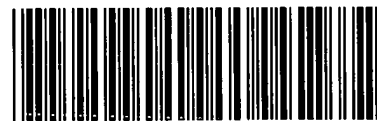


REGISTERED NUMBER: 09881194 (England and Wales)

**Report of the Directors and
Financial Statements
for the Year Ended 31 December 2019
for
BBE Power Ltd**

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BBE Power Ltd (Registered number: 09881194)

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for the Year Ended 31 December 2019

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BBE Power Ltd

Company Information
for the Year Ended 31 December 2019

DIRECTORS:

A. Bassatne
S. J. Merhèj
B. Bassatne

REGISTERED OFFICE:

12-14 Ansdell Street
London
W8 5BN

REGISTERED NUMBER:

09881194 (England and Wales)

**Report of the Directors
for the Year Ended 31 December 2019**

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

FUTURE DEVELOPMENTS

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Company's outlook is to continue pursuing investments in energy related projects and exploring opportunities for projects in the renewable energy sector, as well as further developing existing projects.

The Company has determined that the COVID related events referred to above are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

There are no other significant events that have occurred between year-end 2019 and the date on which the Directors approved and authorized these financial statements for issue which could have a material impact.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year 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 2019 to the date of this report.

A Bassatne
S J Merhej
B Bassatne

Other changes in directors holding office are as follows:

F Kabalan - resigned 28 October 2019

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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 International Financial Reporting Standards as adopted by the European Union. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

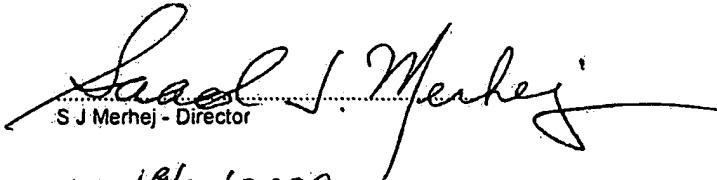
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant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

BBE Power Ltd (Registered number: 09881194)

Report of the Directors
for the Year Ended 31 December 2019

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


S J Merhej - Director

Date: 19/10/2020

Report of the Independent Auditors to the Members of
BBE Power Ltd

Opinion

We have audited the financial statements of BBE Power Ltd (the 'company') for the year ended 31 December 2019 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

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 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Report of the Independent Auditors to the Members of
BBE Power Ltd

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page two, 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.

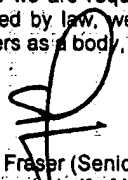
Auditors' responsibilities for the audit of the financial statements

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.

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.

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.



Steven Fraser (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date: 20th October 2020

BBE Power Ltd (Registered number: 09881194)

Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31 December 2019

	Notes	2019 \$	2018 \$
CONTINUING OPERATIONS			
Revenue			
Administrative expenses		(390,941)	(721,489)
OPERATING LOSS		<u>(390,941)</u>	<u>(721,489)</u>
LOSS BEFORE INCOME TAX	4	(390,941)	(721,489)
Income tax	5	-	-
LOSS FOR THE YEAR		<u>(390,941)</u>	<u>(721,489)</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(390,941)</u>	<u>(721,489)</u>

The notes form part of these financial statements.

Statement of Financial Position
31 December 2019

	Notes	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Trade and other receivables	6	4,038,591	4,191,550
Cash and cash equivalents	7	23,714	2,526
		<u>4,062,305</u>	<u>4,194,076</u>
TOTAL ASSETS		<u>4,062,305</u>	<u>4,194,076</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	8	3,000,000	3,000,000
Retained earnings	9	(2,199,745)	(1,808,804)
TOTAL EQUITY		<u>800,255</u>	<u>1,191,196</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	3,262,050	3,002,880
TOTAL LIABILITIES		<u>3,262,050</u>	<u>3,002,880</u>
TOTAL EQUITY AND LIABILITIES		<u>4,062,305</u>	<u>4,194,076</u>

The financial statements were approved by the Board of Directors and authorised for issue on 19/10/2020 and were signed on its behalf by:


 S J Merhej - Director


 A Bassatne - Director

The notes form part of these financial statements

BBE Power Ltd

**Statement of Changes in Equity
for the Year Ended 31 December 2019**

	Called up share capital \$	Retained earnings \$	Total equity \$
Balance at 1 January 2018	152	(1,087,315)	(1,087,163)
Changes in equity			
Issue of share capital	2,999,848	-	2,999,848
Total comprehensive loss	-	(721,489)	(721,489)
Balance at 31 December 2018	3,000,000	(1,808,804)	1,191,196
Changes in equity			
Total comprehensive loss	-	(390,941)	(390,941)
Balance at 31 December 2019	3,000,000	(2,199,745)	800,255

The notes form part of these financial statements.

BBE Power Ltd**Statement of Cash Flows
for the Year Ended 31 December 2019**

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
Cash generated from operations	15	21,188	(2,018,240)
Net cash from operating activities		21,188	(2,018,240)
Cash flows from investing activities			
Purchase of shares		-	(3,000,000)
Net cash from investing activities		-	(3,000,000)
Cash flows from financing activities			
Net receipts from affiliates		-	1,998,591
Share issue		-	2,999,848
Net cash from financing activities		-	4,998,439
Increase/(decrease) in cash and cash equivalents		21,188	(19,801)
Cash and cash equivalents at beginning of year	16	2,526	22,327
Cash and cash equivalents at end of year	16	23,714	2,526

The notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 31 December 2019

1. STATUTORY INFORMATION

BBE Power Ltd 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.

The principal activity of the Company is investing in energy related projects.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards as approved in the European Union and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS under the historical cost convention as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit and loss.

Going Concern

For the year ended 31 December 2019 the Company incurred a loss of \$390,941 (2018: loss of \$721,489). As at 31 December 2019 the Company had a working capital of \$800,255 (2018: \$1,191,196) and its total equity was \$800,255 (2018: \$1,191,196). The Management of the Company has assessed its ability to continue as a going concern and deems that the going concern assertion is appropriate, as the Company has access to continuous support from its parent company.

New standards, amendments and interpretations effective from 1 January 2019

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for the periods beginning during the current financial year and subsequent years.

The following new and revised standards and interpretations have been issued and effective for the current financial period of the Company. The application of these new and revised standards and interpretations has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- IFRS 16 Leases
- IFRIC 23 Uncertainty over Income Tax Treatments
- Prepayment Features with Negative Compensation (Amendments to IFRS 9)
- Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
- Annual Improvements to IFRS Standards 2015-2017 cycle

For all of the amendments to standards listed above, the directors do not expect any material impact.

New standards, amendments and interpretations not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods and that may impact the financial statements. The company has decided not to adopt these early. These are listed below included their effective dates.

Standard or interpretation	Effective for annual periods commencing on or after
IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment to Definition of Material)	1 January 2020
IFRS 3 Business Combinations (Amendment to Definition of Business)	1 January 2020
Revised Conceptual Framework for Financial Reporting	1 January 2020
IFRS 3 Business Combinations (Reference to the Conceptual Framework)	1 January 2022
IAS 37 Provision, Contingent Liabilities and Contingent Assets (Amendment to Onerous Contracts - Cost of Fulfilling a Contract)	1 January 2022
Annual Improvements to IFRS Standards 2018-2020	1 January 2022
IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment to Classification of Liabilities as Current or Non-current)	1 January 2023

For all of the amendments to standards listed above, the directors do not expect any material impact.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Financial assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise 'trade and other receivables' and 'cash at bank and in hand'.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Foreign currency translation

a) 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 operates (the 'functional currency'). The financial statements are presented in US Dollars ("\$"), which is also the Company's functional currency.

b) Translations and balances

Foreign currency translations are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Share capital

Share capital comprises ordinary shares. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business of the Company from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Administrative expenses

Administrative expenses consist of all expenses relating to the administration of the Company, such as consultancy and legal fees for the development of power projects. Administrative expenses are accounted for on an accruals basis.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Directors' remuneration

2019	2018
\$	\$
-	-
<u> </u>	<u> </u>

BBE Power Ltd

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

4. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	2019	2018
	\$	\$
Auditors' remuneration	<u>4,649</u>	<u>4,624</u>

5. INCOME TAX

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2019 nor for the year ended 31 December 2018.

The company has \$1,104,988 (2018: \$719,103) of unused tax losses for which no deferred tax asset has been recognised.

6. TRADE AND OTHER RECEIVABLES

	2019	2018
	\$	\$
Current:		
Amounts owed by group undertakings	3,000,000	3,000,000
Other debtors	998,095	1,148,072
Prepayments and accrued income	<u>40,496</u>	<u>43,478</u>
	<u><u>4,038,591</u></u>	<u><u>4,191,550</u></u>

7. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash in hand	114	1,123
Bank accounts	<u>23,600</u>	<u>1,403</u>
	<u><u>23,714</u></u>	<u><u>2,526</u></u>

8. CALLED UP SHARE CAPITAL

Allotted and issued:		2019	2018
Number:	Class:	\$	\$
	Nominal value:		
5,000,000	Share capital 1	<u>3,000,000</u>	<u>3,000,000</u>
		\$1	

On 5 March 2018 BBE Power Ltd redenominated the company's share capital from GBP 100 shares with a par value of £1 each to \$100 shares with a par value of \$1 each. Subsequently the company allotted \$4,999,900 of additional shares to its parent company, BB Energy Group Holding Limited.

The company's authorised share capital is \$5,000,000, but as of 31 December 2019 only \$3,000,000 has been issued and fully paid.

The Ordinary shares rank equally with regards to voting right, dividends and distribution on winding up or other repayments of capital. There are no restrictions attached to the shares.

BBE Power Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

9. RESERVES

	Retained earnings \$
At 1 January 2019	(1,808,804)
Deficit for the year	(390,941)
At 31 December 2019	<u>(2,199,745)</u>

10. TRADE AND OTHER PAYABLES

	2019 \$	2018 \$
Current:		
Trade creditors	48,050	22,766
Amounts owed to group undertakings	3,199,200	2,969,047
Other creditors	10,000	-
Accruals and deferred income	4,800	11,067
	<u>3,262,050</u>	<u>3,002,880</u>

11. FINANCIAL INSTRUMENTS

Financial Instruments by category

	Financial assets at amortised cost \$	At fair value through profit & loss \$	Liabilities at amortised cost \$	Total \$
At 31 December 2019				
Financial assets				
Trade and other receivables	3,998,095	-	-	3,998,095
Cash at bank and in hand	23,714	-	-	23,714
Financial liabilities				
Trade and other payables	-	-	(3,262,050)	(3,262,050)
	<u>4,021,809</u>	<u>-</u>	<u>(3,262,050)</u>	<u>759,759</u>

	Loans and receivables \$	At fair value through profit & loss \$	Liabilities at amortised cost \$	Total \$
At 31 December 2018				
Financial assets				
Trade and other receivables	4,191,550	-	-	4,191,550
Cash at bank and in hand	2,526	-	-	2,526
Financial liabilities				
Trade and other payables	-	-	(3,002,880)	(3,002,880)
	<u>4,194,076</u>	<u>-</u>	<u>(3,002,880)</u>	<u>1,191,196</u>

12. COMMITMENTS AND CONTINGENCIES

Various claims, lawsuits and complaints may arise in the ordinary course of the business. In addition, losses may arise from disputes with counterparties. Management is not aware of any such claims or contingencies at the balance sheet date.

The company has no commitments as at the balance sheet date.

BBE Power Ltd

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

13. RELATED PARTY TRANSACTIONS AND BALANCES

The company's immediate parent is BB Energy Group Holding Ltd which holds 100% of the company's shares. BB Energy Group Holding Ltd (incorporated in Dubai) is regarded by the directors as being the company's ultimate parent company. There is no individual controlling party.

Related parties include the ultimate parent company and affiliates. The company has its expenses paid by an affiliate company which amounts to \$390,941 (2018: \$721,489) for the year. At the year end the company had outstanding balance owed to the affiliates of \$3,199,200 (2018: \$2,969,047). The company also had a receivable from its parent company for the initial shares that were issued for an amount of \$100 as at 31 December 2019 (2018: \$100). The company also had a receivable from affiliates for \$3,000,000 (2018: \$3,000,000).

During the year a director received \$120,000 (2018: \$120,000) for consultancy work. As at 31 December 2019 \$10,000 (2018: \$Nil) was due to the director in unpaid consultancy charges..

14. EVENTS AFTER THE REPORTING PERIOD

In February 2020 BBE Power Limited acquired 100% of the shares of Energy Development Corporation Holding SAL, an investment company incorporated in Lebanon, under a common control transaction, for a total consideration of \$19,980.

15. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2019	2018
	\$	\$
Loss before income tax	(390,941)	(721,489)
Decrease/(increase) in trade and other receivables	152,959	(1,191,398)
Increase/(decrease) in trade and other payables	259,170	(105,353)
Cash generated from operations	<u>21,188</u>	<u>(2,018,240)</u>

16. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2019

	31.12.19	1.1.19
	\$	\$
Cash and cash equivalents	<u>23,714</u>	<u>2,526</u>

Year ended 31 December 2018

	31.12.18	1.1.18
	\$	\$
Cash and cash equivalents	<u>2,526</u>	<u>22,327</u>