,806)**	(1,934,531)
Other income	9	**1,198,621**	1,354,831
Impairment losses on financial assets classified as held for sale	20	**(2,500,776)**	-
Operating (loss)/profit		**(2,442,441)**	663,156
Finance costs	11	**(596,064)**	(265,957)
(Loss)/profit before income tax		**(3,038,505)**	397,199
Income tax charge	12	**(107,755)**	(58,650)
(Loss)/profit for the year and total comprehensive (loss)/income for the year		**(3,146,260)**	338,549

The notes on pages 11 to 39 are an integral part of these separate financial statements.

Statement of change in equity

	Notes	Share capital	Share premium	Accumulated losses [1]	Total
		USD	USD	USD	USD
Balance at 1 January 2023		478,788	5,712,610	(616,621)	5,574,777
Comprehensive income					
Profit for the year		-	-	338,549	338,549
Balance at 31 December 2023 / 1 January 2024		**478,788**	**5,712,610**	**(278,072)**	**5,913,326**
Comprehensive loss					
Loss for the year		-	-	(3,146,260)	(3,146,260)
Balance at 31 December 2024		**478,788**	**5,712,610**	**(3,424,332)**	**2,767,066**

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at the rate of 17% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents and domiciled. From 1 March 2019, the deemed dividend distribution is subject to a 1,70% contribution to the National Health System, increased to 2,65% from 1 March 2020, with the exception of April 2020 until June 2020 when the 1,70% rate was applicable. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

The notes on pages 11 to 39 are an integral part of these separate financial statements.

Statement of cash flows

	Notes	Year ended 31 December 2024 USD	2023 USD
Cash flow from operating activities			
(Loss)/profit before income tax		**(3,038,505)**	397,199
Adjustments for:			
Depreciation of right-of-use assets	10	**8,022**	4,680
Amortisation of intangible assets	10	**87,288**	36,900
Interest expense	11	**661,929**	305,362
Unrealised exchange differences		**(93,341)**	(47,347)
Interest income	9	**(657,946)**	(372,666)
Dividend income	9	**(540,675)**	(982,165)
Impairment losses on financial assets classified as held for sale	20	**2,500,776**	-
		(1,072,452)	(658,037)
Changes in working capital:			
Financial assets at amortised cost and prepayments		**(100,822)**	(125,421)
Other payables		**(138,097)**	213,306
Cash used in operations		**(1,311,371)**	(570,152)
Income tax paid		**(70,337)**	(41,397)
Net cash used in operating activities		**(1,381,708)**	(611,549)
Cash flow from investing activities			
Purchase of investment in joint venture	17	**(29,224)**	(20,810)
Purchases of investment in subsidiaries	15	**(1,921,421)**	(598,899)
Purchases of intangible assets	14	**(1,405)**	(199,349)
Loans granted	24(v)	**(1,271,908)**	(1,112,486)
Loan repayments received	24(v)	**348,841**	88,055
Interest received	24(v)	**784,626**	329,805
Dividend received	9	**540,675**	221,952
Net cash used in investing activities		**(1,549,816)**	(1,291,732)
Cash flow from financing activities			
Repayments of borrowings from related parties	24(iv)	**(604,284)**	(573,961)
Proceeds from borrowings from related parties	24(iv)	**3,172,180**	766,414
Interest paid to related parties	24(iv)	**(79,696)**	(13,137)
Repayments of borrowings from third parties		**(273,372)**	(144,124)
Proceeds from borrowings from third parties		**1,250,018**	1,997,674
Interest paid to third parties		**(444,568)**	(109,129)
Net cash generated from financing activities		**3,020,278**	1,923,737
Net increase in cash and cash equivalents		**88,754**	20,456
Cash and cash equivalents at beginning of year		**297,777**	277,321
Cash and cash equivalents at end of year	19	**386,531**	297,777

The notes on pages 11 to 39 are an integral part of these separate financial statements.

Statement of cash flows - continued

Non-cash transactions

In September 2024, the Company entered into non-cash set-off agreements with Dyninno Group Limited. As a result, accounts receivable were offset against accounts payable, and the Company's borrowings and accounts payable were reduced by a total amount of USD 179,289.

In March and April 2023, the Company entered in non-cash cession agreements with Ecofinance Microfinance Company LLC (subsidiary). As a result, borrowings in the amount of EUR 398,996 (USD 431,872) from third parties were assigned to the subsidiary.

Later on, during 2023, the Company entered into several set-off agreements with Ecofinance Microfinance Company LLC, with total of EUR 417,798 (USD 458,355) of accounts receivable and loans receivable were set-off against the Company's borrowings from Ecofinance Microfinance Company LLC, including cession agreements mentioned above.

In 2023, the Company provided a loan to IFN Ecofinance SA (subsidiary). Cash disbursed under this loan was reduced by the amount of dividends declared by the subsidiary via a dividend set-off in the amount of EUR 669,507 (USD 760,213).

The notes on pages 11 to 39 are an integral part of these separate financial statements.

Notes to the separate financial statements

1. General information

Country of incorporation

The Company is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Agias Fylaxeos 56 and Ethnikis Antistaseos 23, Flat 306, CY-3025 Limassol, Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the holding of investments and the provision of financing facilities.

Operating environment

Russia-Ukraine conflict

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 separate financial statements for issue, the conflict continues to evolve as military activity proceeds.

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. 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.

One of the Company's subsidiaries, Ecofinance Microfinance Company LLC is operating in the territory of Russia. Since the beginning of above-mentioned actions, management is closely monitoring the performance of this entity and developments in the legislative and economic fields.

Starting in 2024, Ecofinance Microfinance Company LLC began operating as a fully independent legal entity. All intra-group agreements between Ecofinance Microfinance Company LLC and other Company's subsidiaries were terminated.

As of December 31, 2024, a decision was made to sell Ecofinance Microfinance Company LLC. Consequently, the investment was written-down to its anticipated selling amount and classified as an asset held for sale in accordance with IFRS 5 accounting standard (Note 20).

Israel – Gaza conflict

The Isreal-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsdiaries, 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 uncertainty and negative impacts on the global economcy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. The Management will continue to monitor the situation closely and take appropriate actions when and if needed.

Further developments impacting the operating environment of the Company are presented in Note 25.

2. Basis of preparation

The separate financial statements of the Company (interchangeably referred to as the 'financial statements' or the 'separate financial statements' have been prepared in accordance with IFRS Accounting Standards, as adopted by the European Union, and the requirements of the Cyprus Companies Law, Cap. 113. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

As of the date of the authorization of the financial statements, all IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2024 and are relevant to the Company's operations have been adopted by the European Union through the endorsement procedure established by the European Commission.

The material accounting policies applied in the preparation of these separate financial statements are set out below in Note 4. These policies have been consistently applied to all the years presented.

The Company is not required by the Cyprus Companies Law, Cap.113, to prepare consolidated financial statements because the parent of the Company, Dynamic Innovations Limited, publishes consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and the Company does not intend to issue consolidated financial statements for the year ended 31 December 2024.

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 Accounting Standards as adopted by the EU, the provisions in IFRS 10 "Consolidated Financial Statements" requiring the preparation of consolidated financial statements in accordance with IFRS Accounting Standards do not apply.

At the time of approval of these separate financial statements, the parent of the Company, Dynamic Innovations Limited has not yet published consolidated financial statements in accordance with Generally Accepted Accounting Principles.

The Board of Directors applied an interpretation issued by the European Commission which states that if a company chooses or is required to prepare its annual financial statements in accordance with IFRS Accounting Standards as adopted by the EU, it can prepare and file them independently from the preparation and filing of its consolidated accounts. In particular, the Board of Directors concluded that this interpretation is also applicable where the consolidated financial statements will be issued by the parent company at a subsequent date which is expected to be within the parent company's legal/regulatory timeframe obligations. Accordingly, the Board of Directors has prepared these separate financial statements in accordance with IFRS Accounting Standards as adopted by the European Union in advance of the preparation and filing of the consolidated financial statements which will be issued by the parent company.

The separate financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value.

The preparation of separate financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the separate financial statements are disclosed in Note 7.

2. Basis of preparation - continued

Going concern

In assessing the Company's going concern status the Directors considered its current financial position and performance, shareholders' view on the Company's further development and subsequent financial performance of the Company's key subsidiaries.

For the year ended 2024 the Company incurred a loss of US$3,146,260, which mostly was a direct result of ceasing operations with one of its subsidiaries (Ecofinance Microfinance Company LLC) and of the impairment recognised as the asset is now held for sale. As at 31 December 2024 its current liabilities exceeded its current assets by US$4,176,948 and the Company is in a net asset position of US$2,767,066. The Directors expect that during the next twelve months the Company's financial performance will be improved due to income to be received from its subsidiaries, since their performance in 2024 demonstrated a raising trend in turnover and stable profitability.

In addition, the directors considered the letter of support obtained from the parent company.

The parent company has undertaken to provide the Company if necessary, with financial and other support so as to enable the Company to conduct its operations and meet its obligations as they become due. The Directors therefore considered that the Company will continue operating during at least the next twelve months from the date the separate financial statements for the year ended 31 December 2024 are signed and that the separate financial statements are appropriately prepared on a going concern basis.

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

Management seeks not to reduce the understandability of these separate 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 recognized 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.

4. Material accounting policy information - continued

Revenue - continued

Recognition and measurement - 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 income statement 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).

(i) Royalty income

Royalty income for access to Company's intangible assets is payable by the customers over the period of the license agreements. Royalties contain both fixed part and sales-based part of consideration payable and are recognised as revenue over time while the Company satisfies its performance obligation by transferring control over the promised trademarks to the customer for the duration of the license agreements.

(ii) Revenue from rendering of marketing and consultancy services

Revenue from rendering of marketing and consultancy services is recognised at the point in time when the Company satisfies its performance obligation by transferring control over the promised service to the customer.

Employee benefits

The Company and the employees contribute to the Government Social Insurance Fund based on employees' salaries.

Foreign currency translation

(i) Functional and presentation currency

Items included in the Company's separate financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The separate financial statements are presented in US dollars (US$), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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.

4. Material accounting policy information - continued

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss. In accounting for the tax effects of on-balance sheet leases, the Company views the right-of-use asset and lease liability separately and considers that the temporary difference on each item does not give rise to deferred tax since the initial recognition exception applies.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Company where there is an intention to settle the balances on a net basis.

Uncertain tax positions

The Company's uncertain tax positions are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period, and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognised based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period. Adjustments for uncertain income tax positions, other than interest and fines, are recorded within the income tax charge.

Adjustments for uncertain income tax positions in respect of interest and fines are recorded within finance costs and administrative expenses, respectively.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the separate financial statements in the year in which the dividends are appropriately authorised and are no longer at the discretion of the Company. More specifically, interim dividends are recognised as a liability in the period in which these are authorised by the Board of Directors and in the case of final dividends, these are recognised in the period in which these are approved by the Company's shareholders.

4. Material accounting policy information - continued

Computer software

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

Impairment of non-financial assets

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

Financial assets

Financial assets - Classification

The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the assets. Management determines the classification of financial assets at initial recognition.

The Company classifies its financial assets at amortised cost. Financial assets at amortised cost are held for collection of contractual cash flows and their cash flows represent solely payments of principal and interest (SPPI). They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. The Company's financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, other receivables and loans receivable.

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 recognized 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. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other gains/(losses)". Foreign exchange gains and losses are presented in "Finance costs".

Financial assets - Measurement

At initial recognition, the Company measures financial assets classified at amortised cost at their fair value plus incremental transaction costs that are directly attributable to the acquisition of the financial assets. Subsequently, these are measured at amortised cost.

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.

4. Material accounting policy information - continued

Financial assets - continued

Financial assets – impairment – credit loss allowance for ECL

The Company assesses on a forward-looking basis the expected credit losses (ECL) for debt instruments measured at AC. 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 income statement within "net impairment losses on financial assets at amortised cost". Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments measured at AC are presented in the statement of financial position net of the allowance for ECL.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Refer to Note 6, Credit risk section for a description of impairment methodology applied by the Company for calculating expected credit losses for debt instruments measured at AC.

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.

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.

4. Material accounting policy information- continued

Financial assets - continued

Classification as cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand and deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent solely payment of principal and interest (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. These 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.

Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the income statement as "Other income". Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit – impaired financial assets – Stage 3 the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividend income

Dividends are received from investments in subsidiaries, associates and joint venture. 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.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings, using the effective interest method.

Borrowings are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment (for liquidity services) and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires). The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as 'other income' or 'finance costs'.

Other payables

Other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are classified as current liabilities if payment is 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 liabilities. Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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 "finance costs" 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.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Investments in subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are measured at cost less impairment. Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the highest of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the estimates used to determine the recoverable amount.

Investments in associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are measured at cost less impairment. Investments in associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the estimates used to determine the recoverable amount.

4. Material accounting policy information- continued

Investments in joint ventures

Joint ventures are contractual arrangements whereby the Company together with other parties undertake an economic activity that is subject to joint control. The Company carries its investments in joint ventures at cost less any impairment in its separate financial statements. An impairment loss is recognised through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the highest of an asset's fair value less costs to sell and value in use. An impairment loss recognised in prior years is reversed where appropriate if there has been a change in the estimates used to determine the recoverable amount.

Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The condition for such classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets outside the scope of IFRS 'Non-current assets held for sale and discounted operations" such as deferred tax assets, assets arising from employee benerfits, financial assets and investment property that are carried at fair value.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets classified as held for sale are presented separately from the other assets in the statement of financial position.

Transactions with equity owners/subsidiaries

The Company enters into transactions with shareholders and subsidiaries. When consistent with the nature of the transaction, the Company's accounting policy is to recognise (a) any gains or losses with equity holders and other entities which are under the control of the ultimate shareholder, directly through equity and consider these transactions as the receipt of additional capital contributions or the payment of dividends; and (b) any losses with subsidiaries as cost of investment in subsidiaries. Similar transactions with non-equity holders, are recognised through profit or loss in accordance with IFRS 9, 'Financial Instruments'.

Share capital, share premium and redeemable shares

Ordinary shares are classified as equity. Shares redeemable with dividends issued at the discretion of the Board of Directors are also classified as equity. The dividends on these shares are recognised in equity.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5. New accounting pronouncements

At the date of approval of these separate financial statements a number of new standards, interpretations and amendments to existing standards are effective for annual periods beginning after 1 January 2024 and have not been applied in preparing these separate financial statements. None of these is expected to have a significant effect on the separate financial statements of the Company.

6. Financial risk management

(i) Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Company does not have a formal risk management policy programme. Instead, the susceptibility of the Company to financial risks such as foreign exchange risk, interest rate risk, credit risk and liquidity risk is monitored as part of its daily management of the business.

- **Market risk**

Foreign exchange risk

The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the Euro. Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's functional currency.

Sensitivity

At 31 December 2024, if the US dollar had weakened / strengthened by 5% (2023: 5%) against the Euro with all other variables held constant, post-tax results for the year would have been US$104.490 lower/higher (2023: US$51.069 higher/lower), mainly as a result of foreign exchange losses/gains on translation of Euro-denominated borrowings and other payables which would more than offset the foreign exchange gains/losses on Euro-denominated financial assets at amortised cost and cash and cash equivalents.

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 loans receivable and borrowings carry fixed interest rates and are consequently not subject to cash flow interest rate risk. In addition, as they are measured at amortised cost, they are not susceptible to fair value interest rate risk either. The Company is exposed to cash flow interest rate risk in relation to its cash and cash equivalents which carry floating interest rates. Due to the relatively low levels of the Company's bank balances and the nominal interest rates earned thereon the management assessed that any sensitivity analysis to demonstrate the impact of changes in interest rates on the Company's results would be insignificant.

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 falling to meet an obligation. Credit risk arises deposits with banks and financial institutions, as well as credit exposures outstanding loans receivables and other receivable balances.

(i) Risk management

Credit risk is managed on an individual basis. For banks and financial institutions, only parties whom management has internally assessed as financially healthy and stable are accepted. If there is no independent rating, management assesses the credit quality of the counterparty, taking into account its financial position, past experience and other factors.

The Company does not have formal policies and procedures for managing and monitoring credit risk but rather does this as part of its day-to-day operations.

6. Financial risk management - continued

(i) Financial risk factors - continued

- **Credit risk** - continued

(ii) Impairment of financial assets

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

- financial assets at amortised cost; and
- cash and cash equivalents.

For all financial assets that are subject to impairment under IFRS 9, the Company 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"). 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 assets at amortised cost' within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Significant increase in credit risk. The Company considers the probability of default upon initial recognition of an 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 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/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 ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counter party
- 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 group and changes in the operating results of the borrower.
- 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. 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.

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

6. Financial risk management - continued

(i) Financial risk factors - continued

- **Credit risk** - continued

(ii) Impairment of financial assets – continued

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.

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

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

Financial assets at amortised cost

The Company assesses, on an individual basis, its exposure to credit risk arising from financial assets at amortised cost. This assessment takes into account, amongst others, the period the loan receivable or other receivable balance is past due (in days) and history of defaults in the past, adjusted for forward looking information.

The Company uses three categories for loans and other receivables which reflect their credit risk and how the loss provision is determined for each of those categories. Where possible, these internal credit risk ratings are aligned to external credit rating companies, such as Standard and Poor, Moody's and Fitch.

A summary of the assumptions underpinning the Company's expected credit loss model is as follows:

Category	**Company definition of category**	**Basis for recognition of expected credit loss provision**	**Basis for calculation of interest revenue**
Performing	Counterparties have a low risk of default and a strong capacity to meet contractual cash flows	Stage 1: 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
Underperforming	Counterparties for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due (see above in more detail)	Stage 2: Lifetime expected losses	Gross carrying amount
Non-performing	Interest and/or principal repayments are 90 days past due	Stage 3: Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)

The following tables contain an analysis of the credit risk exposure of each class of financial instruments for which an ECL allowance is recognised.

6. Financial risk management - continued

(i) Financial risk factors - continued

- **Credit risk** - continued

(ii) Impairment of financial assets – continued

Loans to related parties

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, without taking account of any collateral held:

Company internal credit rating	Carrying amount (net of impairment provision) 2024 USD	Carrying amount (net of impairment provision) 2023 USD
Performing	5,963,304	5,444,255
Total loans to related parties	**5,963,304**	**5,444,255**

The Company does not hold any collateral as security for any loans to related parties' balances.

No credit loss allowance was recognized in respect of the loans to related parties' balances as of 31 December 2024 and 31 December 2023 as the management believes the probability of default of the counterparties within the next 12 months is low (approximates 0%). When assessing the probability of default of the 'loans to related parties balances' the management used supportable forward-looking information such as current and projected cashflows attributable to the relevant entity together with the information supporting these cash flow projections, such as the 5-year DCF models, and other relevant information (refer to Note 7). In addition, the management assessed the history of settlements and financial support being provided to each relevant company as well as the projected settlement pattern. There has been no significant increase in credit risk since the initial recognition of the loans to related parties' balances and hence they are classified in Stage 1.

There were no significant loans to related parties written off during the years 2024 and 2023 that are subject to enforcement activity.

Receivables from related parties and other receivables

Company internal credit rating	Carrying amount (net of impairment provision) 2024 USD	Carrying amount (net of impairment provision) 2023 USD
Performing	175,102	264,582
Total other receivables	**175,102**	**264,582**

The Company does not hold any collateral as security for any receivables from related parties and other receivable balances.

No credit loss allowance was recognized in respect of the receivables from related parties and other receivables as of 31 December 2024 and 31 December 2023 given any exposure to credit risk is limited. There has been no significant increase in credit risk since the initial recognition of the receivables from related parties and other receivables and hence they are classified in Stage 1.

There were no significant receivables from related parties and other receivable balances written off during the years 2024 and 2023 that are subject to enforcement activity.

6. Financial risk management - continued

(i) Financial risk factors - continued

- **Credit risk** - continued

(ii) Impairment of financial assets – continued

Cash and cash equivalents

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

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

	Rating	Carrying amount (net of impairment provision) 2024 USD	Carrying amount (net of impairment provision) 2023 USD
Unrated - Performing	Unrated	386,531	297,777
Total cash and cash equivalents		**386,531**	**297,777**

Based on management's assessment cash balances are held with financial institutions of sound credit quality. The estimated loss allowance on cash and cash equivalents as at 31 December 2024 and 31 December 2023 was immaterial. All cash and cash equivalents were performing – Stage 1 as at 31 December 2024 and 31 December 2023. There were no significant cash and cash equivalents written off during the years 2024 and 2023 that are subject to enforcement activity.

- **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full when they fall due or can only do so in terms that are materially disadvantageous.

Ultimate responsibility for liquidity risk management rests with the Board of Directors which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

At 31 December 2024	Less than 1 year USD	Between 1 and 2 years USD	Between 2 to 6 years USD
Borrowings	5,050,303	2,446,822	1,334,842
Lease liabilities	3,468	-	-
Other payables	339,477	-	-
	5,393,248	**2,446,822**	**1,334,842**

At 31 December 2023	Less than 1 year USD	Between 1 and 2 years USD	Between 2 to 6 years USD
Borrowings	3,948,588	654,282	-
Lease liabilities	11,639	-	-
Other payables	508,677	-	-
	4,468,904	**654,282**	**-**

6. Financial risk management - continued

(ii) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as "Total Equity" as shown in the statement of financial position plus net debt.

The gearing ratios at 31 December 2024 and 2023 were as follows:

	As at 31 December	
	2024	2023
	USD	USD
Total borrowings (Note 22)	7,428,128	4,253,900
Less: cash and cash equivalents (Note 19)	(386,531)	(297,777)
Net debt	**7,041,597**	**3,956,123**
Total equity	2,767,066	5,913,326
Total capital as defined by management	**9,808,663**	**9,869,449**
Gearing ratio	**71.8%**	**40.1%**

The increase in the yearly ratio during the year was primarily due to additional borrowings taken from related parties and the reduction in equity arising from the losses incurred during the year.

7. Critical accounting estimates and judgements

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 the Note 6 Credit risk section.

No credit loss allowance was recognized in respect of the loans receivable as of 31 December 2024 and 31 December 2023 as the management believes the probability of default of the counterparties within the next 12 months is low (approximates 0%). In addition, management concluded that there was no significant increase in credit risk since their origination and accordingly are classified as Stage 1.

When assessing the probability of default of the 'loans to related parties' the management used current financial and operational information, supportable forward-looking information such as projected cashflows attributable to the relevant entity together with the information supporting these cashflow projections, forecasts of macroeconomic variables and other relevant information such as past and projected settlement record.

7. Critical accounting estimates and judgements - continued

Impairment of investments in subsidiary and other affiliated entities

The Company follows the guidance of IAS 36 in determining when an investment is impaired. The management evaluates at each reporting date whether there are any indicators that an investment is impaired. This determination requires significant judgment. In making this judgment, the management evaluates, among other factors, the duration and extent to which the recoverable amount/fair value of an investment is less than its cost, whether the recoverable amount of an investment is less than its carrying amount and the financial health and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology, operational and financing cash flow, business plans and cash flow forecasts. Due to the uncertainties entailed in the nature of operations and activities of the Company's investees the impairment assessment involves a high degree of judgment and subjectivity.

The management assessed whether impairment provisions are necessary in relation to its principal investments via 5-year DCF models. The key assumptions used in the DCF models prepared by management included terminal values at growth rates of 1.0%, 1.0% and 1,0% (2023: 1.0% and 1.8%), depending on the investee's territory, and weighted average cost of capital rates (WACC) in the order of 14.38%, 14.90% and 15,28% (2023: 14.04% and 15.44%) respectively. Had the management applied a decrease of 1% in the aforementioned terminal growth rates there would still be no impairment arising. Similarly, had the WACC applied by management been 1% higher no impairment loss would arise. Refer to Note 20 for details on the impairment charge recognised for the investment in subsidiary held for sale.

Income taxes

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

Initial recognition of related party transactions

In the normal course of business, the Company enters into transactions with its related parties. IFRS 9 requires initial recognition of financial instruments based on their fair values. Judgment is applied in determining if transactions are priced at market or non-market interest rates where there is no active market for such transactions. Related parties may enter into transactions under terms and conditions that unrelated parties would not. The basis for judgment is pricing for similar types of transactions with unrelated parties and effective interest rate analysis. Terms and conditions of related party balances and transactions are disclosed in Note 24.

Classification of redeemable preference shares

In determining the classification of the redeemable preference shares with a carrying value of USD 77,197, management considered the holder's and issuer's redemption rights as well as the conditions pertaining on the holder's rights and entitlements to distribution of the Company's profits. Based on management's assessment, these rights and entitlements do not give rise to any form of financial liability to the Company and accordingly the redeemable preference shares were classified as equity instruments as part of the Company's share capital. Refer to Note 21 for more information.

8. Revenue

	2024	2023
	USD	USD
Fixed royalty income from licensing arrangements recognised over time	217,886	147,977
Consultancy services	538,634	1,094,879
Total revenue from contracts with customers (Note 24(i))	**756,520**	**1,242,856**

9. Other income

	2024 USD	2023 USD
Dividend income (Note 24 (vi))	540,675	982,165
Interest income recognised by applying the effective interest rate method (Note 24 (v))	657,946	372,666
Total other income	**1,198,621**	**1,354,831**

10. Expenses by nature

	2024 USD	2023 USD
Professional fees	1,397,003	1,625,125
Director's remuneration (Note 24(ii))	221.538	-
Payroll expenses	-	159,829
Audit fee	32,420	27,626
Transportation expenses	37,861	13,234
Amortisation expenses (Note 14)	87,288	36,900
Depreciation of right-of-use assets (Note 13)	8,022	4,680
Bank charges	8,993	9,383
Other expenses	103,681	57,754
Total administrative expenses	**1,896,806**	**1,934,531**
Average number of staff employed during the year	-	1

11. Finance costs

	2024 USD	2023 USD
Interest expense:		
Borrowings	661,028	304,439
Lease liabilities (unwinding of interest) (Note 13)	901	923
Net foreign exchange gains	(65,865)	(39,405)
	596,064	**265,957**

12. Income tax expenses

	2024 USD	2023 USD
Withholding tax expense	70,337	26,673
Current tax expense	37,400	32,000
Deferred tax charge/(credit)	18	(23)
	107,755	**58,650**

12. Income tax expenses - continued

The tax on the Company's (loss)/profit before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

	2024 USD	2023 USD
(Loss)/profit before tax	(3,038,505)	397,199
Tax calculated at the applicable corporation tax rate of 12.5%	(379,813)	49,650
Tax effect of expenses not deductible for tax purposes	427,104	98,354
Tax effect of allowances and income not subject to tax	(87,852)	(117,481)
Withholding tax expense	70,337	26,673
10% additional charge	8,292	1,454
Tax effect of tax losses for which no deferred tax asset was recognised	69,687	-
Income tax charge	**107,755**	**58,650**

The Company is subject to income tax on taxable profits at the rate of 12,5%.

Brought forward losses of only five years may be utilised.

Under certain conditions, interest may be exempt from income tax and be subject only to special contribution for defence at the rate of 30%, decreased to 17% from 1 January 2024.

In certain cases, dividends received from abroad may be subject to special contribution for defence at the rate of 17%. In addition, in certain cases, dividends received from other Cyprus tax resident companies may also be subject to special contribution for defence.

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

13. Leases

(i) The Company's leasing arrangements

The Company leases office space under short term lease agreements that do not exceed one year period.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

(ii) Amounts recognised in the statement of financial position.

The statement of financial position shows the following amounts relating to leases:

	2024 USD	2023 USD
Right-of-use assets		
Office space	3,343	11,365
	3,343	**11,365**
Lease liabilities		
Current	3,468	11,639
	3,468	**11,639**

13. Leases - continued

(iii) Amounts recognised in profit or loss

The income statement shows the following amounts relating to leases:

	2024 USD	2023 USD
Depreciation of right-of-use assets		
Office space (Note 10)	8,022	4,680
Interest expense (included in finance costs) (Note 11)	**901**	**923**

14. Intangible assets

	CRM software USD	Trademarks USD	Assets under construction USD	Total USD
Year ended 31 December 2023				
Opening net book amount	48,622	-	28,311	76,933
Additions	171,760	2,313	25,276	199,349
Amortisation charge (Note 10)	(36,900)	-	-	(36,900)
Closing net book amount	**183,482**	**2,313**	**53,587**	**239,382**
At 31 December 2023				
Cost	239,643	2,313	53,587	**295,543**
Accumulated amortisation	(56,161)	-	-	**(56,161)**
Net book amount	**183,482**	**2,313**	**53,587**	**239,382**
Year ended 31 December 2024				
Opening net book amount	183,482	2,313	53,587	**239,382**
Additions	-	-	1,405	**1,405**
Transfers	54,992	-	(54,992)	**-**
Amortisation charge (Note 10)	(87,288)	-	-	**(87,288)**
Closing net book amount	**151,186**	**2,313**	**-**	**153,499**
As at 31 December 2024				
Cost	294,635	2,313	-	**296,948**
Accumulated amortisation	(143,449)	-	-	**(143,449)**
Net book amount	**151,186**	**2,313**	**-**	**153,499**

Amortisation of US$87,288 (2023: US$36,900) is included in "administrative expenses" in profit or loss.

15. Investments in subsidiaries

	2024 USD	2023 USD
At beginning of year	4,287,595	3,688,696
Additions	1,921,421	598,899
Assets classified as held for sale (Note 20)	(2,705,289)	-
At end of year	**3,503,727**	**4,287,595**

The Company's interests in its subsidiaries, all of which are unlisted, were as follows:

Name	Principal activity	Country of incorporation	2024 % holding	2023 % holding
Ecofinance Microfinance Company LLC (Assets classified as held for sale at 31 December 2024)	Microfinancing	Russia	-	80
IFN Ecofinance SA	Microfinancing	Romania	90	90
O.M. Ecofinance Technologies SRL	Microfinancing	Moldova	60	60
SIA Nectaro	Investment platform	Latvia	100	100
Warm Cash Lending Corp	Microfinancing	Philippines	99.99	-
SIA Ecofinance Latvia	Service company	Latvia	100	-
SIA Abele Finance	Investment platform	Latvia	100	-
SIA Nectaro Finance	Investment platform	Latvia	100	100

In May 2024, the Company acquired from a third party 99,99% share in Warm Cash Lending Corp., a microfinancing company operating in the Philippines, for a consideration of USD 613 thousand.

In June and July 2024, the Company incorporated two new subsidiaries in Latvia – SIA Abele Finance, for the consideration of USD 167 thousand and SIA Ecofinance Latvia. The Company owns 100% of the issued shares.

In April 2023, the Company acquired 100% share in SIA Nectaro, investment platform that offers retail investors in Europe the ability to invest in loans, for the consideration of USD164,100. Subsequently during the 2023 and 2024, the investee proceeded with the issue of additional ordinary share capital to the Company for a total consideration of USD 434,799 in 2023 and USD 1,135,122 in 2024.

16. Investments in associates

	2024 USD	2023 USD
At beginning of year	19,679	19,679
At end of year	**19,679**	**19,679**

The Company's interests in associates, which are not listed, were as follows:

Name of entity	Country of Incorporation	2024 % holding	2023 % holding	Measurement method
EFDF Lending Corp	Philippines	**40**	40	Cost

17. Investment in joint venture

The Company's interest in joint venture, which is unlisted, was as follows:

Name	Principal activity	Country of incorporation	2024 % holding	2023 % holding
EcoFinance LLC	Microfinancing	Azerbaijan	50	50

	2024 USD	2023 USD
At beginning of year	210,045	189,235
Additions	29,224	20,810
At end of year	**239,269**	**210,045**

During the year 2024, the Company contributed to "EcoFinance LLC" an amount of US$ 29,224 (2023: US$ 20,810) in form of cash payment. The Company's shareholding remained unchanged following the aforesaid additional subscription.

18. Financial assets at amortised cost

	2024 USD	2023 USD
Non-Current		
Loans to related parties (Note 24(v))	5,799,582	5,444,255
	5,799,582	**5,444,255**
Current		
Loans to related parties (Note 24(v))	163,722	-
Receivables from related parties (Note 24(iii))	104,046	204,685
Other receivables	71,056	58,792
Accrued income	-	1,105
	338,824	**264,582**

As at 31 December 2024, the loans receivable (including principal amount and accumulated interest) amounting to US$5,963,304 as presented above are due by the Company's subsidiaries. The loans are analysed as follows:

- The loan amount of US$3,877,741 is due by IFN Ecofinance SA, bears interest of 14% and is repayable in 2034.
- The loan amount of US$586,486 is due by SIA Ecofinance Latvia, bears interest of 15% and is repayable in 2026.
- The loan amount of US$53,486 is due by Warm Cash Lending Corp, bears interest of 15% and is repayable in 2026.
- The loan amount of US$116,600 is due by EFDF Lending Corp, bears interest of 6% and is repayable in 2025.
- The loan amount of US$1,328,991 is due by O.M. Ecofinance Technologies SRL, bears interest of 13.75%, 14% and 17% and is repayable in 2026. The aforesaid loan amounts consist of 7 loans.

As at 31 December 2023, the loans receivable (including principal amount and accumulated interest) amounting to US$5,444,255 as presented above are due by the Company's subsidiaries. The loans are analysed as follows:

- The loan amount of US$1,712,622 is due by O.M. Ecofinance Technologies SRL, bears interest of 8.75%, 14% and 17% and is repayable in 2025. The aforesaid loan amounts consist of 7 loans.
- The loan amount of US$3,676,917 is due by IFN Ecofinance SA, bears interest of 14% and is repayable in 2034.
- The loan amount of US$54,716 is due by EFDF Lending Corp., bears interest of 6% and is repayable in 2025.

18. Financial assets at amortised cost - continued

The carrying amounts of the Company's financial assets at amortised cost are denominated in the following currencies:

	2024 USD	2023 USD
EUR	4,864,379	4,134,209
USD	1,273,843	1,574,436
PHP	184	192
	6,138,406	**5,708,837**

19. Cash and cash equivalents

	2024 USD	2023 USD
Cash at bank	**386,531**	297,777

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	2024 USD	2023 USD
Cash at bank	**386,531**	297,777

Cash and cash equivalents are denominated in the following currencies:

	2024 USD	2023 USD
EUR	386,525	297,776
USD	6	1
	386,531	**297,777**

20. Assets classified as held for sale

	2024 USD	2023 USD
Investments in subsidiaries held for sale		
At beginning of year	-	-
Additions (Note 15)	2,705,289	-
Impairment losses on financial assets classified as held for sale	(2,500,776)	-
At end of year	**204,513**	-

In 2024, the management of Dyninno Fintech Holding Limited decided to sell Ecofinance Microfinance Company LLC. Consequently, the investment to subsidiary was classified as an asset held for sale in accordance with IFRS 5 accounting standard and measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification, resulting in the recognition of a write-down of USD 2,500,776 as impairment charge in the statement of profit or loss.

This is due to a disposal plan which has been approved by management. Further to that the Company entered into negotiations and a Letter of intent with a potential buyer. The signed Letter of intent with preliminary conditions of the sale agreement with a potential buyer outlines the buyer's intent to acquire the entity at a percentage of its market value, which is consistent with customary pricing mechanisms in similar transactions in the resident's jurisdiction. No material restructuring or preparation is required prior to sale, apart from standard procedures applicable to such deals in Russia. The entity is available for immediate sale in its present condition.

Furthermore, a professional valuation of the company was completed by an independent valuation company applying market approach. These actions indicate a clear intention and readiness to execute the sale.

The fair value of the investment in subsidiary was determined using the Letter of intent, updated in 2025, the valuation report for Ecofinance Microfinance Company LLC and applying any requirements as per existing legislation in Russia.

On 17 October 2025, an updated Letter of intent was signed with the potential buyer of the Company's asset held for sale with the main amendment from the original one being that the asset will be sold at a lower percentage of its market value than what was preliminary agreed in the initial Letter of intent. Given this additional discount to the market value of the asset is an outcome of the ongoing negotiations with the potential buyer and not a result of events that occurred subsequent to the year end, this was determined to be an adjusting event and as such is considered in the determination of the value of the Company's asset held for sale as at 31/12/2024.

21. Share capital and share premium

	Ordinary Shares		Redeemable Preference shares			
	Number of shares	Share capital USD	Number of shares	Share capital USD	Share premium USD	Total USD
1 January 2023/ 31 December 2023/ 1 January 2024/ 31 December 2024	360,000	401,591	64,441	77,197	5,712,610	**6,191,398**

The total authorised number of shares as at 31 December 2024 and 31 December 2023 is 360,000 ordinary shares and 64,441 redeemable preference shares with a par value of €1 each per share.

21. Share capital and share premium - continued

The holders of the redeemable preference shares have the absolute right to receive dividends amounting to the aggregate percentage of 15% of the net profit of the Company, are entitled to an annual dividend calculated as 15% of the 'Aggregate redeemable preference share price' as calculated in accordance with the Company's Shareholders Agreement and have the option and right to redeem all or any number of fully paid up redeemable preference shares. These rights and entitlements are only available pursuant to the Company's Board of Directors decision and resolution that the Company has sufficient reserves and profits available for such distributions and/or redemptions. Such decision and resolution are not mandatory nor subject to any explicit or implicit current or future obligating event and/or economic compulsion and accordingly it is at the sole discretion and full control of the Company to unconditionally avoid any such distributions and/or redemptions to the holders of these shares at present and/or any future time. Therefore, these holders' rights and entitlements do not give rise to any form of financial liability to the Company.

22. Borrowings

	2024 USD	2023 USD
Non-Current		
Borrowings from related parties (Note 24(iv))	2,249,154	-
Borrowings from third parties	525,947	558,941
Total	**2,775,101**	**558,941**
Current		
Borrowings from related parties (Note 24(iv))	1,827,469	1,636,942
Borrowing from third parties	2,825,558	2,058,017
Total	**4,653,027**	**3,694,959**
Total borrowings	**7,428,128**	**4,253,900**

	2024 USD	2023 USD
Maturity of non-current borrowings		
Between 1 and 2 years	2,017,589	558,941
Between 4 and 5 years	757,512	-
	2,775,101	**558,941**

As at 31 December 2024, the borrowings from related parties (including principal amount and accumulated interest) amounting to US$4,076,623, as presented in the table above, are analysed as follows:

- The loan amount of US$2,896,233 is due to Dynamic Innovations Limited, bear interest of 14% and 17% and are repayable within period 2025-2026.
- The loan amount of US$757,512 is due to Abele Finance SIA, bears interest of 16.5% and is repayable in 2029.
- The interest from loan amount of US$68,000 is due to MultiPass Platforms Ltd, bears interest of 15% and is repayable on demand.
- The interest from loan amount of US$354,878 is due to Dyninno Group Limited, bears interest of 15% and is repayable on demand.

22. Borrowings - continued

Borrowings from third parties represent loans granted by individual investors and other legal entities directly to the Company. The majority of the borrowings from third parties carry interest of 12%-16% and are repayable within 2025 and 2026.

As at 31 December 2023, the borrowings from related parties (including principal amount and accumulated interest) amounting to US$1,636,942, as presented in the table above, are analysed as follows:

- The loan amount of US$488,546 is due to MultiPass Platforms Ltd (formerly DynaPay Limited – entity under common control), bears interest of 15% and is repayable on 31 December 2024.
- The loan amounts of US$499,400 is due to Dyninno Group Limited, bear interest of 15% and is repayable on 17 October 2024. The aforesaid loan amounts consist of 3 loans.
- The interest from loan amount of US$648,996 is due to Dynamic Innovations Limited, bear interest of 14% and 15% and is repayable on 30 September 2024. The aforesaid loan amounts consist of 2 loans.

The fair value of current borrowings equals their carrying amounts, as the impact of discounting is not significant. The fair value of non-current borrowings also approximates their carrying amounts as based on management's assessment, they carry interest rates comparable to market interest rates applicable to loans of similar credit risk and maturity profile.

No collaterals are held as security for any of the borrowings with related or third parties.

The carrying amounts of the Company's borrowings are denominated in the following currencies:

	2024 USD	2023 USD
EUR		
USD	7,000,233	3,253,100
CKZ	427,895	999,577
	-	1,223
	7,428,128	**4,253,900**

23. Other payables

	2024 USD	2023 USD
Other payables		
Payables to related parties (Note 24(iii))	65,807	119,806
Accrued expenses	52,895	174,724
Other payables	220,775	214,147
	339,477	**508,677**

The fair value of other payables which are due within one year approximates their carrying amount at the statement of financial position date.

The carrying amounts of the Company's other payables are denominated in the following currencies:

	2024 USD	2023 USD
EUR		
	339,477	508,677
	339,477	**508,677**

24. Related party transactions

The Company is controlled by Dynamic Innovations Limited, incorporated in Malta, which owns 81,5% (2023: 81.5%) of the Company's shares. The remaining 18,5% (2023: 18,5%) of the shares are owned by a foreign individual. The Company's ultimate parent company is Dyninno Enterprises LLC, Nevada, USA and the ultimate controlling party is Mr. Alex Weinstein.

The parent entity which prepares the consolidated financial statements of the largest and the smallest body of undertakings of which the Company forms part as a subsidiary undertaking, is Dynamic Innovations Limited, incorporated in Malta with registered office address at Merchant's street 86, VLT1177 Valetta, Malta.

The following transactions were carried out with related parties:

(i) Sales of services

	2024 USD	2023 USD
Sale of services and royalty income from licensing arrangements (Note 8):		
Subsidiaries	582,721	570,661
Company under common control	173,799	672,195
Total	**756,520**	**1,242,856**

(ii) Director's remuneration

The total remuneration of the Directors was as follows:

	2024 USD	2023 USD
Fees	221,538	-
Total	**221,538**	-

(iii) Year-end balances arising from related parties

	2024 USD	2023 USD
Receivables from related parties (Note 18):		
IFN Ecofinance S.A. (subsidiary)	-	19,956
Ecofinance Microfinance Company LLC (subsidiary)	-	79,067
O.M. Ecofinance Technologies SRL (subsidiary)	53,015	26,487
Dyninno Group Limited (company under common control)	-	44,555
SIA Nectaro (subsidiary)	-	34,620
Warm Cash Lending Corp (subsidiary)	51,031	-
	104,046	**204,685**

	2024 USD	2023 USD
Payables to related parties (Note 23):		
Dyninno Group Limited (company under common control)	-	34,476
Dynatech SIA (company under common control)	3,171	8,540
IFN Ecofinance S.A. (subsidiary)	-	34,620
SIA Nectaro (subsidiary)	49,724	97,088
	52,895	**174,724**

The above balances bear no interest and are repayable on demand.

24. Related party transaction - continued

(iv) Borrowings from related parties

	2024 USD	2023 USD
Borrowings from related parties:		
At beginning of year	1,636,942	1,302,810
Borrowings advanced during year	3,172,180	1,197,348
Borrowings repaid during year	(604,284)	(573,961)
Interest charged	262,049	149,675
Interest repaid during year	(79,696)	(13,137)
Borrowings repaid through set-off	(144,304)	(458,355)
Foreign exchange differences	(166,264)	32,562
At end of year (Note 22)	**4,076,623**	**1,636,942**

In September 2024, the Company entered into non-cash set-off agreements with Dyninno Group Limited. As a result, accounts receivable were offset against the Company's borrowings and accounts payable were reduced by a total amount of USD 179,289. Out of this amount a USD 144,304 of accounts receivable were set-off against borrowings and USD 34,985 against accounts payable.

In March and April 2023, the Company entered in non-cash cession agreements with Ecofinance Microfinance Company LLC (subsidiary). As a result, borrowings in the amount of EUR 398,996 (USD 431,872) from third parties were assigned to the subsidiary.

Later on, during 2023, the Company entered into several set-off agreements with Ecofinance Microfinance Company LLC , with total of EUR 417,798 (USD 458,355) of accounts receivable and loans receivable were set-off against the Company's borrowings from Ecofinance Microfinance Company LLC, including cession agreements mentioned above.

(v) Loans to related parties

	2024 USD	2023 USD
Loans to subsidiaries:		
At beginning of year	5,444,255	3,713,901
Loans advanced during year	1,271,908	1,872,990
Interest charged (Note 9)	657,946	372,666
Loans repaid during year	(348,841)	(88,055)
Interest repaid	(784,626)	(329,805)
Loan repaid through set-off	-	(207,729)
Foreign exchange differences	(277,338)	110,287
At end of year (Note 18)	**5,963,304**	**5,444,255**

During 2023, the Company entered into several set-off agreements with Ecofinance Microfinance Company LLC, with total of EUR 417,798 (USD 458,355) of accounts receivable and loans receivable were set-off against the Company's borrowings from Ecofinance Microfinance Company LLC, including cession agreements mentioned above.

In 2023, the Company provided a loan to IFN Ecofinance SA (subsidiary). Cash disbursed under this loan was reduced by the amount of dividends declared by the subsidiary via a dividend set-off in the amount of EUR 669,507 (USD 760,213).

24. Related party transaction - continued

(vi) Other transactions and balances with related parties

During the year dividend income of USD 540,675 (2023: USD982,165) was received from IFN Ecofinance SA (subsidiary) (Note 9).

Cash and cash equivalents include balances deposited with Multipass Platforms Limited (entity under common control) amounting to USD 384.311 (2023: USD 285.815).

25. Events after the reporting date

On 2 April 2025, the US announced sweeping global trade tariffs that could potentially result in wide-ranging implications for economies and financial markets across the world. Tariff increases announced were larger than had been anticipated by various economists and the broader market sentiment has largely been negative. While these measures are allegedly aiming at protecting domestic industries, they contribute to heightened uncertainty, investor anxiety and substantial fluctuations in financial markets. Therefore, these events entail inherent risks on the Company's prospective profitability and returns. Management will continue to monitor the situation closely and take appropriate actions as and when warranted.

Depending on the extent and severity of the war in Ukraine, the Israel-Gaza conflict and other geopolitical developments as well as broader macroeconomic and financial developments (Note 1) the Company may incur further impairment losses on its asset portfolio in subsequent periods. Management will continue to monitor the potential impact and will take all steps possible to mitigate any effects.

There were no other material events after the reporting date, which would require disclosure or adjustment to the separate financial statements.

Independent Auditor's Report on pages 2 to 4.