

REGISTERED NUMBER: 07425887 (England and Wales)

**Strategic Report, Report of the Directors and
Financial Statements
for the Period 1 January 2022 to 31 March 2023
for
EFT International Investments Holdings
Limited**

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**EFT International Investments Holdings
Limited**

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for the Period 1 January 2022 to 31 March 2023**

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**EFT International Investments Holdings
Limited**

**Company Information
for the Period 1 January 2022 to 31 March 2023**

DIRECTORS: I Jennings
J G D Nye
Z Ivkovic

SECRETARY: I Jennings

REGISTERED OFFICE: 4th Floor
167 Fleet Street
London
EC4A 2EA

REGISTERED NUMBER: 07425887 (England and Wales)

AUDITORS: Elliotts Shah
Statutory Auditor
Chartered Accountants
4th Floor
167 Fleet Street
London
EC4A 2EA

**EFT International Investments Holdings
Limited**

**Strategic Report
for the Period 1 January 2022 to 31 March 2023**

The directors present the strategic report and directors' report together with the audited financial statements for EFT International Investments Holdings Limited (the "company") for the period ended 31 March 2023.

REVIEW OF BUSINESS

The company provides consultancy services to group companies.

During the period by way of group reorganisation, the Company transferred ownership in certain subsidiary undertakings to its parent company EFT Investments Limited.

The change in ownership of Companies in the Group engaged in trading energy contracts is designed to allow the businesses to operate freely without facing limitation as a result of also operating a fossil fuel (coal) power station.

The Company has retained ownership of one subsidiary, which operates a coal power station in Central and Eastern Europe.

The Directors will shortly be making an application to change the name of the Company to Stanari Investments Limited, which through demerger will lead to the Company becoming a wholly-owned subsidiary of Stanari Holdings AG, a company established in Liechtenstein.

The results for the period are shown in the income statement on page 8.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties the company faces are the performance of principal trading subsidiaries and operational risk in the power plant and construction delay in the power plant projects. The performance of subsidiaries is monitored through regular reporting and management meetings.

KEY PERFORMANCE INDICATORS

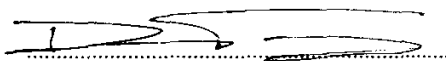
Given the nature of the business of the company, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the company.

The company funds itself with a mixture of equity and inter-company debt raised within the Stanari Group.

GOING CONCERN

The company has sufficient resources and the directors are confident that the company will continue to meet its liabilities as they fall due for the foreseeable future and therefore prepare the financial statements on the going concern basis.

ON BEHALF OF THE BOARD:



I Jennings - Director

Date: 10 August 2023

**EFT International Investments Holdings
Limited**

**Report of the Directors
for the Period 1 January 2022 to 31 March 2023**

The directors present their report with the financial statements of the company for the period 1 January 2022 to 31 March 2023

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of a holding company and provision of consulting services to group companies.

As indicated in the strategic report, by way of Group reorganisation certain Group companies were transferred to the immediate parent company, EFT Investments Limited

DIVIDENDS

The total distribution of dividends including passing the subsidiaries as a dividend in specie for the period ended 31 March 2023 were €191,353,172. No cash dividends were distributed in the period (2021: €10,000,000).

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

I Jennings
J G D Nye
Z Ivkovic

GROUP ACCOUNTS

The Company has not prepared any group accounts, taking the exemption conditions into account of sections 400 and 401 of the Companies Act 2006, as it forms part of a larger group. The immediate parent company, EFT Investments Limited is a UK resident company and the ultimate parent company EFT Holdings AG established. Group accounts relating to the ultimate parent company will be filed with the Registrar of Companies as part of this Company's accounts and those of the ultimate parent company.

DISCLOSURE IN THE STRATEGIC REPORT

The review of business, principal risks and uncertainties and key performance indicators are shown in the Strategic Report on page 2.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**EFT International Investments Holdings
Limited**

**Report of the Directors
for the Period 1 January 2022 to 31 March 2023**

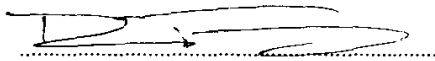
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Elliotts Shah, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



I Jennings - Director

Date: 1 August 2023

**Report of the Independent Auditors to the Members of
EFT International Investments Holdings
Limited**

Opinion

We have audited the financial statements of EFT International Investments Holdings Limited (the 'company') for the period ended 31 March 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
EFT International Investments Holdings
Limited**

Matters on which we are required to report by exception

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 Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 (UK) 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. Based on our understanding, we identified that the principal risks of non-compliance with laws and regulations that have a direct impact on the financial statements is the Companies Act 2006 and UK accounting standards.

We considered compliance with laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- testing of journal postings made during the year to identify potential management override of controls; and
- review of meeting minutes throughout the period.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and discussed how and where these might occur and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
EFT International Investments Holdings
Limited**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Arvind Shah (Senior Statutory Auditor)
for and on behalf of Elliotts Shah
Statutory Auditor
Chartered Accountants
4th Floor
167 Fleet Street
London
EC4A 2FA

Date: 10 August 2023

**EFT International Investments Holdings
Limited**

**Statement of Comprehensive Income
for the Period 1 January 2022 to 31 March 2023**

	Notes	Period 1.1.22 to 31.3.23		Year Ended 31.12.21	
		€	€	€	€
TURNOVER			1,134,000		1,483,200
Administrative expenses			<u>1,345,640</u>		<u>1,434,337</u>
OPERATING (LOSS)/PROFIT	4		(211,640)		48,863
Income from shares in group undertakings		9,471,950		29,756,581	
Interest receivable and similar income		<u>2,581,480</u>		<u>1,506,827</u>	
			<u>12,053,430</u>		<u>31,263,408</u>
			11,841,790		31,312,271
Interest payable and similar expenses	5		<u>403,169</u>		<u>188,414</u>
PROFIT BEFORE TAXATION			11,438,621		31,123,857
Tax on profit	6		<u>-</u>		<u>31,695</u>
PROFIT FOR THE FINANCIAL PERIOD			11,438,621		31,092,162
OTHER COMPREHENSIVE INCOME			<u>-</u>		<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD			<u>11,438,621</u>		<u>31,092,162</u>


The notes form part of these financial statements

**EFT International Investments Holdings
Limited (Registered number: 07425887)**

**Balance Sheet
31 March 2023**

	Notes	2023 €	2021 €
FIXED ASSETS			
Tangible assets	8	-	644
Investments	9	<u>194,207,385</u>	<u>327,374,806</u>
		194,207,385	327,375,450
CURRENT ASSETS			
Debtors	10	783,444	52,800,842
Cash at bank and in hand		<u>123,786</u>	<u>197,331</u>
		907,230	52,998,173
CREDITORS			
Amounts falling due within one year	11	<u>41,442</u>	<u>5,385,899</u>
NET CURRENT ASSETS		<u>865,788</u>	<u>47,612,274</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>195,073,173</u>	<u>374,987,724</u>
CAPITAL AND RESERVES			
Called up share capital	12	347,300	347,300
Share premium	13	-	247,052,700
Retained earnings	13	<u>194,725,873</u>	<u>127,587,724</u>
SHAREHOLDERS' FUNDS		<u>195,073,173</u>	<u>374,987,724</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16 August 2023 and were signed on its behalf by:


I Jennings - Director

The notes form part of these financial statements

**EFT International Investments Holdings
Limited**

**Statement of Changes in Equity
for the Period 1 January 2022 to 31 March 2023**

	Called up share capital €	Retained earnings €	Share premium €	Total equity €
Balance at 1 January 2021	347,300	106,495,562	247,052,700	353,895,562
Changes in equity				
Profit for the year	-	31,092,162	-	31,092,162
Total comprehensive income	-	31,092,162	-	31,092,162
Dividends	-	(10,000,000)	-	(10,000,000)
Balance at 31 December 2021	<u>347,300</u>	<u>127,587,724</u>	<u>247,052,700</u>	<u>374,987,724</u>
Changes in equity				
Profit for the period	-	11,438,621	-	11,438,621
Total comprehensive income	-	11,438,621	-	11,438,621
Dividends	-	(191,353,172)	-	(191,353,172)
Reduction in share premium and reclassification	-	247,052,700	(247,052,700)	-
Balance at 31 March 2023	<u>347,300</u>	<u>194,725,873</u>	<u>-</u>	<u>195,073,173</u>

The notes form part of these financial statements

**EFT International Investments Holdings
Limited**

**Cash Flow Statement
for the Period 1 January 2022 to 31 March 2023**

	Notes	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Cash flows from operating activities			
Cash generated from operations	1	291,788	445,084
Interest paid		(403,169)	(188,414)
Tax paid		-	(31,695)
Net cash (used in) / generated from operating activities		<u>(111,381)</u>	<u>224,975</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(10,756,497)	(500,999)
Interest received		2,581,480	1,506,827
Dividends received		<u>9,471,950</u>	<u>29,756,581</u>
Net cash from investing activities		<u>1,296,933</u>	<u>30,762,409</u>
Cash flows from financing activities			
Loans received and advanced		(1,259,097)	(20,916,399)
Equity dividends paid		-	(10,000,000)
Net cash used in financing activities		<u>(1,259,097)</u>	<u>(30,916,399)</u>
(Decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at beginning of period	2	<u>197,331</u>	<u>126,346</u>
Cash and cash equivalents at end of period	2	<u>123,786</u>	<u>197,331</u>

The notes form part of these financial statements

**EFT International Investments Holdings
Limited**

**Notes to the Cash Flow Statement
for the Period 1 January 2022 to 31 March 2023**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Profit before taxation	11,438,621	31,123,857
Depreciation charges	644	644
Impairment provision	332,734	266,188
Finance costs	403,169	188,414
Finance income	<u>(12,053,430)</u>	<u>(31,263,408)</u>
	121,738	315,695
Decrease in trade and other debtors	281,706	11,872
(Decrease)/increase in trade and other creditors	<u>(111,656)</u>	<u>117,517</u>
Cash generated from operations	<u>291,788</u>	<u>445,084</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 31 March 2023

	31.3.23 €	1.1.22 €
Cash and cash equivalents	<u>123,786</u>	<u>197,331</u>

Year ended 31 December 2021

	31.12.21 €	1.1.21 €
Cash and cash equivalents	<u>197,331</u>	<u>126,346</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 €	Cash flow €	At 31.3.23 €
Net cash			
Cash at bank and in hand	<u>197,331</u>	<u>(73,545)</u>	<u>123,786</u>
	<u>197,331</u>	<u>(73,545)</u>	<u>123,786</u>
Total	<u>197,331</u>	<u>(73,545)</u>	<u>123,786</u>

The notes form part of these financial statements

**EFT International Investments Holdings
Limited**

**Notes to the Financial Statements
for the Period 1 January 2022 to 31 March 2023**

1. STATUTORY INFORMATION

EFT International Investments Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company's transactions are predominantly carried out in Euros. The directors are of the opinion that it would be meaningful to present the financial statements in Euros as the functional currency. Throughout the financial statements the amounts are stated in Euros.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents net invoiced value of consultancy services provided excluding value added tax.

Consultancy fees are recognised as services are rendered.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

**EFT International Investments Holdings
Limited**

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, 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 to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances and loans to fellow group companies, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitute a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable withing one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date..

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Foreign currencies

Assets and liabilities in foreign currencies are translated into Euros at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Euros at the rate ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Basis of consolidation

The company has taken advantage of the exemption provided under Section 401 of the Companies Act 2006 not to prepare group accounts. The company and all its subsidiary undertakings are included in the consolidated accounts of the ultimate parent company Stanari Holdings AG. The financial statements present information about the individual company only and not the group.

3. EMPLOYEES AND DIRECTORS

	Period 1.1.12 to 31.3.23 €	Year ended 31.12.21 €
Wages and salaries	66,857	52,860
Social security costs	2,591	2,475
Other pension costs	<u>1,697</u>	<u>1,346</u>
	<u>71,145</u>	<u>56,681</u>

The average number of employees excluding Directors during the period was as follows:

	Period 1.1.12 to 31.3.23 1	Year ended 31.12.21 1
Administrative	<u>1</u>	<u>1</u>

	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Directors' remuneration	<u>-</u>	<u>-</u>

**EFT International Investments Holdings
Limited**

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

4. OPERATING (LOSS)/PROFIT

The operating loss (2021 - operating profit) is stated after charging/(crediting):

	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Depreciation - owned assets	644	644
Auditors' remuneration	25,941	19,162
Auditors' non-audit services	33,154	25,647
Foreign exchange differences	<u>12,199</u>	<u>(3,472)</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Interest payable to group undertakings	<u>403,169</u>	<u>188,414</u>
	<u>403,169</u>	<u>188,414</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the period was as follows:

	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Current tax:		
Withholding tax on dividend	<u>-</u>	<u>31,695</u>
Tax on profit	<u>-</u>	<u>31,695</u>

**EFT International Investments Holdings
Limited**

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Profit before tax	<u>11,438,621</u>	<u>31,123,857</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	2,173,338	5,913,533
Effects of:		
Expenses not deductible for tax purposes	94,235	62,495
Income not taxable for tax purposes	(1,799,671)	(5,653,750)
Depreciation in excess of capital allowances	122	122
Utilisation of tax losses	(468,024)	(322,400)
Withholding tax on dividend	<u>-</u>	<u>31,695</u>
Total tax charge	<u>-</u>	<u>31,695</u>

7. DIVIDENDS

	Period 1.1.22 to 31.3.23 €	Year Ended 31.12.21 €
Ordinary shares of €10 each		
Dividends - cash	-	10,000,000
Dividend in specie	<u>191,353,172</u>	<u>-</u>
	<u>191,353,172</u>	<u>10,000,000</u>

**EFT International Investments Holdings
Limited**

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

8. TANGIBLE FIXED ASSETS

	Computer equipment €
COST	
At 1 January 2022 and 31 March 2023	<u>38,000</u>
DEPRECIATION	
At 1 January 2022	37,356
Charge for period	<u>644</u>
At 31 March 2023	<u>38,000</u>
NET BOOK VALUE	
At 31 March 2023	<u>-</u>
At 31 December 2021	<u>644</u>

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings €
COST	
At 1 January 2022	341,098,109
Additions	10,756,497
Disposals	<u>(155,917,004)</u>
At 31 March 2023	<u>195,937,602</u>
PROVISIONS	
At 1 January 2022	13,723,303
Provision for period	332,734
Eliminated on disposal	<u>(12,325,820)</u>
At 31 March 2023	<u>1,730,217</u>
NET BOOK VALUE	
At 31 March 2023	<u>194,207,385</u>
At 31 December 2021	<u>327,374,806</u>

EFT International Investments Holdings Limited

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

9. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary company	Country of incorporation	%age holding
EFT Rudnik i Termoelektrana Stanari d.o.o	Bosnia & Herzegovina	100

The principal activities of the subsidiary are the extraction and trading of coal.

During the period as group reorganisation, the Company disposed of direct ownership and interest in the following companies by way of a dividend in specie, to EFT Investments Limited, the immediate UK resident parent company.

Subsidiary company	Country of incorporation	%age holding
Energy Financing Team Limited	United Kingdom	100
Energy Financing Team (Switzerland) AG	Switzerland	100
EFT Trade d.o.o. Beograd	Serbia	100
EFT HE Ulog d.o.o	Bosnia & Herzegovina	100
Elektricni Financni Tim. d.o.o.	Slovenia	100
EFT Budapest Zrt.	Hungary	100
EFT Bulgaria JSC	Bulgaria	100
Energy Financing Team d.o.o. Bileca	Bosnia & Herzegovina	100
EFT Albania Sh.p.k	Albania	100
S.C. EFT Furnizare S.R.L.	Romania	80
TOV EFT Ukraine *	Ukraine	100
Energy Financing Team LLC	Kosovo	100
Energy Financing Team Tirana Sh.p.k	Albania	100
Energy Financing Team Dooel	Macedonia	100
EFT Energy Financing Team SE Bileca d.o.o.	Bosnia & Herzegovina	100

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2021
	€	€
Amounts owed by group undertakings	698,784	52,434,476
Other debtors	82,219	4,789
Prepayments and accrued income	<u>2,441</u>	<u>361,577</u>
	<u>783,444</u>	<u>52,800,842</u>

On a reorganisation where companies were moved across to the parent company, EFT Investments Limited, via a dividend in specie, some of the book debts between Group Companies were moved on a share for share basis, either as part of the dividend in specie or by an equivalent amount shown as due from the Company.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2021
	€	€
Amounts owed to group undertakings	-	5,232,801
Social security and other taxes	11,682	2,328
Accrued expenses	<u>29,760</u>	<u>150,770</u>
	<u>41,442</u>	<u>5,385,899</u>

EFT International Investments Holdings Limited

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2023 €	2021 €
34,730	Ordinary	€10	<u>347,300</u>	<u>347,300</u>

13. RESERVES

	Retained earnings €	Share premium €	Totals €
At 1 January 2022	127,587,724	247,052,700	374,640,424
Profit for the period	11,438,621		11,438,621
Dividends	(191,353,172)		(191,353,172)
Reduction in share premium and reclassification	<u>247,052,700</u>	<u>(247,052,700)</u>	<u>-</u>
At 31 March 2023	<u>194,725,873</u>	<u>-</u>	<u>194,725,873</u>

14. IMMEDIATE AND ULTIMATE PARENT COMPANIES

At the balance sheet date, the immediate parent company is EFT Investments Limited, a company registered in England and Wales, which is a wholly-owned subsidiary of the ultimate parent company, EFT Holdings AG, (incorporated in Liechtenstein).

15. CONTINGENT LIABILITIES

The Company is a guarantor to borrowing facilities of up to €350,000,000 granted to a subsidiary EFT-Rudnik I Termoelektrana Stanari d.o.o. Stanari and other related companies in the group. As at the balance sheet date the amount outstanding amounted to €180,000,000.

The Company is a guarantor to borrowing facilities of up to €82,250,000 granted to fellow group undertaking Energy Financing Team (Switzerland) AG. As at the balance sheet date the amount borrowed amounted to €30,627,778.

The Company has given guarantees totalling €69,144,441 in connection with trade transactions of trading fellow group undertakings.

In addition the company has given guarantees for loans made to fellow group undertakings of €26,912,614.

16. RELATED PARTY DISCLOSURES

During the year the company paid rent of £50,000 (2021 - £50,000) on an arms length basis, for the use of a property as office owned by Mr. J Nye, a director of the company.

Other related parties

In the period, a loan amount of €7,000,000 was advanced to Vuk Hamovic on which interest of €106,534 was charged. The loan was advanced on an arm's length basis under commercial terms and transferred to EFT Investments Limited on 31 December 2022. Vuk Hamovic is a close family member of the controlling party of the group.

**EFT International Investments Holdings
Limited**

**Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023**

17. POST BALANCE SHEET EVENTS

On 3 July 2023, the Company's loan to its immediate parent undertaking, EFT Investments Limited was settled. The Board of Directors of EFT Investments Limited plan to complete the reorganisation through a process of demerger the Company will owned by a new holding company independent of the EFT Group in the near future.

18. ULTIMATE CONTROLLER

The ultimate controller is Milos Hamovic, through the controlling shareholding held via LB Holdings Establishment (Foundation incorporated in Liechtenstein) in which he has a 100% interest.

19. GROUP ACCOUNTS

EFT International Investments Holdings Limited forms part of a larger Group. In line with sections 400 and 401 of the Companies Act 2006, no group accounts have been prepared as those relating to the larger group under EFT Holdings AG will be prepared and filed with the Registrar of Companies in due course in line with the exemption conditions.

EFT Holdings AG

Consolidated Financial Statements

for the Period from 1 January 2022 to 31 March 2023

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EFT Holdings AG

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EFT Holdings AG

Board of Directors and other officers

Board of Directors

The Directors of the Company who were in office during the period and up to the date of signing the financial statements were:

Ivan Jennings
Zoran Ivkovic
Milos Hamovic
Martin Batliner
Christian Franz Wille

Company secretary

Ivan Jennings

Registered office

C/o Ganten Treuhand AG
Marktgass 11
9490 Vaduz

Registered and domicile in Liechtenstein.

Report of the Board of Directors/Management for the Period from 1 January 2022 to 31 March 2023

The Board of Directors of EFT Holdings AG presents its report together with the consolidated financial statements of the Company and its subsidiaries (the "Group") for the 15-month period ended 31 March 2023.

Financial Review

The EFT Group recorded net profits of €79.6 million in the period ending 31 March 2023 (previous year €29.7 million). The net profit comprised €22.6 million from continued operations and €57.0 million from discontinued operations. In 2023, EFT is undertaking a corporate restructuring initiative, in which the thermal power station "EFT Rudnik i Termoelektrana Stanari d.o.o." and its immediate parent company will be demerged from the EFT Group. The continuing operations will encompass EFT's core electricity trading business and its sustainable power projects. The restructuring aligns with EFT's strategic objective of concentrating on the development of renewable energy plants, which ensures a stable, long-term supply to bolster the Company's trading activities. Additional information on the corporate restructuring programme is outlined on page 5 of this report.

The 2022/2023 financial period was dominated by a historic energy crisis brought on by the conflict in Ukraine. This led to extreme volatility in energy markets and a structural increase in electricity prices. Energy companies across Europe faced highly unstable trading conditions and unprecedented margin calls on energy exchanges. In a challenging market and despite a major default from one supplier, EFT remained resilient and profitable.

In 2022/2023 revenues increased by 73.5% compared to the previous year reflecting the sharp increase in market prices. Traded volumes (MWh) however decreased by 23.4%. This reflects a more focused trading strategy with reduced reliance on trading financial futures on exchanges. Average sales prices increased from €75.6/MWh to €170.0/MWh, a 124.9% increase. Trading performance in 2022/2023 improved on the previous year, with gross profit from continued operations increasing by 69.1% and net income after tax from continued operations improved by 201.3% from €7.5 million 2021 to €22.6 million in the 15 month period ended 31 March 2023.

Following the outbreak of war in Ukraine, in February 2022, a Ukrainian-owned supplier indefinitely interrupted deliveries under an annual contract to supply energy in Hungary to Energy Financing Team (Switzerland) AG. As energy sales and purchases are fully hedged, this default meant that EFT had to buy expensive replacement power from the market to honour its commitments to deliver energy to its customers. The full cost of purchasing the replacement power was approximately €130 million. This resulted in both a loss recorded in the income statement and a real cash deficit. A compensation agreement has been reached with the supplier, although this will only come into effect in future years. This extraordinary situation placed significant pressure on the cash flow and profitability of the Group in 2022/2023. However, significant improvement in trading results combined with a number of supply-side and demand-side factors helped to mitigate and overcome the considerable loss generated by the supply default in Hungary. In spite of this substantial loss, EFT still recorded positive results for the period.

The war in Ukraine caused severe disruption to energy supplies from Russia and Ukraine into Europe. This shock to the market exacerbated existing fundamental weaknesses in the European energy market. These weaknesses are characterised by the continued decommissioning of nuclear and coal plants in western Europe, an ageing thermal power fleet in Southeast Europe, volatile carbon prices, unpredictable supply from renewable sources and a general growth in demand fuelled by increased economic activity. Despite these challenges, the Company was able to effectively manage the fluctuations of both demand and supply. Furthermore, the Company maintained strong financial stability by effectively managing its liquidity.

In an immensely volatile market, EFT was well positioned to take advantage of arbitrage opportunities between markets and time periods. Capacity rights that had been pre-purchased in 2021 allowed EFT to transit energy and benefit from wide price spreads between countries. In addition, new lines of business were opened as EFT developed an aggregation business **with small renewable power stations in Southeast Europe**. The **highly volatile economic conditions** resulted in a number of cancelled long-term purchase agreements from customers who were unable to continue with operations. This indirectly benefited EFT as energy became available to sell at higher market prices.

The management of cross border capacity (CBC) is an important factor in the annual results for the EFT Group. The Group's CBC optimisation and portfolio management supports the control of costs and offers trading opportunities. The pre-purchase of 2022 CBC rights in 2021 put the Company in a strong position to optimise trading in 2022. Overall CBC costs increased substantially in 2022/2023 reflecting the extreme market conditions where high prices and significant spreads between countries fuelled demand for cross border trading. In 2022/2023 the absolute cost of CBCs increased by 60.0% or around €16.4 million from €27.1 million in 2021 to €43.6 million in 2022/2023. The CBC costs as a percentage of turnover decreased from 2.1% in 2021 to 1.9% in 2022/23.

Operating and administration costs, inclusive of personnel costs increased from €13.2 million in 2021 to €17.2 million in 2022/23.

EFT Holdings AG

Report of the Board of Directors/Management for the Period from 1 January 2022 to 31 March 2023 (continued)

Financial review (continued)

The average number of employees in the continuing operations rose from 87 to 99 in 2022/2023.

The Group's net financing costs increased from €2.3 million in 2021 to €6.5 million in 2022/2023, reflecting both interest rate increases, but also increased use of bank facilities to cover liquidity demands.

Liquidity and Capital Resources

The EFT Group vigilantly manages its exposure to market risk, credit risk, liquidity risk, interest rate risk and currency risk. Open trading positions are minimised and sales and purchases are hedged to reduce the impact of market price fluctuations. Following the spike in energy prices in 2022, energy exchanges demanded exceptionally high margin calls from market participants. In anticipation and response to this development, EFT dramatically reduced its volumes on energy exchanges in order to mitigate the liquidity risk associated with margin calls.

EFT continued with its strategy of confining its market exposure, maintaining a diversified portfolio and mitigating credit and trading risk. The Group leveraged its extensive geographical trading portfolio to take advantage of arbitrage opportunities through spread trading. The Group's analytics team was able to effectively predict energy balances in the region which supported this trading strategy. The long-term policy to minimise market exposure and daily Value at Risk (VaR) levels was maintained.

The cash flow deficit arising from the supplier default in Hungary was covered through profitable trading activities, the use of existing bank facilities, shareholder support and a number of innovative deals with trading partners to optimise liquidity. Given the structure of existing contracts and security measures in place, further supplier risk is considered to be minimal.

The Group collaborated closely with its banks and trading partners to ensure that it maintained sufficient liquidity and adequate reserves throughout the period. A defensive trading strategy was adopted to ensure that further shocks would not threaten the liquidity of the EFT Group. This ensured that reserves were available to protect the long-term interests of the Group.

Outlook

The ongoing war in Ukraine will continue to exert considerable uncertainty on the European energy market. Although electricity prices have stabilized since 2022, high prices are expected to persist in Southeast Europe for the foreseeable future.

Despite facing highly challenging events in 2022, the EFT Group demonstrated remarkable resilience and adaptability, successfully navigating the major default against the backdrop of a highly turbulent market. The EFT Group has strengthened its internal processes and enhanced its trading strategy. The outlook for the performance of the Group is positive, with record trading results expected in the rest of 2023 and beyond.

Critical Accounting Estimates

Hedge Accounting

Derivative financial instruments are used for hedging purposes of future cashflows. At the time the underlying transaction takes place, the result of the hedge instrument is recorded simultaneously. The ineffective part of the hedge is recorded immediately according to the principle of imparity.

Management Commentary

Competitive Strengths

The EFT Group's competitive advantage lies in its highly experienced team, unique trading footprint in central and Southeast Europe, and exceptional track record. Boasting a team of industry veterans with diverse backgrounds in trading, banking, and engineering, the EFT Group has a comprehensive understanding of the market. This expertise is further strengthened by the fact that key staff members are also equity holders in the Company, ensuring their commitment to the Group's success.

With a presence in 20 countries, the EFT Group has a distinctive European footprint, bridging the gap between liquid and illiquid markets. As a member of 13 energy exchanges and holding multiple regional trading licenses, EFT is well-positioned to navigate the complex world of electricity trading. With an exceptional reputation and unblemished delivery and payment history, EFT maintains a status as a reliable and efficient trading partner.

EFT Holdings AG

Report of the Board of Directors/Management for the Period from 1 January 2022 to 31 March 2023 (continued)

Competitive Strengths (continued)

The EFT Group's credit analysis capabilities provide profound insights into counterparty creditworthiness. The proprietary EPOX trading system enables real-time market information and reporting, offering unrivaled insights into diverse market factors, including transmission grids, production capacity, demand, and supply. This allows for strict control of trading exposure and advanced strategy recommendations to optimize delivery routes for traders.

The Group's assets are a mix of physical and virtual, with an expanding portfolio of physical assets and long-term contracts with a regional network of small renewable producers. These secured long-term capacity rights further enhance the EFT Group's position in the market.

EFT's team possesses an in-depth understanding of intricate markets, including illiquid markets, limited cross-border capacities, and the political impact on market behavior. This specialized knowledge sets the EFT Group apart from its competitors, allowing the Group to thrive in the rapidly evolving and complex energy trading landscape. EFT collaborates with major banks and financial institutions across Switzerland, Austria, Southeast Europe, and China, leveraging financial credit lines and guarantee lines to support its operations and growth.

Share capital

In March 2023, EFT Holdings AG was formed in Liechtenstein as the ultimate holding company in the EFT Group. The Company is limited by shares. The issued ordinary share capital at period end was €62,210 and participation share capital was €2,850 at period end.

The directors continue to support the employee share scheme where employees can purchase participation shares in the Group's holding company and participate directly in the financial performance of the Group.

There were no other changes in the share capital of the Company for the period ended 31 March 2023

Management Strategy and Objectives

The central strategy of the EFT Group is to be the leading private electricity producer and wholesale trader in Southeast Europe. The Group is focusing on the development of renewable power assets and has a development pipeline of major renewable projects in the region. In addition, EFT has partnered with a range of small regional renewable producers in the Balkans to bring green power to the market.

The Group operates 20 subsidiaries through local established companies in countries of Western, Central and Southeast Europe.

Research and development

In 2022/2023 further upgrades were made to EPOX, the Group's proprietary contract database, trade capture and price modelling software. EPOX is a key source of competitive advantage, providing timely and accurate trading information. It is continually developed and maintained by an in-house team. The main developments in 2022/2023 related to improvements in automated scheduling tasks, the introduction of more sophisticated cash flow reporting, enhanced trading reporting and new P&L and portfolio reporting. Significant upgrades to the traders' user interfaces were introduced, with additional market information displayed. The enhanced automation and monitoring capability of EPOX continues support effective trading, risk mitigation, reporting and forecasting.

Risk exposure

The Group's activities are exposed to counterparty market and credit risk, currency risk, commercial risk and liquidity risk.

The quantification of risks and risk management policies employed by the Group are set out in full in note 3 to the consolidated financial statements.

Exposure to market (fluctuations in energy price), currency, credit and interest rate risks arise in the normal course of the Group's business. Risk is managed within the Group in accordance with principles laid down by senior management. These principles govern the treatment of market, currency and credit risk. Principles have also been laid down governing the management of cash (liquidity risk). The Group operates a central unit whose responsibility is to monitor and control such risks.

Market risk arise from price fluctuations and also from the cost of transportation rights across and through different borders. Physical open or unsecured positions in the energy business may have a substantial impact on the Group's earnings position and are generally not hedged. The risk policy allows the existence of monitored, open physical positions which should contribute to optimizing the Group's earnings potential.

EFT Holdings AG

Report of the Board of Directors/Management for the Period from 1 January 2022 to 31 March 2023 (continued)

Risk exposure (continued)

The Group incurs some limited foreign currency risk primarily on purchases denominated in a currency other than the functional currency of the subsidiary concerned. However, most transactions including purchases and sales are denominated in Euro. The EFT Group uses forward exchange contracts to hedge its foreign currency risk for purchases in foreign currencies. Hedging contracts have maturities of up to 12 months. Where necessary, the forward exchange contracts are rolled over at maturity. Foreign exchange gains and losses relating to the monetary items are reported in the income statement.

Future developments of the Group

The Company anticipates the completion of the construction of the Ulog hydroelectric plant and SE Bileca photovoltaic plant in Bosnia & Herzegovina in early 2024. The operation of these power plants will bring significant benefits to the Group. The plants will deliver electricity in a strong energy market and Ulog will also provide valuable variable production which brings valuable flexibility to the trading portfolio.

The Group will continue with plans to develop a number of greenfield renewable energy projects in 2023/2024. The Group continues with its approach to preserve its balance sheet and capital position, to ensure its liquidity with strong cash reserves, and to restrict exposure to market risk. These tactics should safeguard the Group's financial strength and support good trading opportunities.

Key Performance Indicators

Key performance indicators (KPIs) are used as part of the assessment of directors' performance. KPIs focus on the Group's trading performance, financial strength and the development of profitable and sustainable projects. Financial KPIs used to measure trading performance include EBITDA and net profits combined with risk indicators including Value-at-Risk. The financial strength of the Group is assessed using cash flow forecasting measures. The development of profitable and sustainable investment projects is assessed using discounted cash flow analyses.

The most important non-financial KPIs are long-term environmental sustainability of the business, protection and development of employees, and engagement and support of the communities in which we work. The Company measures emissions levels, energy consumption, employee satisfaction and community feedback. Environmental impact reports are commissioned for all new investment projects.

Events after the balance sheet date: Corporate restructuring

The Group is undertaking corporate restructuring to divest the Stanari power station and its direct holding company Stanari Investments Limited (formerly EFT International Investments Holdings Limited) from the EFT Group. All other subsidiary companies will remain in the EFT Group. It is expected that the restructuring will be completed in the course of 2023.

A new holding company EFT Holdings AG was established in Liechtenstein in Q1 2023. This company was formed as the ultimate holding company in the EFT Group. Liechtenstein was selected as the location for the holding company owing to its strong corporate infrastructure and proximity to Switzerland, where EFT's finance team is based.

The divested companies, Stanari Investments Ltd (formerly EFT International Investments Holdings Ltd) and EFT Rudnik I Termoelektrana Stanari d.o.o. under a new and separate holding company in Liechtenstein will be distributed to the ultimate shareholders. This will result in a material reduction of assets and liabilities of the EFT Group.

EFT Investments Limited will remain as the UK based intermediary holding company and remains responsible for issuing corporate guarantees and managing inter-company cash flows.

Independent auditors

The independent auditors, PricewaterhouseCoopers GmbH expressed their willingness to continue in office as statutory auditor of the new holding company EFT Holdings AG. A resolution to appoint them as auditors and giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

Going Concern

The Directors have performed a detailed and robust going concern assessment for the Group. A comprehensive 24-month forecast assesses the impact of principal risks facing the Group with a specific focus on liquidity management. Under all stress-tested scenarios, the Group will continue to maintain a strong balance sheet with sufficient reserves to cover all liquidity requirements.

EFT Holdings AG

Report of the Board of Directors/Management for the Period from 1 January 2022 to 31 March 2023 (continued)

Dividends

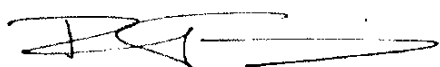
The board of Directors' proposal is to pay a dividend of €10,000 thousand for the period ended 31 March 2023 (2021: €10,000 thousand paid).

Directors

The members of the Board of Directors as at 31 March 2023 and as at the date of this report are shown on page 2.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors. There is no requirement in the Holding Company's Articles of Association for retirement of Directors by rotation. There were no director appointments or resignations in the period.

The financial statements on pages 10 to 53 were approved by the Board of Directors on 14 December 2023 and signed on its behalf by:



.....
Ivan Jennings
Company secretary and director

Directors of EFT Holdings AG:

Zoran Ivkovic

Milos Hamovic

Ivan Jennings

Christian Franz Wille

Martin Batliner

Report of the statutory auditor

to the General Meeting of EFT Holdings AG

Vaduz

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of EFT Holdings AG and its subsidiaries (the Group), which comprise the consolidated statement of comprehensive income for the period from 1 January 2022 to 31 March 2023, the consolidated balance sheet as at 31 March 2023, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period from 1 January 2022 to 31 March 2023, and the notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2023 and its consolidated financial performance and its consolidated cash flows for the period from 1 January 2022 to 31 March 2023 in accordance with International Financial Reporting Standards (IFRS) and comply with Liechtenstein law.

Basis for opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the consolidated Financial Statements" section of our report.

We are independent of the Group in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Management and the Board of Directors for the consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Liechtenstein law and IFRS, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Liechtenstein law and 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements or, whether due to fraud 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 and Regulatory Requirements

The accompanying consolidated management report has been prepared in accordance with the applicable legal requirements, is consistent with the consolidated financial statements and, in our opinion, based on the knowledge obtained in the audit of the consolidated financial statements and our understanding of the Group and its environment does not contain any material misstatements.

We further confirm that the consolidated financial statements comply with Liechtenstein law and the articles of incorporation. We recommend that the accompanying consolidated financial statements submitted to you be approved.

Additionally, we like to point out that contrary to the provisions of Art. 179a PGR, the draft group financial statements were not submitted to the General Meeting for approval within six months of the end of the financial year and contrary to the provisions of Art. 339 Para. 1 PGR, the ordinary General Meeting did not take place within six months of the end of the business period.

PricewaterhouseCoopers GmbH



.....
Gianluca Galasso
Liechtenstein Certified Public Accountant
Auditor in charge



.....
Anita Gierbl Wuffli

Ruggell, 14 December 2023

Enclosures:

- Consolidated financial statements (consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement of cash flows and notes)

EFT Holdings AG

Consolidated statement of comprehensive income for the period from 1 January 2022 to 31 March 2023

		15 months to 31 March 2023 €'000	12 months to 31 December 2021* €'000
	Note		
Revenue	6	2,327,774	1,339,761
Cost of sales	7	<u>(2,276,203)</u>	<u>(1,313,194)</u>
Gross profit		51,571	26,567
Administrative expenses	8	<u>(17,211)</u>	<u>(13,226)</u>
Operating profit		34,360	13,341
Finance income	10	1,026	467
Finance cost	10	<u>(7,527)</u>	<u>(2,786)</u>
Profit before tax		27,859	11,022
Income tax (charge)/credit	11	<u>(5,309)</u>	<u>(3,529)</u>
Profit from continuing operations		22,550	7,493
Profit from discontinued operations	5	<u>57,016</u>	<u>22,246</u>
Profit for the period		<u>79,566</u>	<u>29,739</u>
Profit/(loss) attributable to:			
Owners of the parent		76,940	30,027
Non-controlling interest		<u>2,626</u>	<u>(288)</u>
Profit for the period		<u>79,566</u>	<u>29,739</u>
Other comprehensive expense			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences		17	(37)
Loss on hedge accounting	3	<u>(8,080)</u>	<u>-</u>
Other comprehensive expense for the period, net of tax		<u>(8,063)</u>	<u>(37)</u>
Total comprehensive income for the period		71,503	29,702
Attributable to:			
Owners of the parent		68,890	29,998
Non-controlling interest		<u>2,613</u>	<u>(296)</u>
		<u>71,503</u>	<u>29,702</u>

*Prior year figures have been restated due to discontinued operations, see note 5.

EFT Holdings AG
Consolidated balance sheet

		31 March 2023 €'000	31 December 2021 €'000
	Note		
Assets			
Non-current assets			
Property, plant and equipment	12	65,081	432,704
Intangible assets	13	6,513	76,693
Investment property	14	-	383
Financial assets		-	53
Prepayments	18	-	5,294
Deferred income tax assets	15	7,527	8,739
		<u>79,121</u>	<u>523,866</u>
Current assets			
Inventories	16	8	15,981
Trade and other receivables	17	195,706	157,204
Prepayments	18	35,009	10,541
Cash and cash equivalents	19	85,019	78,788
Assets held for distribution	5	532,688	-
		<u>848,430</u>	<u>262,514</u>
Total assets		<u>927,551</u>	<u>786,380</u>
Equity and liabilities			
Capital and reserves			
Share capital	20	62	120
Participation capital	20	3	-
Share premium	20	-	1,052
Other reserves	21	5,667	11,480
Retained earnings		464,373	388,318
Equity attributable to owners of the Company		470,105	400,970
Non-controlling interests		397	(32)
Total equity		<u>470,502</u>	<u>400,938</u>
Non-current liabilities			
Loans and borrowings	22	14,408	179,331
Provisions	23	8,420	9,476
Deferred income tax liabilities	15	-	5,962
		<u>22,828</u>	<u>194,769</u>
Current liabilities			
Loans and borrowings	22	39,994	89,630
Trade and other payables	24	184,851	95,420
Contract liabilities	25	7,517	2,626
Liabilities held for distribution	5	198,637	-
Current tax liabilities		3,222	2,997
		<u>434,221</u>	<u>190,673</u>
Total liabilities		<u>457,049</u>	<u>385,442</u>
Total equity and liabilities		<u>927,551</u>	<u>786,380</u>

EFT Holdings AG

Consolidated statement of changes in equity for the period from 1 January 2022 to 31 March 2023

		Attributable to the owners of the parent						
	Note	Share capital €'000	Participation capital €'000	Share premium (1) €'000	Other reserves (1) €'000	Retained earnings €'000	Non-controlling interests €'000	Total equity €'000
Balance at 1 January 2021		120	-	2,081	10,313	369,487	488	382,489
Profit/(loss) for the period		-	-	-	-	30,027	(288)	29,739
Other comprehensive expense		-	-	-	(29)	-	(8)	(37)
Total comprehensive income		-	-	-	(29)	30,027	(296)	29,702
Issuance of preference shares		-	-	400	-	-	-	400
Redemption of preference shares		-	-	(1,429)	-	-	-	(1,429)
Transfer from retained earnings	21	-	-	-	1,196	(1,196)	-	-
Dividends		-	-	-	-	(10,000)	(224)	(10,224)
Total transactions with owners		-	-	(1,029)	1,196	(11,196)	(224)	(11,253)
Balance at 31 December 2021		120	-	1,052	11,480	388,318	(32)	400,938

	Note	Share capital €'000	Participation capital €'000	Share premium (1) €'000	Other reserves (1) €'000	Retained earnings €'000	Non-controlling interests €'000	Total equity €'000
Balance at 1 January 2022		120	-	1,052	11,480	388,318	(32)	400,938
Profit for the period		-	-	-	-	76,940	2,626	79,566
Other comprehensive income		-	-	-	(8,050)	-	(13)	(8,063)
Total comprehensive income		-	-	-	(8,050)	76,940	2,613	71,503
Issuance of preference shares		-	-	1,298	-	-	-	1,298
Transfer from retained earnings	21	-	-	-	2,237	(2,237)	-	-
Dividends		-	-	-	-	(998)	(2,184)	(3,182)
Reorganisation		(58)	3	(2,350)	-	2,350	-	(55)
Total transactions with owners		(58)	3	(1,052)	2,237	(885)	(2,184)	(1,939)
Balance at 31 March 2023		62	3	-	5,667	464,373	397	470,502

(1) The share premium and other reserves are not available for distribution.

The notes on pages 14 to 53 form an integral part of these financial statements.

EFT Holdings AG

Consolidated statement of cash flows for the period from 1 January 2022 to 31 March 2023

		15 months to 31 March 2023 €'000	12 months to 31 December 2021 €'000
	Note		
Cash flows from operating activities			
Profit for the period		79,566	29,739
Adjustments for:			
Depreciation of property, plant and equipment	12	22,427	20,072
Depreciation of investment property	14	109	109
Amortisation of intangible assets	13	3,633	3,686
Profit on disposal of property plant and equipment		(19)	(19)
Interest income	10	(425)	(40)
Interest expense	10	15,186	10,235
Tax charge/(credit)	11	10,667	5,583
Changes in net working capital:			
Inventories		(5,159)	(1,912)
Trade and other receivables		(62,266)	(31,865)
Trade and other payables and provisions		101,741	36,666
Tax paid		(8,511)	(6,567)
Interest received		254	2,596
Foreign exchange loss/(gain)	21	30	(37)
Cash outflow from futures contracts	21	(8,080)	-
Net cash from operating activities		149,153	68,246
Cash flows generated from investing activities			
Payments for acquisitions of property plant and equipment	12	(54,846)	(11,696)
Proceeds from sale of property plant and equipment	12	24	19
Acquisition of intangible assets	13	(6,839)	(2,936)
Short-term loans to shareholders	10	(7,000)	-
Net cash used in investing activities		(68,661)	(14,613)
Cash flows from financing activities			
Repayments of borrowings		(158,644)	(54,310)
Proceeds from borrowings		123,514	60,876
Interest paid		(11,932)	(12,485)
Dividends paid		-	(10,000)
Issue of redeemable preference shares		1,298	377
Redemption of redeemable preference shares		-	(1,429)
Dividends paid to non-controlling interests		(2,185)	-
Net cash used in financing activities		(47,949)	(16,971)
Net increase in cash and cash equivalents		32,543	36,662
Cash and cash equivalents at the beginning of the period		78,788	42,110
Effect of exchange rate fluctuations on cash held		(8)	16
Cash and cash equivalents at the end of the period**	19	111,323	78,788

**Includes cash and cash equivalents of €26,304 thousand (2021: €Nil) in relation to discontinued operations. Please see note 5 for further detail.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023

1 General information

Country of incorporation

EFT Holdings AG was incorporated on 27 March 2023 in Liechtenstein following a share for share exchange of EFT Investments Limited.

Principal activities

EFT Investments Limited, UK has acted as the principle operating holding company for the Group, moving forward, this role will be assumed by EFT Holdings AG.

The principal activities of the Group are the trading in electricity in Central and Eastern Europe and the development and operation of infrastructure energy projects, particularly in electricity generation.

Authorisation of the Consolidated Financial Statements

The notes on pages 14 to 53 are an integral part of these consolidated financial statements. On [... November 2023], the Board of Directors of EFT Holdings AG authorised these consolidated financial statements for issue.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied by all Group entities and all the years presented in these consolidated financial statements unless otherwise stated.

Basis of preparation

The consolidated financial statements of EFT Investments Limited for the period to 31 December 2022 are interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union. The consolidated financial statements include the consolidated financial statements of EFT Holdings AG and its subsidiaries ("the Group").

Following a reorganisation, incorporating EFT Holdings AG above EFT Investments Limited which is considered as a reorganisation and therefore continued accounting as well as a change in the Group's year end to 31 March 2023, the Annual Report and Consolidated Financial Statements represents a 15 month period of account and is drawn up and authorised in isolation in this document.

The financial statements have been prepared on a going concern basis under the historical cost convention. The Directors have performed a detailed and robust going concern assessment for the Group. A comprehensive 24-month forecast assesses the impact of principal risks facing the Group with a specific focus on liquidity management. Under all stress-tested scenarios, the Group will continue to maintain a strong balance sheet with sufficient reserves to cover all liquidity requirements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Consolidation

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group defines control in accordance with the requirements of IFRS 10. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

2 Summary of significant accounting policies (continued)

Consolidation (continued)

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of the Non-Controlling Interest (NCI) in the Romanian subsidiary company. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement (see accounting policy on goodwill).

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The consolidated financial statements include on a line by line basis the financial statements of the subsidiary companies as stated in Note 25 'Group companies'.

(b) Transactions with non-controlling interests

Non-controlling interests in an acquired entity are recognised either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

(c) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Foreign currency translation

(a) Functional and presentation currency

Items included in the Group's consolidated financial statements are measured using the currency of primary economic environment in which each group entity operates ("the functional currency"). The financial statements are presented in Euro, which is the parent company's functional and presentation currency.

(b) Foreign exchange transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except for exchange differences that arise from the exchange rate movement between foreign currencies and the Euro related to foreign currency loans made for the purpose of hedging the exchange risk in connection with revenues received in the same currency.

These exchange differences are recognised in accordance with the International Accounting Standard No. 39 "Financial Instruments: Recognition and Measurement", with the portion of exchange difference related to the effective hedging of foreign currency exchange risk being transferred to a special reserve, and the portion of exchange difference in relation to the ineffective hedging of foreign currency exchange risk being recognised in the income statement. The balance of the special reserve is adjusted in accordance with the foreign currency loan balances and the rates of exchange at the end of each period.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

2 Summary of significant accounting policies (continued)

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transaction); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operation, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholder's equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Property, plant and equipment (including investment property)

On initial acquisition, land, property, plant and equipment are valued at cost, being the purchase price and the directly attributable costs of acquisition or construction required to bring the asset to the location and condition necessary for the asset to be capable of operating in the manner intended by management.

In subsequent periods, property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value, whilst land is stated at cost less any impairment in value and is not depreciated.

Depreciation is provided so as to write off the cost, less estimated residual values of property, plant and equipment (based on prices prevailing at the balance sheet date) on the following bases:

- Mine production assets are depreciated using a unit of production method based on estimated economically recoverable reserves, which results in a depreciation charge proportional to the depletion of mineral reserves.
- Buildings, plant and equipment unrelated to production are depreciated using the straight-line method based on estimated useful lives.

Where significant parts of an asset have differing useful lives, depreciation is calculated on each separate part. Each item or part's estimated useful life has due regard to both its own physical life limitations and the present assessment of economically recoverable reserves of the mine property at which the item is located, and to possible future variations in those assessments. Estimates of remaining useful lives and residual values are reviewed annually. Changes in estimates which affect unit of production calculations are accounted for prospectively.

Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset, if this is judged to be shorter than the lease term.

	Years
Buildings	20-50
Plant and machinery	8-30
Furniture, fittings and equipment	5-10
Computer equipment	3-5
Motor vehicles	5-8

The net carrying amounts of mine buildings, machinery and equipment at the mine property are reviewed for impairment either individually or at the cash-generating unit level when events and changes in circumstances indicate that the carrying amount may not be recoverable. To the extent to which these values exceed their recoverable amounts, that excess is fully provided against in the financial period in which this is determined.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

2 Summary of significant accounting policies (continued)

Property, plant and equipment (including investment property) (continued)

Expenditure for repairs and maintenance of property, plant and equipment is charged to the income statement of the period in which they were incurred. Expenditure on major maintenance or repairs includes the cost of replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Group, the expenditure is capitalised and the carrying amount of the item replaced derecognised.

Similarly, overhaul costs associated with major maintenance are capitalised where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are expensed as incurred.

Where an item of property, plant and equipment is disposed of, it is derecognised and the difference between its carrying value and net sales proceeds is disclosed as a profit or loss on disposal in the income statement.

Any items of property, plant or equipment that cease to have future economic benefits expected to arise from the continued use or disposal of them are derecognised with any gain or loss included in the income statement in the financial period in which the item is derecognised.

Exploitation and evaluation

Exploitation and evaluation expenditure relates to costs incurred on the exploitation and evaluation of potential mineral reserves. Exploitation and evaluation expenditure for each area of interest, other than that acquired from the purchase of another mining company, is carried forward as an asset provided that one of the following conditions is met:

- such costs are expected to be recouped in full through successful development and exploitation of the area of interest or alternatively, by its sale; or
- exploitation and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing, or planned for the future.

Such expenditure is recognised as an intangible asset within the other intangibles category.

Purchased exploitation and evaluation assets are recognised as assets at their cost of acquisition or at fair value if purchased as part of a business combination.

An impairment review is performed, either individually or at the cash generating unit level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, in the financial period in which this is determined. Exploitation assets are reassessed on a regular basis and these costs are carried forward provided that at least one of the conditions outlined above is met.

Deferred overburden removal expenditure

In open pit mining operations, it is necessary to remove overburden and other waste in order to access the coal.

During the preproduction phase, these costs are capitalised as part of the cost of the mine property as other fixed assets.

The costs of removal of the overburden and waste material during a mine's production phase are deferred as other fixed assets, where appropriate. The deferral of these costs, and subsequent charges to the income statement are determined with reference to the open pit's strip ratio. This ratio represents the ratio of the estimated total volume of overburden and waste, to the estimated total quantity of economically recoverable coal, over the life of the open pit.

Deferral of these costs is made where the actual stripping ratios vary from the open pit's strip ratio. The costs charged to the income statement are based on application of the open pit strip ratio to the quantity of coal mined in the period.

Mineral properties and mine development expenditure

The cost of acquiring mineral reserves and mineral resources are capitalised on the balance sheet as incurred. Capitalised costs (development expenditure) include interest and financing costs relating to the construction of plant and equipment and costs associated with a start-up period where the asset is available for use but incapable of operating at normal levels without a commissioning period.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

2 Summary of significant accounting policies (continued)

Mineral properties and mine development expenditure (continued)

Mineral reserves and capitalised mine development expenditure are, upon commencement of production, depreciated using a unit of production method based on the estimated economically recoverable reserves to which they relate or are written-off if the property is abandoned. The net carrying amounts of mineral reserves and resources and capitalised mine development expenditure at the mine property are reviewed for impairment either individually or at the cash-generating unit level when events and changes in circumstances indicate that the carrying amount may not be recoverable. To the extent to which these values exceed their recoverable amounts, that excess is fully provided for in the financial period in which this is determined.

Intangible assets

(i) Acquired rights

Acquired rights are shown at historical cost. Acquired rights have a finite useful life and are carried at cost less accumulated amortisation. Rights are amortised over the remaining rights period of the expected economic benefit or a shorter economic life, but not exceeding ten years.

(ii) Concessions, permits and licences

Concessions, permits and licences are valued at historical cost less accumulated amortisation and accumulated impairment. These assets are amortised over their estimated useful life, using the straight-line method. The term of the concessions, permit and licences is used as the useful life. If the Group has an option to extend the term of the concession, permit or licence, and it can be assumed that the Group will exercise the option, then the extended term is taken into account in the determination of the useful life.

(iii) Computer software

Costs that are directly associated with identifiable and unique software products controlled by the Group 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 recognised as an expense when incurred. Computer software costs are amortised using the straight - line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use and is included within administrative expenses.

The expected useful lives are as follows:

	Years
Development costs:	5
Concession rights:	30-40
Computer software:	5

Impairment of assets

The carrying amount of all assets is reviewed by the Group at each balance sheet date to determine whether there is an indication for impairment, except of property, plant and equipment, for which the accounting policy applied in relation to diminution in value is mentioned above. If such indications exist, the asset's recoverable amount is estimated. If the recoverable amount is lower than the book value of the asset, then the book value is reduced to the recoverable amount. This reduction is recognised as an expense in the income statement of the period.

(i) Calculation of recoverable amount

The recoverable amount of the Group's investments in receivables is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables of a short duration are not discounted. The recoverable amount of other assets is the higher of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the specific risks of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash - generating unit to which the asset belongs.

**Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023
(continued)**

2 Summary of significant accounting policies (continued)

Impairment of assets (continued)

(ii) Reversal of impairment of assets

An impairment loss is reversed if the subsequent increase in the recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss is reversed for all assets if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if an impairment loss had not been recognised.

The reversal of impairment loss is recognised in the income statement with opposite accounting entries from those made during the initial recognition of the impairment loss. In accordance with IFRS 3, an impairment loss in respect of goodwill is not reversed.

Inventories

Inventories which include finished products, work in progress, produced coal and materials, are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of produced coal, cost includes an appropriate share of overheads based on normal operating capacity.

Trade receivables

For trade receivables and contract assets that do not contain a significant financing component in accordance with IFRS 15, the Group elected to adopt the simplified approach, which allows entities to use a provision matrix to recognise lifetime ECL. The provision matrix is based on historical loss patterns, reflecting the customers' payment behaviour in the different countries, adjusted for forward- looking estimates.

Trade receivables are identified according to one of the three following categories: normal, doubtful, bad. The amount of the loss allowances is measured at initial recognition and throughout the life of the receivables, using an aging calculation applied to all trade receivables, which reflects the expected credit losses that result from all possible default events over the expected life of the receivable. When information has been obtained indicating that non-collection risk exists on the financial asset, the trade receivables are fully impaired. A write-off is made when all or part of the financial asset is deemed uncollectible or forgiven.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. Subsequent recoveries of amounts previously written off are credited in the income statement. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation.

Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period 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.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

2 Summary of significant accounting policies (continued)

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value being recognised in the income statement over the period of the borrowings using the effective interest method.

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(i) Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating costs are not provided for.

(ii) Site restoration

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration costs in respect of land from which coal is extracted is recognised as coal is extracted.

(iii) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Commodity contracts designated for own use

The Group uses energy commodity contracts for electricity for the purpose of the production, sale and purchase of energy. Accrual accounting is applied for these contracts. Contracts are designated as own use contracts, as contracts for trading purposes or as hedges at the date on which these are concluded.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, 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 is calculated in 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 financial statements. However, the 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. Deferred income tax is determined using tax rates and laws that have been enacted or substantially 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 to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

2 Summary of significant accounting policies (continued)

Current and deferred income tax (continued)

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.

Revenue recognition

The Group sells energy that is supplied by own generation and procurement from third parties. The performance obligation is discharged when energy is delivered to the grid connection point, when the ownership and the risks are transferred to the customer.

Revenue comprises the invoiced value for the sale of energy net of value added tax, rebates and discounts. It also includes transmission route fees and revenue from the sale of coal. Revenues earned by the Group are recognised on the following bases:

(i) Sale of energy

Revenue from the sale of energy is recognised in the income statement when the sale is considered effective based on the following criteria:

- Delivery has been made before period end;
- A binding sales agreement has been made;
- The sale price has been determined; and
- Payment has been received or may with reasonable certainty be expected to be

(ii) Sale of coal

Revenue from the sale of coal comprises the invoiced value net of sales tax, rebates and discounts.

Revenue from the sale of coal is recognised in the income statement when the sale is considered effected based on the following criteria:

- Delivery has been made before period end;
- A binding sales agreement has been made;
- The sale price has been determined; and
- Payment has been received or may with reasonable certainty be expected to be

The Group adopted IFRS 15 Revenue from contracts with customers retrospectively from 1 January 2018. IFRS 15 requires companies to apportion revenue from customer contracts to separate performance obligations and recognise revenue as these performance obligations are satisfied. The vast majority of the Group's revenue is generated from the sale of energy and coal to customers representing a single performance obligation which is satisfied upon transfer of control of the relevant goods. The Group's other revenue generating activities represent approximately 2% of total revenue, primarily relating to sale of services. The adoption of the standard has therefore had no material impact on existing revenue recognition policies.

Interest income

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

Employee benefits

The Group's companies in Switzerland and United Kingdom operate plans for providing employees with retirement benefits, which conform to local circumstances and practice in the respective countries. Both plans are provided through an insurance plan. The plans have features of both defined contribution and defined benefit plans (hybrid plans). On grounds of materiality due to the very limited number of employees in these subsidiaries, they are considered and treated as defined contribution plans. Obligations for contributions are recognised as an expense in the income statement as incurred.

**Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023
(continued)**

2 Summary of significant accounting policies (continued)

Derivative financial instruments

The Group uses derivative financial instruments primarily to hedge its exposure to foreign exchange risks and commodity price risks arising from operational activities. The Group uses forward exchange contracts and exchange traded future contracts. In accordance with internal Group accounting principles. However, derivatives that do not qualify as hedge accounting are accounted for as trading instruments. All derivative financial instruments are initially accounted for at fair value. Derivative financial instruments with a positive fair value are included in other receivables, while derivative financial instruments with negative fair value are included in other payables. Any gains or losses on the remeasurement of the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised immediately in the income statement. The fair value of the instruments used is the calculated amount that the Group would receive or pay to terminate the contracts at the balance sheet date, based on quotes from independent counterparties. Where forward purchase agreements are entered into, the Group will always take physical delivery of the energy purchased, and is therefore permitted to use the own use exemption when accounting for these financial instruments in accordance with IFRS 9.

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a firm commitment or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in OCI. Contracts of this kind are classified as cash flow hedges. When the firm's commitment or forecasted transaction results in the recognition of a non-financial asset or liability, the cumulative gain or loss is removed from OCI and included in the initial cost of the non-financial asset or liability.

Otherwise, the cumulative gain or loss is removed from OCI and recognised in the income statement at the same time as the hedged transaction. The ineffective part of any gain or loss is recognised immediately in the income statement. When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes the designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in OCI and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in OCI is recognised immediately in the income statement.

Leases

The Group leases various offices. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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 other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

3 Financial risk management

The Group's activities are exposed to market risk, currency risk, credit risk, liquidity risk and interest rate risk. The risk management policies employed by the Group to manage these risks are as follows:

(i) Financial risk factors

(a) Financial risk management

Exposure to market (fluctuations in energy price), currency, credit and interest rate risks arise in the normal course of the Group's business. Risk is managed within the Group in accordance with principles laid down by senior management. These principles govern the treatment of market, currency and credit risk. Principles have also been laid down governing the management of cash (liquidity risk). The Group operates a central unit whose responsibility is to monitor and control such risks, these include risks arising from the current COVID-19 situation.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

(b) Market risk

Market risk arise from price fluctuations and also from the cost of transportation rights across and through different borders. Physical open or unsecured positions in the energy business may have a substantial impact on the Group's earnings position and are generally hedged. The risk policy allows the existence of monitored, open physical positions which should contribute to optimising the Group's earnings potential.

(c) Foreign currency risk

The EFT Group incurs foreign currency risk primarily on purchases denominated in a currency other than the functional currency of the subsidiary concerned. However, most transactions including purchases and sales are denominated in Euro. The EFT Group uses forward exchange contracts to hedge its foreign currency risk for purchases in foreign currencies. Hedging contracts have maturities of up to 12 months. Where necessary, the forward exchange contracts are rolled over at maturity. The currency hedging contracts outstanding on the balance sheet date are summarised in the following table. Gains and losses on hedge contracts qualifying as cash flow hedges are expected to be removed from equity within 12 months. The foreign exchange gains and losses relating to the monetary items are reported in the income statement.

Exposure to currency risk

The Group's exposure to currency risk based on carrying amounts was as follows:

	31 March 2023							
	RON €'000	HUF €'000	ALL €'000	BAM €'000	USD €'000	MKD €'000	RSD €'000	Other €'000
Trade receivables	13,833	-	-	68	-	22	-	-
Cash and cash equivalents	2,113	21	73	790	-	1,475	13	73
Bank loans	-	-	-	-	-	-	-	-
Trade payables	-	-	(1)	(5,806)	-	-	(36)	-
Income tax payables	-	-	-	-	-	(6)	(1)	-
Non-trade payables	-	(4)	(14)	(1,095)	-	(387)	(15)	-
Gross balance sheet exposure	15,946	17	58	(6,043)	-	1,104	(39)	73
Forward exchange contracts	-	-	-	-	-	-	-	-
Net exposure	15,946	17	58	(6,043)	-	1,104	(39)	73

	31 December 2021							
	RON €'000	HUF €'000	ALL €'000	BAM €'000	USD €'000	MKD €'000	RSD €'000	Other €'000
Trade receivables	17,119	-	-	5,040	-	7,604	-	-
Cash and cash equivalents	5,505	30	4	7,885	2	7,322	53	177
Bank loans	-	-	-	8,219	-	-	-	-
Trade payables	12,884	-	3	4,874	549	-	35	28
Income tax payables	-	-	-	1,404	-	25	-	1,438
Non-trade payables	2,659	3	12	1,909	-	740	105	(18)
Gross balance sheet exposure	38,167	33	19	29,331	551	15,691	193	1,625
Forward exchange contracts	-	-	-	-	-	-	-	-
Net exposure	38,167	33	19	29,331	551	15,691	193	1,625

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

The following significant exchange rates to EUR applied during the period:

	Average rates		Closing rates	
	2023	2021	31 Mar 2023	31 Dec 2021
RON 1	0.2021	0.2028	0.2022	0.2021
HUF 100	0.2705	0.2710	0.2705	0.2710
MKD 1	0.0162	0.0162	0.0162	0.0162
RSD 100	0.8490	0.8505	0.8490	0.8505
BAM 1	0.5113	0.5113	0.5113	0.5113

Sensitivity analysis

A 10 percent strengthening of the Euro against the following currencies at 31 March would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss €'000
31 March 2023	
USD	-
RON	1,595
HUF	17
BAM	(604)
MKD	110
RSD	(4)
ALL	6
	Profit or loss €'000
31 December 2021	
USD	(55)
RON	(3,817)
HUF	(3)
BAM	(2,933)
MKD	(1,569)
RSD	(19)
ALL	(2)

A 10 percent weakening of the Euro against the above currencies at 31 March would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The fair value is the (higher or lower) value at which a derivative contract could be concluded on the balance sheet date. The fair values calculated on the balance sheet date should be looked at not in isolation but together with the calculated value of anticipated future transactions and hence in the context of the aggregate reduction in the Group's exposure to currency movements.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

Positive or negative fair values of derivative financial instruments are carried on the balance sheet under other receivables or other payables.

(d) Credit risk

Credit risk includes the risk that a specific counterparty will be unable or unwilling to discharge their obligation and cause a financial loss. The Group risk management is monitoring that exposure per counterparty on an on-going basis, with respect to accounts receivable and the fair value of open positions. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of financial assets.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount 2023 €'000	2021 €'000
Non-current financial assets	-	-
Trade and other receivables	195,706	157,204
Forward exchange contracts used for hedging:	-	-
Cash and cash equivalents	85,019	78,788
	<u>280,725</u>	<u>235,992</u>

The maximum exposure to credit risk for trade receivables at the reporting date, by geographic region, was:

	Carrying amount 2023 €'000	2021 €'000
EU euro-zone countries	100,933	48,236
EU non-euro-zone countries	35,267	39,330
Switzerland	14,184	11,365
United Kingdom	522	898
Other European countries	498	51,594
	<u>151,404</u>	<u>151,423</u>

The maximum exposure to credit risk for trade receivables at the reporting date, by type of customer, was:

	Carrying amount 2023 €'000	2021 €'000
Wholesale customers	146,350	136,038
End-user customers	5,054	15,385
	<u>151,404</u>	<u>151,423</u>

The two Group's most significant customers with regard to exposure, a German and a Slovenian power group, together account for €64,688 thousand of the trade receivables carrying amount at 31 March 2023 (2021: an Albanian and Ukrainian power group together €39,839 thousand).

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

The ageing of gross trade receivables at the reporting date was:

	Carrying amount 2023 €'000	2021 €'000
Not past due	142,687	150,414
Past due 0-30 days	-	-
Past due more than 30 days	8,717	1,009
	<u>151,404</u>	<u>151,423</u>

Further comments can be found in note 17.

(e) Liquidity risk

Most of the receivables in the European energy industry are offset and subject to fixed payment deadlines, thus avoiding peaks in liquidity requirements. Nevertheless, margin agreements are common on energy commodity exchanges and among large energy traders. Due to energy price fluctuations substantial liquidity requirements can arise short-term: those are managed by maintaining sufficient liquidity and by obtaining guaranteed credit lines from first class banks.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

31 March 2023							
€'000	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	Total contractual cashflow	Carrying amount
Non-derivative financial liabilities							
Bank loans and overdrafts	2,042	22,766	5,819	-	-	30,627	30,627
Interest payments	1,376	859	189	-	-	2,424	-
Trade and other payables	<u>192,343</u>	<u>10</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>192,368</u>	<u>192,368</u>
	<u>195,761</u>	<u>23,635</u>	<u>6,008</u>	<u>15</u>	<u>-</u>	<u>225,419</u>	<u>222,995</u>
Loans and overdrafts including interest	<u>3,418</u>	<u>23,625</u>	<u>6,008</u>	<u>-</u>	<u>-</u>	<u>33,051</u>	<u>30,627</u>
31 December 2021							
€'000	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	Total contractual cashflow	Carrying amount
Non-derivative financial liabilities							
Bank loans and overdrafts	61,790	27,826	45,031	134,285	-	268,932	268,932
Interest payments	5,534	4,787	8,414	17,004	-	35,739	-
Trade and other payables	<u>98,784</u>	<u>5</u>	<u>152</u>	<u>1</u>	<u>-</u>	<u>98,942</u>	<u>98,942</u>
Total	<u>166,108</u>	<u>32,618</u>	<u>53,597</u>	<u>151,290</u>	<u>-</u>	<u>403,613</u>	<u>367,874</u>
Loans and overdrafts including interest	<u>67,324</u>	<u>32,613</u>	<u>53,445</u>	<u>151,289</u>	<u>-</u>	<u>304,671</u>	<u>268,932</u>

The group has a number of standard contracts which permit or require the netting of receivables and payables to the same party. In such circumstances, receivables and payables balances are offset and settled on a net basis. The total balance included in trade payables which could be subject to a net settlement is €74,301 thousand (2021: €32,516 thousand).

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

(f) 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 Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's borrowings are mainly at variable interest rates. Interest exposures are generally not hedged.

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	2023	2021
	€'000	€'000
Fixed rate instruments		
Financial liabilities	-	(11,561)
Variable rate instruments		
Financial liabilities	(30,627)	(257,372)
	<u>(30,627)</u>	<u>(268,933)</u>

(ii) Capital risk management

The Group's objectives when managing capital are to safeguard the Group'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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group has no formal capital risk management policies and procedures. Working capital is managed to provide sufficient liquidity to enter trading agreements and settle them.

(iii) Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

€'000	31 March 2023		31 December 2021	
	Carrying Amount	Fair Value	Carrying amount	Fair Value
Trade and other receivables*	230,715	230,715	167,745	167,745
Cash and cash equivalents	85,019	85,019	78,788	78,788
Forward exchange contracts used for hedging-net:	-	-	-	-
Bank loans and overdrafts	30,627	30,627	268,932	268,932
Trade and other payables**	<u>195,590</u>	<u>195,590</u>	<u>101,043</u>	<u>101,043</u>

* Includes trade and other receivables and prepayments, excludes derivatives (shown separately).

** Includes trade and other payables and current tax liabilities, excludes derivatives (shown separately).

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

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

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2023:

€'000	Level 1	Level 2	Level 3	Total Balance
Derivatives	-	-	-	-

Fair values versus carrying amounts (continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2021:

€'000	Level 1	Level 2	Level 3	Total Balance
Derivatives	-	-	-	-

The fair value of derivatives (foreign exchange forwards) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.

For the other financial assets and liabilities the carrying amount is considered a reasonable approximation of fair value.

	Financial assets measured at amortised cost €'000	Derivatives used for hedging €'000	Total €'000
At 31 March 2023			
Assets as per balance sheet date			
Non-current financial assets	-	-	-
Trade and other receivables, prepayments	230,715	-	230,715
Derivative financial instruments	-	-	-
Cash and cash equivalents	85,019	-	85,019
Total	315,734	-	315,734
	Other financial liabilities valued at amortised cost €'000	Derivatives used for hedging €'000	Total €'000
Liabilities as per balance sheet date			
Bank loans and overdrafts	30,627	-	30,627
Trade and other payables	195,590	-	195,590
Derivative financial instruments	-	-	-
	226,217	-	226,217

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

	Financial assets measured at amortised cost €'000	Derivatives used for hedging €'000	Total €'000
At 31 December 2021			
Assets as per balance sheet date			
Non-current financial assets	-	-	-
Energy deposits	53	-	53
Trade and other receivables, prepayments	167,745	-	167,745
Derivative financial instruments	-	-	-
Cash and cash equivalents	78,788	-	78,788
Total	246,586	-	246,586
	Other financial liabilities valued at amortised cost €'000	Derivatives used for hedging €'000	Total €'000
Liabilities as per balance sheet date			
Bank loans and overdrafts	268,932	-	268,932
Trade and other payables	101,043	-	101,043
Derivative financial instruments	-	-	-
	369,975	-	369,975

Derivative financial instruments

Derivative financial instrument are only used for economic hedging purposes and not as speculative investments. However, where derivative financial instruments do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent that they are expected to be settled within 12 months after the end of the reporting period. The Group's accounting policy along with further information around the valuation and recognition of derivative financial instruments is outlined in note 2.

During the financial period, due to the extreme volatility of energy prices across all markets where the Group operates, the Group's performance was exposed to an element of risk. To mitigate the impact of fluctuations of energy prices of future spot purchases and sale transactions, the Board decided to partially hedge the future 2023 physical transactions with traded future contracts, specifically in relation to the purchase and sale of energy.

An exercise was performed by management to determine the nature of the hedging relationship where it was concluded that the relationship would be classified as a cash flow hedge on the basis that:

- Risk being hedged – determined to be energy prices, being considered a risk as a result of price volatility.
- Highly probably forecasted transactions – the hedged items are regular purchases and sales conducted by the group, with both historical and forecasted transactional data available in order to support this conclusion.
- Hedging instrument – determined to be the traded futures which the Group took a position on during the financial period.
- Hedge effectiveness – determined to be 100% effective.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

3 Financial risk management (continued)

The future positions were closed during the period with a cash settlement of €10,940 thousand in the period. Physical delivery of energy (both inwards for purchases and outwards for sales) is expected to take place throughout 2023.

As such, hedge accounting has been applied in the period. As a result of the positions being closed during the period, there were no derivative financial instruments at the balance sheet date. With the hedge being considered as fully effective, the transaction has been recorded in Other Comprehensive Income, with the impact on the Income Statement being deferred to 2023 where physical delivery is expected. The loss on financial position will be fully netted with the gain on physical contracts in 2023.

Contracts in relation to the settlement of deliveries in the first quarter of 2023 equate to €2,860 thousand.

Included within other reserves within the Consolidated Statement of Changes in Equity is an element of hedging reserves which are outlined as follows:

	Cash flow hedge reserve €'000
Balance at 1 January 2021	-
Gain/(loss) on hedge accounting	-
Balance at 31 December 2021	-
Balance at 1 January 2022	-
Cash settlement of future positions	10,940
Settlement on delivery in the period	(2,860)
Balance at 31 March 2023	8,080

4 Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgements

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates (see note 17 for details). The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Commodity contracts designated for own use

Certain judgement is involved in making the distinction between contracts designated for own use, for trading purposes or for hedging purposes. This is due to the fact that optimisation takes place continuously as the actual sales and purchases differ from the anticipated and contracted production, sales and purchases. Contracts designated as held-for-trading are valued at fair value and the movements in fair value are recognised in the income statement.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

5 Discontinued operations

During the financial period, the Group initiated a corporate reorganisation programme in order to divest a major thermal power station and coal mine. The restructuring aligns with the Company's strategy to develop solely sustainable power generation assets to support its wholesale electricity trading business. On 3 August 2022 the Board of Directors passed a resolution to divest its holding in EFT International Investments Holdings Limited and EFT Rudnik I Termoelektrana Stanari d.o.o., collectively referred to as "Stanari". It is expected that this divestment will take the form of a demerger transaction carried out at book value. There were no indicators of the impairment of assets of discontinued operations in 2023 (2021: Nil). Stanari has been classified as held for distribution as at 31 March 2023:

- It is available for sale in its present condition
- A sale is highly probable as part of the reorganisation plan
- There is an expectation that the sale process will complete within 12 months of the balance sheet date

Stanari is also considered a separate major line of business for the EFT Group, being a material contributor to the Group's results, and as such, it has been classified as a discontinued operation. Following the divestment, it is expected that Stanari will continue to trade with the Group by selling electricity to Energy Financing Team (Switzerland) AG under an existing power purchase agreement running until 2026.

Financial performance

The financial performance for Stanari within the context of the wider Group is presented below. This presentation is based on a policy choice made following the requirements of IFRS5 as well as IFRS10 where intercompany transactions are eliminated. The following table shows the effects of intercompany transactions being eliminated against revenue and cost of sales amounting to €107,901 thousand of the discontinued operations only.

	15 months to 31 March 2023 €'000	12 months to 31 December 2021 €'000
Revenue	58,841	18,800
Cost of sales	<u>70,280</u>	<u>61,318</u>
Gross profit	129,121	80,118
Administrative expenses	<u>(53,065)</u>	<u>(43,526)</u>
Operating profit	76,056	36,592
Finance income	138	18
Finance cost	<u>(13,820)</u>	<u>(12,310)</u>
Profit before tax	<u>62,374</u>	<u>24,300</u>
Income tax charge	(5,358)	(2,054)
Profit for the period	<u>57,016</u>	<u>22,246</u>
Profit attributable to:		
Owners of the parent	<u>57,016</u>	<u>22,246</u>

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

5 Discontinued operations (continued)

Following the divestment, it is expected that electricity sales from Stanari to the EFT Group will continue at a similar level to its current form. As such, an additional table is presented below which represents the results of Stanari under these conditions where the intercompany trade is not eliminated, and is therefore more representative of Stanari's future results.

	15 months to 31 March 2023 €'000	12 months to 31 December 2021 €'000
Revenue	166,742	105,202
Cost of sales	<u>(37,621)</u>	<u>(25,084)</u>
Gross profit	129,121	80,118
Administrative expenses	<u>(53,065)</u>	<u>(43,526)</u>
Operating profit	76,056	36,592
Finance income	978	47
Finance cost	<u>(14,660)</u>	<u>(12,339)</u>
Profit before tax	<u>62,374</u>	<u>24,300</u>
Income tax charge	(5,358)	(2,054)
Profit for the period	<u>57,016</u>	<u>22,246</u>
Profit attributable to:		
Owners of the parent	<u>57,016</u>	<u>22,246</u>

The following table shows the carrying amount of Stanari assets and liabilities which have been reclassified as held for distribution at the balance sheet date. The carrying amount for assets and liabilities held for distribution are stated at the lower of carrying value or fair value less cost to sell.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

5 Discontinued operations (continued)

	31 March 2023 €'000
Assets and liabilities held for distribution	
Non-current Assets	
Intangible assets	74,315
Plant and equipment	400,651
Investment property	275
Prepayments	3,495
Total Non-current Assets	478,736
Current Assets	
Inventories	21,133
Trade and other receivables	5,319
Prepayments	1,196
Cash and cash equivalents	26,304
Total Current Assets	53,952
Non-current Liabilities	
Loans and borrowings	(138,301)
Provisions	(1,056)
Deferred income tax liabilities	(6,188)
Total Non-current Liabilities	(145,545)
Current Liabilities	
Loans and borrowings	(41,920)
Trade and other payables	(10,902)
Current tax liabilities	(270)
Total Current Liabilities	(53,092)
Net assets/(liabilities)	334,051

The discontinued operations results contributed the following to the group cash flow:

	15 months to 31 March 2023 €'000	12 months to 31 December 2021 €'000
Net cash inflows from operating activities	71,949	41,002
Net cash outflows from investing activities	(22,770)	(6,186)
Net cash outflows from financing activities	(33,998)	(33,414)
Net cash inflows for the period	15,181	1,402

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

6 Revenue and other income

	15 months to 31 March 2023 €'000	12 months to 31 December 2021* €'000
Energy sales	2,293,146	1,316,798
Commissions and allowances	(4,225)	540
Other revenue	38,853	22,423
Total revenue	2,327,774	1,339,761
Electricity sold in thousands of MWWhs	11,250	16,028
	15 months to 31 March 2023 €'000	12 months to 31 December 2021 €'000
Energy sales by country		
Austria	9,158	2,307
Czech Republic	46,908	41,959
Germany	267,972	96,538
Greece	99,254	28,603
Hungary	83,876	307,516
Italy	123,156	34,411
Slovakia	31,374	35,616
Slovenia	544,567	218,296
Netherlands	15,746	25,661
Romania	131,280	155,804
Denmark	5,742	1,489
Bulgaria	13,814	1,877
Croatia	160,019	66,954
Albania	151,779	37,947
Bosnia and Herzegovina	17,885	22,774
Montenegro	89,733	11,874
Switzerland	199,980	125,421
North Macedonia	50,701	57,526
Serbia	242,095	43,164
Ukraine	-	1,061
Great Britain	8,107	-
Total revenue	2,293,146	1,316,798

*Prior year figures have been restated due to discontinued operations, see note 5.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

7 Cost of sales

	15 months to 31 March 2023 €'000	12 months to 31 December 2021* €'000
Energy costs	2,205,960	1,283,154
Transit Costs	69,869	27,126
Material costs	42	17
Commissions and indemnities	(4,261)	852
Allowances	4,593	2,045
Total cost of sales	2,276,203	1,313,194

*Prior year figures have been restated due to discontinued operations, see note 5.

8 Administrative expenses

	15 months to 31 March 2022 €'000	12 months to 31 December 2021* €'000
Depreciation/Impairments of property, plant and equipment	255	150
Amortisation/Impairments of intangible assets	311	9
Consulting fees	1,990	382
Repairs and maintenance expenditure	92	77
Rent	374	580
Auditors' remuneration for audit services	227	217
Promotion and marketing expenses	141	92
Staff costs (Note 9)	8,819	8,080
Sales expenses	476	290
Accounting and administration fees	242	180
IT Expense	1,785	1,480
Insurance	39	27
Charitable donations	372	1
Supervision fees of regulatory bodies	597	266
Other	1,491	1,395
Total administrative expenses	17,211	13,226

Other expenses include €355 thousand (2021: €220 thousand) of energy exchange fees, €283 thousand (2021: €138 thousand) of subscription fees, €204 thousand (2021: €126 thousand) of telephone and mobile costs and €649 thousand (2021: €911 thousand) of miscellaneous expenses.

Additional fees of €368 thousand were paid to the Group's statutory audit firm in the period (2021: €10 thousand were paid to the Group's statutory audit firm) relating to non-audit services.

€181 thousand was paid to the Company's auditors in respect of the audit of the Group and the Company, and €71 thousand was paid to other audit firms.

*Prior year figures have been restated due to discontinued operations, see note 5.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

9 Staff costs

	15 months to 31 March 2023 €'000	12 months to 31 December 2021* €'000
Wages and salaries	8,679	7,968
Social security costs	103	87
Other pension costs	37	30
	<u>8,819</u>	<u>8,080</u>
Average number of employees	99	87
	15 months to 31 March 2023	12 months to 31 December 2021*
Management	17	11
Finance, investments and legal	25	21
Energy trading	31	29
TPP production workers	8	8
IT and other administration	18	18
	<u>99</u>	<u>87</u>

*Prior year figures have been restated due to discontinued operations, see note 5.

The average number of employees for discontinued operations during the period was 974 (2021: 903). Please see note 5 for further information on discontinued operations.

Total remuneration of Directors, including Directors who resigned during the period:

	15 months to 31 March 2023 €'000	12 months to 31 December 2021 €'000
Salaries and other short-term employee benefits	<u>754</u>	<u>561</u>

The highest paid director received €412 thousand in remuneration in the current period (2021: €322 thousand). No share options were exercised by directors. 96% of director emoluments were paid by Energy Financing Team (Switzerland) AG. (2021: 97% paid by Energy Financing Team (Switzerland) AG. No directors received remuneration from EFT Investments Limited.

No directors are accruing benefits under a defined benefits pension scheme, a money purchase scheme share options scheme (no change from 2021).

The Company has no employees other than directors (2021: none).

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

10 Finance cost - net

	15 months to 31 March 2023 €'000	12 months to 31 December 2021* €'000
Finance income		
Interest income	1,026	467
Total finance income	<u>1,026</u>	<u>467</u>
Finance expenses		
Interest expense	(4,354)	(570)
Bank guarantee fees, commissions, charges	(2,939)	(1,430)
Net foreign exchange loss	(234)	(786)
Total Finance expenses	<u>(7,527)</u>	<u>(2,786)</u>
Finance cost - net	<u>(6,501)</u>	<u>(2,319)</u>

*Prior year figures have been restated due to discontinued operations, see note 5.

11 Income tax

	15 months to 31 March 2023 €'000	12 months to 31 December 2021* €'000
Current tax charge		
Corporation tax - current period	9,228	3,954
Deferred tax		
Origination and reversal of temporary differences	1,439	1,629
Discontinued operations		
Current tax charge	(5,132)	(2,349)
Deferred tax	(226)	295
Income tax charge	<u>5,309</u>	<u>3,529</u>

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Liechtenstein, the jurisdiction in which EFT Holdings AG is incorporated, and will come into effect from 1 January 2024. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group applies the exception to reorganising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS12 issued in May 2023.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

11 Income tax (continued)

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

	15 months to 31 March 2023 €'000	12 months to 31 December 2021* €'000
Profit before tax	90,233	35,322
Tax on accounting profit based on standard corporation tax applicable to the Group	10,828	4,239
Tax effects of:		
- Different foreign tax rates	433	(668)
- Expenses non eligible for deduction	174	92
- Income not subject to tax	(183)	(84)
- Adjustments in respect of losses	44	265
- Expiration of tax credits	(915)	1,461
- Other effects	286	278
Income tax charge	10,667	5,583
Income tax (credit)/charge for the period - discontinued operations	(5,358)	(2,054)
Income tax (credit)/charge - continued operations	5,309	3,529
<i>Group effective tax rate</i>	11.82%	15.81%

The standard corporation tax rate applicable to the Group has been approximately 12% (2021: 12%) which is the prevailing effective corporation tax rate in the territories where the Group generates the majority of its taxable profits.

*Prior year figures have been restated due to discontinued operations, see note 5.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

12 Property, plant and equipment

	Land and Buildings €'000	Plant and equipment €'000	Fittings and others €'000	Assets under construction €'000	Total €'000
Cost or valuation					
At 1 January 2021	124,872	368,139	45,061	-	538,072
Additions	390	9	5,720	7,574	13,693
Disposals	-	(363)	(155)	-	(518)
Transfers	8	3,511	(3,519)	-	-
At 31 December 2021	125,270	371,296	47,107	7,574	551,247
At 1 January 2022	125,270	371,296	47,107	7,574	551,247
Additions	165	158	25,365	30,056	55,744
Disposals	-	(1,154)	(551)	-	(1,705)
Transfers	1,263	10,469	(11,732)	-	-
Transfer to Assets held for distribution	(126,043)	(380,769)	(32,426)	-	(539,238)
Foreign exchange movements	-	-	13	-	13
At 31 March 2023	655	-	27,776	37,630	66,061
Accumulated Depreciation					
At 1 January 2021	15,133	80,679	3,094	-	98,906
Charge for year	3,241	16,314	517	-	20,072
Eliminated on disposal	-	(335)	(100)	-	(435)
At 31 December 2021	18,374	96,658	3,511	-	118,543
At 1 January 2022	18,374	96,658	3,511	-	118,543
Charge for the period	3,149	16,066	3,212	-	22,427
Eliminated on disposal	-	(1,022)	(385)	-	(1,407)
Transfer to Assets held for distribution	(21,511)	(111,702)	(5,373)	-	(138,586)
Foreign exchange movements	-	-	3	-	3
At 31 March 2023	12	-	968	-	980
Carrying amounts					
At 31 December 2021	106,896	274,638	43,596	7,574	432,704
At 31 March 2023	643	-	26,808	37,630	65,081

Additions of €18,115 thousand (2021: €13,866 thousand) to comprise mainly mine development capital expenditure. There was also development expenditure on Solar and Hydro power plants of €30,056 thousand (2021: €7,574 thousand).

There were no indicators of the impairment of assets in 2023 (2021: Nil).

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

13 Intangible assets

	Patents and rights €'000	Other intangible assets €'000	Total €'000
Cost or valuation			
At 1 January 2021	89,066	19,688	108,754
Additions	2,392	544	2,936
Disposals	(109)	(1,067)	(1,176)
Exchange differences	-	-	-
At 31 December 2021	91,349	19,165	110,514
At 1 January 2022	91,349	19,165	110,514
Additions	6,435	1,478	7,913
Disposals	(4)	(1,107)	(1,111)
Transfer to Assets held for distribution	(93,951)	(14,857)	(108,808)
At 31 March 2023	3,829	4,679	8,508
Accumulated amortisation			
At 1 January 2021	22,461	8,833	31,294
Amortisation for the year (Note 8)	2,392	1,294	3,686
Amortisation eliminated on disposals	(99)	(1,060)	(1,159)
At 31 December 2021	24,754	9,067	33,821
At 1 January 2022	24,754	9,067	33,821
Amortisation for the period (Note 8)	2,919	715	3,634
Amortisation eliminated on disposals	(4)	(963)	(967)
Transfer to Assets held for distribution	(25,973)	(8,520)	(34,493)
At 31 March 2023	1,696	299	1,995
Carrying amounts			
At 31 March 2023	2,133	4,380	6,513
At 31 December 2021	66,595	10,098	76,693

Other intangible assets include software and development costs.

Patents and rights include an amount of €40,542 thousand (2021: €44,386 thousand) which relates to exploitation rights of the coal mine for a 50 year period granted to the subsidiary company EFT Rudnik i Thermoelektrana Stanari d.o.o. as part of the acquisition of its net assets.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

14 Investment properties

	2023 €'000	2021 €'000
Cost or valuation		
At 1 January	1,087	1,087
Transfer to Assets held for distribution	(1,087)	-
At 31 March	-	1,087
Accumulated depreciation		
At 1 January	704	595
Depreciation charge	109	109
Transfer to Assets held for distribution	(813)	-
At 31 March	-	704
Carrying amount	-	383

Investment property relates to freehold office building, that is held for long-term rental yields and is not occupied by the Group. It is carried at cost less accumulated depreciation and impairment losses.

15 Deferred income tax

Deferred tax is calculated in full on all temporary differences under the liability method using the applicable tax rates. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

The movement on the deferred tax account is as follows and has been charged / credited to income statement:

Deferred tax assets arise from:

	2023 €'000	2021 €'000
Intangible assets	7,527	8,739
	7,527	8,739

Deferred tax liabilities arise from:

	2023 €'000	2021 €'000
Property, plant and equipment	-	3,168
Intangible assets	-	2,788
Other	-	6
	-	5,962

The amounts included in the balance sheet include the following:

	2023 €'000	2021 €'000
Deferred tax assets to be recovered after more than twelve months	6,547	7,759
Deferred tax assets to be recovered within twelve months	980	980
Deferred tax liabilities to be settled after more than twelve months	-	(5,765)
Deferred tax liabilities to be settled within twelve months	-	(197)
	7,527	2,777

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

16 Inventories

	2023 €'000	2021 €'000
Materials and spare parts	8	15,046
Coal	-	935
	<u>8</u>	<u>15,981</u>

Inventories are pledged. For the period ended 31 March 2023, due to the discontinued operation, inventories recognised as an expense were insignificant. Inventories recognised as an expense during the year ended 31 December 2021 amounted to €15,981 thousand. No inventory provision has been recorded.

There has been a significant reduction in the level of inventory during the period due to discontinued operations. Please see note 5 for further detail.

17 Trade and other receivables

	2023 €'000	2021 €'000
Trade receivables	151,404	151,423
Less: allowance for impairment of receivables	<u>(4,401)</u>	<u>(2,208)</u>
Trade receivables - net	147,003	149,215
Other receivables	17,314	4,183
Other short-term financial assets	<u>31,389</u>	<u>3,806</u>
	<u>195,706</u>	<u>157,204</u>

The fair values of trade and other receivables approximate to their carrying amounts at the balance sheet date. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security. Other receivables include corporation tax and value added tax refundable.

Other short-term financial assets includes a balance of €28,098 thousand (2021: €Nil) which relates to a deposit in a Hungarian bank which supports exchange trading.

The allowance for impairment of receivables includes value adjustments of 2.9%.

The movement in the allowance for impairment in respect of trade receivables during the period was as follows:

	2023 €'000	2021 €'000
Balance at 1 January	2,208	837
Impairment loss recognised	3,029	1,517
Receivables written-off during the year as uncollectible	-	-
Unused amounts reversed	<u>(836)</u>	<u>(146)</u>
	<u>4,401</u>	<u>2,208</u>

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

17 Trade and other receivables (continued)

Under the requirements IFRS 9 a provision for impairment of trade receivables has been calculated. A credit model has been developed to assign risk rates to each customer. The maturity table with expected credit losses allowances was as follows:

<i>Trade receivables category</i>	<i>Expected credit loss allowance rate</i>
Covered by bank guarantee	0.10%
Group rating 1	0.25%
Group rating 2	0.50%
Group rating 3	1.00%

The expected loss provision for the Group was €4,593 thousand (2021: €2,045 thousand) of which €700 thousand (2021: €630 thousand) relates to Energy Financing Team (Switzerland) AG and €3,890 thousand (2021: €1,415 thousand) relates to EFT Furnizare S.R.L. The amount of €3,890 thousand relates to a single loss provision in Romanian subsidiary.

The pledged trade receivables relate to receivables in the amount of €10,000 thousand (2021: €15,975 thousand).

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	2023 €'000	2021 €'000
EUR	137,122	119,271
RON	9,791	17,036
BAM	68	5,035
MKD	22	7,594
RSD	-	430
ALL	-	-
	<u>147,003</u>	<u>149,366</u>

18 Prepayments

	2023 €'000	2021 €'000
Prepayments (short term)	35,009	10,541
Prepayments (long term)	-	5,294
	<u>35,009</u>	<u>15,835</u>

Prepayments (short term) represent payments to suppliers for energy to be delivered. The long term prepayments represent insurance and financing costs in relation to the thermal power plant project in Stanari.

19 Cash and cash equivalents

	2023 €'000	2021 €'000
Cash at bank and in hand	80,815	60,380
Bank deposits	4,204	18,408
Cash and cash equivalents	<u>85,019</u>	<u>78,788</u>

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

19 Cash and cash equivalents (continued)

Cash and cash equivalents amounting to €368 thousand (2021: €25,181 thousand) are pledged in connection with bank guarantees with unlimited validity or provided in excess of given guarantee lines. This amount includes also blocked security deposit accounts in relation to the trading on energy exchanges.

The balance above excludes cash and cash equivalents of €26,304 thousand (2021: €Nil) in relation to discontinued operations. Please see note 5 for further detail.

20 Share capital and participation capital

	Number of ordinary shares issued	Ordinary share capital	Number of participation shares	Participation capital	Number of Redeemable preference Shares	Share premium	Total
		€'000		€'000		€'000	€'000
At 1 January 2021	119,966	120	-	-	282	2,081	2,201
Issue of new redeemable preference shares	-	-	-	-	32	400	400
Redemption of redeemable preference shares	-	-	-	-	(50)	(1,429)	(1,429)
At 31 December 2021	119,966	120	-	-	264	1,052	1,172
Issue of new redeemable preference shares	-	-	-	-	21	1,298	1,298
Reorganisation	(113,745)	(58)	285	3	(285)	(2,350)	(2,405)
At 31 March 2023	6,221	62	285	3	-	-	65

EFT Holdings AG was formed on 27 March 2023 with an initial share capital of 6,221 Ordinary shares with a par value of €10 per share. In addition, the company issued 285 Participation shares with a par value of €10 per share. These shares are owned by employees of the EFT Group. All ordinary and participation shares mirror the ordinary and preference shares that were previously held by the ultimate beneficiaries of EFT Investments Ltd (2021: issued share capital: 6,221 ordinary shares, 285 redeemable preference shares and 113,745 ordinary A shares with a par value of €1 per share). All issued shares are fully paid.

The holders of ordinary shares and preference redeemable shares are entitled to receive dividends as declared from time to time and to one vote per share at meetings of the Group. Holders of ordinary A shares are excluded from the entitlement to receive dividends and have no voting rights. All or any of the preference redeemable shares may be redeemed at the option of the preference shareholder at any time after a lock-up period of one year.

Employees of the EFT Group are entitled to purchase participation shares in EFT Holdings, subject to management approval. The price of the shares is based on the consolidated equity value of the Group. Employees can redeem the participation shares, with the sales price calculated using the equity value of the financial year in which the redemption occurs. Whenever individuals cease to be employed by the EFT Group, they are obliged to redeem their shares (except for employees in retirement or those specifically exempted by management).

2023

In 2023, 21 new preference redeemable shares were issued and no preference redeemable shares were redeemed by employees.

2021

In 2021, 32 new preference redeemable shares were issued and 50 preference redeemable shares were redeemed by employees.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

21 Other reserves

	Translation reserve (1) €'000	Legal reserve (2) €'000	Cash flow hedge reserve (3) €'000	Total €'000
At 1 January 2021	(12)	10,325	-	10,313
Exchange differences on translating foreign operations	(29)	-	-	(29)
Transfers from retained earnings	-	1,196	-	1,196
At 31 December 2021 / 1 January 2022	(41)	11,521	-	11,480
Exchange differences on translating foreign operations	30	-	-	30
Transfers from retained earnings	-	2,237	-	2,237
Loss on hedge accounting (note 3)	-	-	(8,080)	(8,080)
At 31 March 2023	(11)	13,758	(8,080)	5,667

(1) Translation reserve

The translation reserve comprises of all foreign currencies differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Group's net investment in a foreign subsidiary.

(2) Legal reserve

The legal reserve contains retained earnings allocated to a special reserve in accordance with the legal provisions in certain countries. Legal reserve is not available for distribution.

(3) Cash flow hedge reserve

The cash flow hedge reserve arises as a result of cash flow hedges which were initiated by the Group in the period. Please see note 3 for further detail.

22 Loans and borrowings

	2023 €'000	2021 €'000
Non-current liabilities		
Bank loans	5,819	179,316
Finance lease liabilities	636	15
Other loans	7,953	-
	<u>14,408</u>	<u>179,331</u>

Other loans relate to a loan from counterparties in EFT Furnizare S.R.L, with maturity of 2 years and interest rate of 4.22%.

	2023 €'000	2021 €'000
Current liabilities		
Current portion of bank loans	24,808	89,616
Current portion of finance lease liabilities	186	14
Related parties loans	15,000	-
	<u>39,994</u>	<u>89,630</u>

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

22 Loans and borrowings (continued)

Terms and debt repayment schedule

The terms and conditions of outstanding loans excluding overdrafts were as follows:

	Currency	Year of Maturity	31 March 2023		31 December 2021	
			Original Principal amounts	Carrying amount	Original Principal amounts	Carrying amount
			€'000	€'000	€'000	€'000
Bank loan	EUR	On demand	4,000	-	4,000	-
Bank loan	BAM	On demand	1,278	-	2,500	-
Bank loan	EUR	2023	5,250	2,041	5,250	5,250
Bank loan	EUR	On demand	5,000	-	5,000	-
Bank loan	RSD	On demand	510	-	510	-
Bank loan	EUR	2023	6,000	-	6,000	6,000
Bank loan	EUR	2023	18,000	-	18,000	683
Bank loan	EUR	2023	11,000	-	11,000	9,167
Bank loan	EUR	2023	10,000	-	10,000	10,000
Bank loan	EUR	2023	9,000	-	23,625	23,613
Bank loan	EUR	2024	13,500	11,475	-	-
Bank loan	EUR	2024	22,000	17,111	-	-
Total interest-bearing liabilities			105,538	30,627	85,885	54,713

The bank loans with "On demand" maturity date are bank overdrafts and can be demanded at any time.

The Group's bank borrowings and bank overdrafts are arranged at both fixed and floating rates. For borrowings at floating rates the interest rate reprices on a monthly basis exposing the Group to cash flow interest rate risk.

Loans and borrowings are repayable as follows:

	2023 €'000	2021 €'000
Less than one year	24,808	89,616
Between one and five years	5,819	179,316
After five years	-	-
	30,627	268,932

Loans and borrowings bear an average interest of 3.97% (2021: 4.8%).

In December 2012, the Group completed financial close with China Development Bank for a €350 million loan to finance the construction of the 300MW Stanari TPP. The first draw down of this facility was executed on 13th December 2012. The loan had a four year grace period and ten-year repayment period. The applicable interest rate is 6M EURIBOR plus 4.15%. At the balance sheet date the outstanding balance of this loan was €171 million and forms part of the discontinued operation. It has been excluded from the repayment schedule above.

The carrying amounts at the balance sheet date of current and non-current borrowings are considered to approximate their fair values (calculated difference considering actual interest rates is immaterial).

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

22 Loans and borrowings (continued)

Net debt reconciliation:

€'000	1 January 2022	Cash flow	Reclassification amount	Non-cash items	31 March 2023
Long-term bank loans	179,316	14,505	(43,334)	-	150,487
Other long-term loans	-	7,953	-	-	7,953
Financial leasing liabilities	16	-	(14)	634	636
Short-term bank debts	89,616	(72,588)	43,334	-	60,362
Short-term debts related parties	-	15,000	-	-	15,000
Short-term leasing liabilities	14	-	-	172	186
Total liabilities from financing activities	268,962	(35,130)	(14)	805	234,623

€'000	1 January 2021	Cash flow	Reclassification amount	Non-cash items	31 December 2021
Long-term bank loans	209,891	8,245	(38,820)	-	179,316
Financial leasing liabilities	30	-	(14)	-	16
Short-term bank debts	52,475	(1,679)	38,820	-	89,616
Short-term leasing liabilities	14	-	14	(14)	14
Total liabilities from financing activities	262,410	6,566	-	14	268,962

The loans and borrowings classified as financial instruments are disclosed in the financial instruments note.

The Group's exposure to market and liquidity risk; including maturity analysis, in respect of loans and borrowings is disclosed in the financial risk management and impairment note.

23 Provisions

	2023 €'000	2021 €'000
Non-current liabilities		
At 31 March 2023 and 31 December 2021	8,420	9,476

Litigation by a Competition Council against a Group subsidiary for concluding anti-competitive agreements was brought in 2015. Following legal advice on the calculation of the fine, the Group holds a provision for €8,000 thousand, unchanged to 2021.

A provision of €1,056 thousand was reclassified to discontinued operations. It was recognised in 2005 in respect of the Group's obligation to restore the property at Stanari when the coal production will be terminated. In accordance with local law, mines used by the Group's subsidiary in Bosnia and Herzegovina must be restored to their original condition after completion of the production. Because of the long-term nature of the liability, the biggest uncertainty in estimating the provision is the costs that will be incurred. As a result provision has been left unchanged. In particular, the Group has assumed that the site will be restored using technology and materials that are available currently.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

24 Trade and other payables

	2023 €'000	2021 €'000
Trade payables	152,316	59,371
Non - trade payables and accrued expenses	32,535	36,049
	<u>184,851</u>	<u>95,419</u>

The fair value of trade and other payables due within one year approximate to their carrying amounts at the balance sheet date.

25 Contract liabilities

	2023 €'000	2021 €'000
Contract liabilities	<u>7,517</u>	<u>2,626</u>

Contract liabilities represent payments received from customers in advance of contractual performance obligations being satisfied. As such, these payments are recognised as a liability in the balance sheet, and are cycled through to the income statement as performance obligations are satisfied. Such liabilities are classified as current as the performance obligations that they relate to are expected to be satisfied in less than 12 months of the balance sheet date, and as such, associated revenues are expected to be recognised in the next financial year.

The following table shows the revenue recognised in the current and preceding period from contract liabilities brought forward:

	2023 €'000	2021 €'000
Revenue recognised that was included in the contract liability balance at the start of the period	<u>2,626</u>	<u>2,346</u>

In 2022/23, the increase in customer prepayments was a direct response to the intensified credit risk within energy markets. Advanced payment for electricity was required in order to mitigate potential credit risk.

26 Group Companies

EFT Holdings AG is the ultimate parent Company of the Group. The consolidated financial statements, comprise the following subsidiaries:

Name of subsidiary	Principal activity	Registered office	Ownership interest in %	
			2023	2021
EFT Investments Limited	Intermediary holding company	United Kingdom 4th floor, 167 Fleet Street, London, EC4A 2EA, United Kingdom	100%	0%
Stanari Investments Ltd (formerly EFT International Investments Holdings Ltd)	Holding company	United Kingdom 4th Floor, 167 Fleet Street, London, EC4A 2EA, United Kingdom	100%	100%

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

26 Group Companies (continued)

Name of subsidiary	Principal activity	Registered office	Ownership interest in %	
			2023	2021
Energy Financing Team Limited (U.K.)	Business support	United Kingdom 4th Floor, 167 Fleet Street, London, EC4A 2EA, United Kingdom	100%	100%
Energy Financing Team (Switzerland) AG	Electricity trading	Switzerland Seestrasse 115, CH-9326 Horn, Switzerland	100%	100%
Electricni Financni Tim. d.o.o.	Electricity trading, trade origination	Slovenia Cesta v Mestni log 88A, 1000 Ljubiana, Slovenia	100%	100%
EFT Budapest Zrt.	Electricity trading, trade origination	Hungary 1051 Budapest, Sas u. 10-12. Hungary	100%	100%
EFT Bulgaria JSC	Electricity trading, trade origination	Bulgaria George Washington №19 Sofia 1000 Bulgaria	100%	100%
Energy Financing Team d.o.o. Bileca	Electricity trading, trade origination	Bosnia & Herzegovina Srpske vojske 9, 89230 Bileca Bosnia & Herzegovina	100%	100%
EFT Rudnik i Termoelektrana Stanari d.o.o.	Thermal power plant, electricity production	Bosnia & Herzegovina Stanari BB, Stanari, Bosnia & Herzegovina	100%	100%
EFT Albania Sh.p.k.	Electricity trading, trade origination	Albania Rruga Murat Toptani, Eurocol Center, Albania	100%	100%
Energy Financing Team Tirana Sh.p.k.	Electricity trading, trade origination	Albania Rruga Murat Toptani, Eurocol Center, Albania	100%	100%
EFT HE ULOG d.o.o.	Development of a hydro power station	Bosnia & Herzegovina Karadjordjeva 28B, Kalinovik, Bosnia & Herzegovina	100%	100%
TOV EFT Ukraine	Electricity trade origination	Ukraine Office54, 9/2 Velyka Vasylkivska Street, Kyiv 01004 Ukraine	100%	100%
EFT Trade d.o.o. Beograd	Electricity trading, trade origination	Serbia EFT Trade d.o.o. Spanskih boraca 3 11070 Beograde, Serbia	100%	100%

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

26 Group Companies (continued)

Name of subsidiary	Principal activity	Registered office	Ownership interest in %	
			2023	2021
S.C. EFT Furnizare S.R.L.	Electricity trading, trade origination	Romania European Business Center, 2nd floor, 24 Blvd Mircea Voda, 030667 Bucharest 3, Romania	80%	80%
EFT Skopje Macedonia	Electricity trading, trade origination	North Macedonia Bul. Partizanski odredi br. 15A-2/6, 1000 Skopje, Macedonia	100%	100%
Energy Financing Team LLC	Electricity trade origination	Kosovo Str Fehmi Agani 1/16; 10000 Pristina Kosovo	100%	100%
Energy Financing Team SE Bileca d.o.o. (BiH)	Photovoltaic plant, electricity production	Bosnia & Herzegovina Bileca Bosnia & Herzegovina	100%	100%
EFT Solar dooel Skopje (North Macedonia)	Photovoltaic plant, electricity production	North Macedonia, Boul. Partizanski Odredi no. 15-A/2-6, Skopje - Center	100%	100%
EFT Montenegro D.O.O	Electricity trade origination	Montenegro, Njegoseva 11, Herceg Novi, Crna Gora	100%	0%

The company EFT Solar dooel Skopje was established on 1st July 2021 to develop a photovoltaic plant in North Macedonia.

Copies of the financial statements of subsidiary companies can be obtained by emailing enquiries@eft-group.net

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for S.C. EFT Furnizare S.R., Romania:

	2023 €'000	2021 €'000
Summarised balance sheet		
Non-current assets	376	377
Current assets	14,603	24,449
Total assets	14,979	24,826
Equity	2,729	583
Non-current liabilities	7,953	-
Current liabilities	4,297	24,243
Total equity and liabilities	14,979	24,826

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

26 Group Companies (continued)

	2023 €'000	2021 €'000
Summarised income statement		
Revenues	152,230	169,177
Profit/(loss) for the period	13,129	(1,444)
Total comprehensive income/(expense)	13,129	(1,444)
	2023 €'000	2021 €'000
Summarised cash flow statement		
Cash flow from operating activities	3,784	751
Cash flow from investing activities	128	(14)
Cash flow from financing activities	(5,532)	(2,122)

27 Commitments

(a) At the end of Q1 2023, contracts concerning purchase of 13,402 MWh thousand (2021: 16,593 MWh thousand) of electricity for the period 2023-2026, have been entered into, at a value of €1,241,7298 thousand (2021: €976,613 thousand) respectively.

(b) At the end of the current period, contracts concerning sale of MWh 9,361 thousand (2021: 12,340 MWh thousand) of electricity for the period 2023-2026, have been entered into, at a value of €1,305,396 thousand (2021: €832,662 thousand) respectively.

(c) In 2017 the Group completed an Engineering Procurement and Construction contract with Sinohydro Corporation Limited with a contract price of of €55,990 thousand for the construction of a hydro power plant (HPP) in Ulog. As of 31 March 2023, €25,307 thousand remained outstanding.

(d) In 2021 the Group completed an Engineering Procurement and Construction contract with Dongfang Electric Corporation Limited with a contract price of of €42,510 thousand for the construction of a hydro power plant (HPP) in Ulog. As of 31 March 2023, €26,187 thousand remained outstanding.

28 Contingent liabilities

There were no contingent liabilities reported in the current period (2021: €nil).

29 Related party transactions

The following transactions were carried out with related parties:

(a) Shareholders' current account

Vuk Hamovic provided a loans to Energy Financing Team (Switzerland) AG €10,000 thousand on 8 July 2022 until repayable in H2 2023. Zoran Ivkovic provided a shareholder loan of €5,000 thousand on 6 July 2022 repayable in H2 2023.

On 26 August 2022, Vuk Hamovic provided a loan to Energy Financing Team (Switzerland) AG €2,000 thousand. This was repaid on 31 August 2022.

On 7 July 2022, a loan in the amount of €6,000 thousand was made to Vuk Hamovic from EFT International Investments Holdings Ltd, repayable in H2 2023, on 13 October 2022, a further loan from EFT International Investments Holdings Ltd in the amount of €1,000 thousand was made to Vuk Hamovic, repayable in H2 2023.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

29 Related party transactions (continued)

(b) Period-end balances with related parties

The payable balance to shareholder in the previous year represents payment for the redemption of preference shares.

	2023 €'000	2021 €'000
Loan received from shareholders	15,000	-
Loan provided to shareholders	<u>7,000</u>	<u>-</u>

(c) Key management compensation

Key management includes the EFT shareholders, collectively known as the Executive, and group management and directors of EFT Investments Limited. The compensation paid or payable to key management for employee services is shown below:

	2023 €'000	2021 €'000
Salaries and other short-term employee benefits	<u>1,054</u>	<u>858</u>

Total remuneration of Directors, including Directors who resigned during the period:

	15 months to 31 March 2023 €'000	12 months to 31 December 2021 €'000
Salaries and other short-term employee benefits	<u>754</u>	<u>561</u>

The highest paid director received €412 thousand in remuneration in the current period (2021: €322 thousand). No share options were exercised by directors. 96% of director emoluments were paid by Energy Financing Team (Switzerland) AG. (2021: 97% paid by Energy Financing Team (Switzerland) AG). No directors received remuneration from EFT Investments Limited.

No directors are accruing benefits under a defined benefits pension scheme, a money purchase scheme share options scheme (no change from 2021).

(d) Other transactions with related parties

During the period, the Group paid rent of €70,000 (2021: €56,000), on an arm's length basis, for the use of a property owned by a director.

30 Business combinations

There were no business combinations in the 15 month period to March 2023 and for the 12 month period to December 2021.

31 Dividends

The board of Directors' proposal is to pay a dividend of €10,000 thousand for the period ended 31 March 2023 (2021: €10,000 thousand paid). This dividend has now been paid after the period end date.

EFT Holdings AG

Notes to the Financial Statements for the Period from 1 January 2022 to 31 March 2023 (continued)

32 Events after balance sheet date

The Group is undertaking corporate restructuring to divest the Stanari power station and its direct holding company Stanari Investments Limited (formerly EFT International Investments Holdings Limited) from the EFT Group. All other subsidiary companies will remain in the EFT Group. It is expected that the restructuring will be completed in the course of 2023.

A new holding company EFT Holdings AG was established in Liechtenstein in Q1 2023. This company was formed as the ultimate holding company in the EFT Group. Liechtenstein was selected as the location for the holding company owing to its strong corporate infrastructure and proximity to Switzerland, where EFT's finance team is based. From 2023 onwards, the consolidation will take place at the EFT Holdings AG level.

The divested companies, Stanari Investments Ltd and EFT Rudnik I Termoelektrana Stanari d.o.o. under a new and separate holding company in Liechtenstein will be distributed to the ultimate shareholders. This will result in a material reduction of assets and liabilities of the EFT Group.

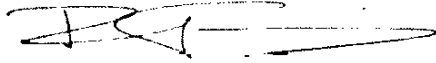
EFT Investments Limited will remain as the UK based intermediary holding company and remains responsible for issuing corporate guarantees and managing inter-company cash flows.

EFT Holdings AG

Report of the Board of Directors/Management for the Period from 27 March 2023 to 31 March 2023

EFT Holdings AG was incorporated on 27 March 2023 with a share for share exchange of EFT Investments Limited. The incorporation was done full as incorporation in kind bringing in the sole investment of 100% of the shares of EFT Investments Limited at an equity value as of 31 December 2022 in the amount of €243,846,103.

Approved by the Board on 14 December 2023 and signed on its behalf by:



.....
Ivan Jennings
Company secretary and director

Directors of EFT Holdings AG:

Zoran Ivkovic

Milos Hamovic

Ivan Jennings

Christian Franz Wille

Martin Batliner

Report of the statutory auditor

to the General Meeting of EFT Holdings AG

Vaduz

Report on the audit of the financial statements

Opinion

We have audited the financial statements of EFT Holdings AG (Company), which comprise the income statement for the period from 27 March 2023 to 31 March 2023, the balance sheet as at 31 March 2023, the statement of changes in equity and the statement of cash flows for the period from 27 March 2023 to 31 March 2023, and the 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 the Company as at 31 March 2023 and its financial performance for the period from 27 March 2023 to 31 March 2023 in accordance with Liechtenstein law.

Basis for opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). Our responsibilities under those provisions and 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 provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports 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 the financial statements that give a true and fair view in accordance with Liechtenstein law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 Liechtenstein law and 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 Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements or, whether due to fraud 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.
- 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 fair presentation.

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 and Regulatory Requirements

The accompanying management report has been prepared in accordance with the applicable legal requirements, is consistent with the financial statements and, in our opinion, based on the knowledge obtained in the audit of the financial statements and our understanding of the Company and its environment does not contain any material misstatements.

We further confirm that the financial statements comply with Liechtenstein law and the articles of incorporation. We recommend that the accompanying financial statements submitted to you be approved.

Additionally, we like to point out that contrary to the provisions of Art. 179a PGR, the draft financial statements were not submitted to the General Meeting for approval within six months of the end of the financial year and contrary to the provisions of Art. 339 Para. 1 PGR, the ordinary General Meeting did not take place within six months of the end of the business period.

PricewaterhouseCoopers GmbH



Gianluca Galasso
Liechtenstein Certified Public Accountant
Auditor in charge



Anita Gierbl-Wuffli

Ruggell, 14 December 2023

Enclosures:

- Financial Statements (income statement, balance sheet, statement of changes in equity, statement of cash flows and notes)

EFT Holdings AG

Financial Statements of the Parent Company

Company income statement for the Period from 27 March 2023 to 31 March 2023

	Note	Period to 31 March 2023 €'000
Administrative expenses		<u>(12)</u>
Operating loss		<u>(12)</u>
Loss before tax		(12)
Income tax (charge)/credit		<u>(2)</u>
Loss from continuing operations		<u>(14)</u>
Profit for the period		<u>(14)</u>
Profit/(loss) attributable to:		
Owners of the parent		<u>(14)</u>
Profit for the period		<u>(14)</u>

EFT Holdings AG

Company balance sheet at 31 March 2023

	Note	2023 €'000
Assets		
Non-current assets		
Investments	2	<u>243,846</u>
Total assets		<u>243,846</u>
Equity and liabilities		
Capital and reserves		
Share capital		62
Participation capital		3
Other reserves		243,781
Retained earnings		<u>(14)</u>
Total equity		<u>243,832</u>
Current liabilities		
Other current liabilities	3	<u>14</u>
		<u>14</u>
Total equity and liabilities		<u>243,846</u>

EFT Holdings AG**Company statement of changes in equity
for the Period from 27 March 2023 to 31 March 2023****Attributable to the owners of the parent**

	Share capital €'000	Participation capital € 000	Other reserves €'000	Retained earnings €'000	Total equity €'000
Loss for the period	-	-	-	(14)	(14)
Total comprehensive loss		-	-	(14)	(14)
Incorporation	62	3	243,781	-	243,846
Total transactions with owners	62	3	243,781	-	243,846
Balance at 31 March 2023	62	3	243,781	(14)	243,832

EFT Holdings AG

Company Statement of Cash Flows for the Period from 27 March 2023 to 31 March 2023

	Period to 31 March 2023 €'000
Cash flows from operating activities	
Loss for the period	(14)
Changes in net working capital:	
Other payables	<u>14</u>
Net cash from operating activities	-
Cash flows generated from investing activities	
Net cash used in investing activities	-
Cash flows from financing activities	
Net cash used in financing activities	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	-
Cash and cash equivalents at the beginning of the period	<u>-</u>
Cash and cash equivalents at the end of the period	<u>-</u>

EFT Holdings AG

Notes to the Financial Statements of the Parent Company for the Period from 27 March 2023 to 31 March 2023

1 Significant accounting policies

Authorisation of financial statements

The notes on pages 61 to 62 are an integral part of these financial statements. On 14 December 2023, the Board of Directors of EFT Holdings AG authorised these financial statements for issue.

EFT Holdings AG is a company incorporated and domiciled in Liechtenstein.

Basis of preparation

The Company financial statements for the period to 31 March 2023 have been prepared in accordance with PGR Personen- und Gesellschaftsrecht Liechtenstein (Corporate law Liechtenstein).

Following the incorporation of EFT Holdings AG on 27 March 2023, the Annual Report and Financial Statements represent a 5 day period of account.

The accounting policies set out in this note to the financial statements have been applied consistently. The financial statements have been prepared on a historical cost basis.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management do not believe that any of the estimates involved in the preparation of financial statements meet the definition of critical estimates.

Investments

Investments in subsidiary undertakings are stated at cost less, where appropriate, provisions for impairment.

Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operated ("the functional currency"), which is Euros. The presentation currency of the Company is also Euros.

Other accounting policies

As applicable, the accounting policies of the Company follow those set out in the consolidated financial statements.

2 Investments

	Investments in subsidiaries €'000
Incorporation	243,846
At 31 March 2023	243,846

Details of investments held by the Company are set out in note 26 to the consolidated financial statements.

3 Current liabilities

	2023 €'000
Accrued other liabilities	14
	14

EFT Holdings AG

Notes to the Financial Statements of the Parent Company for the Period from 27 March 2023 to 31 March 2023 (continued)

4 Dividends

The board of Directors' proposal is to pay a dividend of €10,000 thousand for the period ended 31 March 2023. This dividend has now been paid after the period end date.

5 Events after balance sheet date

The Group is undertaking corporate restructuring to divest the Stanari power station and its direct holding company EFT International Investments Holdings Limited from the EFT Group. All other subsidiary companies will remain in the EFT Group. It is expected that the restructuring will be completed in the course of 2023.

A new holding company EFT Holdings AG was established in Liechtenstein in Q1 2023. This company was formed as the ultimate holding company in the EFT Group. Liechtenstein was selected as the location for the holding company owing to its strong corporate infrastructure and proximity to Switzerland, where EFT's finance team is based. From 2023 onwards, the consolidation will take place at the EFT Holdings AG level.

The divested companies, EFT International Investments Holdings Ltd and EFT Rudnik I Termoelektrana Stanari d.o.o. under a new and separate holding company in Liechtenstein will be distributed to the ultimate shareholders. This will result in a material reduction of assets and liabilities of the EFT Group.

EFT Investments Limited will remain as the UK based intermediary holding company and remains responsible for issuing corporate guarantees and managing inter-company cash flows.