

Extracts from FY2021 Financial Statements for Globe Invest Limited

Disclaimer:

Financial Statements

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.

GLOBE INVEST LIMITED

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

For the year ended 31 December 2021

GLOBE INVEST LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors

Richard Mark Frankel (appointed on 6 April 2021, resigned on 7 February 2023)
Paul Pierre O'Connor (appointed on 19 February 2021)
Lea Teva Ako (appointed on 28 January 2021)
Charis Antoniadis (appointed on 28 January 2021 and resigned on 15 November 2021)
Antigoni Fakonti
Yaniv Amzaleg (resigned on 7 November 2021)
Keith Trevor Bailey
Gai Vardi (resigned on 7 November 2021)
Savvia Stavrou (resigned on 28 January 2021)
Marios Hadjiyiannakis (appointed on 20 July 2022)
Michalis Moushiouttas (appointed on 1 January 2023)

Company Secretary

Fidappoint Secretarial Limited

Independent Auditors

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors
Jean Nouvel Tower
6 Stasinou Avenue
PO Box 21656
1511 Nicosia, Cyprus

Registered office

4 Foti Pitta
Labs Tower, Floor 13
1065
Nicosia, Cyprus

Bankers:

Bank of Cyprus Public Company Ltd
Barclays Bank Plc - IBU
Credit Suisse Switzerland
CitiBank London
HSBC Bank

Registration number

HE398781



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Independent Auditor's Report

To the Members of Globe Invest Limited

Report on the Financial Statements

Opinion

We have audited the Financial Statements of parent company Globe Invest Limited (the "Company"), which are presented in pages 7 to 40 and comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of parent company Globe Invest Limited as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

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

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report but does not include the Financial Statements and our auditor's report thereon.

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

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

Responsibilities of the Board of Directors for the Financial Statements

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



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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal Requirements

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

- In our opinion, the Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Management Report.

Other Matter

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



for and on behalf of

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors

Nicosia, 7 February 2023

GLOBE INVEST LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 December 2021

	Note	2021 €	2020 €
Revenue	9	132.000	132.000
Dividend income		2.049.506	-
Net fair value gains on financial assets at fair value through profit or loss	24	15.797.351	18.167.522
Gain from sale of short-term investments	24	2.041.102	-
Investment costs		(771.628)	(860.230)
Other operating income	10	40.395	969.893
Other income	11	53.299.528	9.614.759
Administration expenses	12	(13.876.781)	(8.583.076)
Other expenses	13	(4.950.371)	(52.731)
Operating profit		<u>53.761.102</u>	<u>19.388.137</u>
Net finance income	15	<u>10.224.321</u>	<u>15.458.640</u>
Profit before tax		63.985.423	34.846.777
Tax	16	<u>(77.969)</u>	<u>(244.091)</u>
Net profit for the year		<u>63.907.454</u>	<u>34.602.686</u>
Other comprehensive income			
Financial assets at fair value through other comprehensive income - Fair value gains		<u>94.773.283</u>	-
Other comprehensive income for the year		<u>94.773.283</u>	-
Total comprehensive income for the year		<u>158.680.737</u>	<u>34.602.686</u>

The notes on pages 11 to 40 form an integral part of these Financial Statements.

GLOBE INVEST LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2021

	Note	2021 €	2020 €
ASSETS			
Non-current assets			
Equipment	17	59.952	130.560
Investments in subsidiaries	18	109.030.620	95.495.153
Investments in associates	19	139	177
Financial assets at fair value through other comprehensive income	20	-	13.409.846
Financial assets at fair value through profit or loss	24	88.461.256	52.815.432
Loans receivable	22	-	22.552.461
		<u>197.551.967</u>	<u>184.403.629</u>
Current assets			
Other receivables	23	2.968.991	266.727
Loans receivable	22	-	134.622.730
Financial assets at fair value through other comprehensive income	20	108.648.980	19.854.305
Refundable taxes	29	197.835	232.423
Cash and cash equivalents	25	25.004.730	18.729.459
		<u>136.820.536</u>	<u>173.705.644</u>
Total assets		<u>334.372.503</u>	<u>358.109.273</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	26	198.849.088	334.680.607
Fair value reserve - Financial assets at fair value through other comprehensive income		94.773.283	-
Other reserve		(92.186.603)	(92.186.603)
Retained earnings		89.764.980	25.857.526
Total equity		<u>291.200.748</u>	<u>268.351.530</u>
Non-current liabilities			
Borrowings	27	23.027.289	70.715.345
		<u>23.027.289</u>	<u>70.715.345</u>
Current liabilities			
Other payables	28	245.236	595.663
Borrowings	27	19.899.230	18.446.735
		<u>20.144.466</u>	<u>19.042.398</u>
Total liabilities		<u>43.171.755</u>	<u>89.757.743</u>
Total equity and liabilities		<u>334.372.503</u>	<u>358.109.273</u>

On 7 February 2023 the Board of Directors of Globe Invest Limited authorised these Financial Statements for issue.

The notes on pages 11 to 40 form an integral part of these Financial Statements.

GLOBE INVEST LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

	Note	Share capital €	Fair value reserve - Finan cial assets at fair value through other comprehensive income €	Other reserve €	(Accumulated losses)/ Retained Earnings €	Total €
At 1 January 2020		1	-	-	(8.745.160)	(8.745.159)
Comprehensive income						
Total comprehensive loss for the year		-	-	-	34.602.686	34.602.686
Transactions with owners						
Issue of share capital	26	334.680.606	-	-	-	334.680.606
Acquisition of subsidiary		-	-	(92.186.603)	-	(92.186.603)
At 31 December 2020/ 1 January 2021		334.680.607	-	(92.186.603)	25.857.526	268.351.530
Comprehensive income						
Total comprehensive income for the year		-	94.773.283	-	63.907.454	158.680.737
Transactions with owners						
Reduction of share capital	26	(135.831.519)	-	-	-	(135.831.519)
At 31 December 2021		<u>198.849.088</u>	<u>94.773.283</u>	<u>(92.186.603)</u>	<u>89.764.980</u>	<u>291.200.748</u>

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, from 2019 the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65% (2019: 1,70%), when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The notes on pages 11 to 40 form an integral part of these financial statements.

GLOBE INVEST LIMITED

STATEMENT OF CASH FLOWS For the year ended 31 December 2021

	Note	2021 €	2020 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		63.985.423	34.846.777
Adjustments for:			
Depreciation of equipment	17	44.984	29.232
Exchange profit, net		636.763	(5.359.682)
Loss from the sale of property, plant and equipment	17	15.550	-
Profit from the sale of financial assets at FVTPL		(2.041.102)	-
Profit from the sale of other investments		-	(586.950)
Net fair value gains on financial assets at FVTPL	24	(15.797.351)	(18.640.118)
Gain from disposal of financial assets at FVOCI	20	(8.375.481)	-
Impairment charge - investments in subsidiaries	13,18	-	1.001
Impairment charge on loans to related parties	13,31	4.925.631	-
Finance income from loan repayment	11	(44.924.047)	(9.136.800)
Interest income	15	(6.503.574)	(12.664.624)
Interest expense	15	214.924	3.811.399
Dividend income		(2.049.506)	-
		(9.867.786)	(7.699.765)
Changes in operating assets and liabilities			
(Increase)/decrease in other receivables		(2.750.036)	12.407
Decrease in other payables		(368.665)	(8.302.409)
Dividends received		933.428	-
Tax paid		(82)	(477.122)
Net cash used in operating activities		(12.053.141)	(16.466.889)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment	17	(97.027)	(78.972)
Payment for purchase of financial assets at FVOCI		(465.851)	(27.452.637)
Investments in subsidiaries	18	(2.400.000)	(8.055)
Loans granted		-	(137.867.505)
Loans repayments received		171.813.820	20.409.367
Receipts from sale of bonds		-	5.680.648
Proceeds from disposal of property, plant and equipment	17	107.101	-
Proceeds from sale of financial assets at FVOCI	20	26.394.693	138.420
Proceeds from sale of financial assets at FVTPL		18.274.551	-
Loan interest received		9.083.803	6.952.681
Payment for purchase of financial assets at FVTPL		(34.175.728)	-
Net cash generated from/ (used in) investing activities		188.535.362	(132.226.053)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment on reduction of share capital		(135.831.519)	-
Repayments of borrowings		(52.948.809)	(17.001.582)
Proceeds from borrowings		18.573.378	184.000.870
Net cash (used in)/generated from financing activities		(170.206.950)	166.999.288
Net increase in cash and cash equivalents		6.275.271	18.306.346
Cash and cash equivalents at beginning of the year		18.729.459	423.113
Cash and cash equivalents at end of the year	25	25.004.730	18.729.459

For non-cash transactions please refer to Note 18, Note 22 and Note 27 of the Financial Statements.

The notes on pages 11 to 40 form an integral part of these Financial Statements.