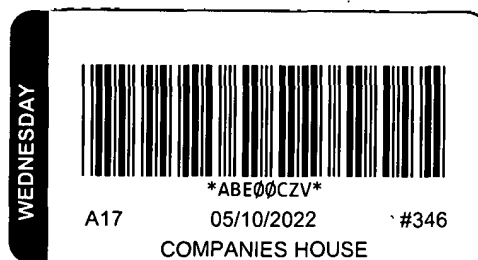


COMPANY REGISTRATION NUMBER: 12460190

HPL (Croatia) Limited
Financial Statements
31 December 2021



HPL (Croatia) Limited

Financial Statements

Year Ended 31 December 2021

Contents	PAGES
Officers and professional advisers	1
Directors' report	2 to 4
Independent auditor's report to the members	5 to 8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12 to 17
The following pages do not form part of the financial statements	
Detailed income statement	19
Notes to the detailed income statement	20

HPL (Croatia) Limited

Officers and Professional Advisers

The board of directors

Mr Andrew Christopher Roberts
Mr Christopher Tien Lock Lim

Company secretary

Miss Gabrielle Catherine Victoria Morris

Registered office

4th Floor,
239 Kensington High Street
London
United Kingdom
W8 6SA

Auditor

Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom

HPL (Croatia) Limited

Directors' Report

Year Ended 31 December 2021

The directors present their report and the financial statements of the company for the year ended 31 December 2021.

Principal Activities

The company's principal activity is that of an investment holding company. During the year the company has incurred professional fees in respect of the acquisition of a joint venture in Croatia, as well as administrative expenses and therefore traded at a loss. The company provides funding obtained via its immediate parent company to the project in Croatia and, expects to continue trading at a loss during the financial year to 31 December 2022.

Incorporation and Commencement of Trade

HPL (Croatia) Limited was incorporated in the United Kingdom under the Companies Act 2006, and registered in England and Wales on 13 February 2020. On 26 August 2021, the company began operating as a holding company following the €3.5 million acquisition of a 50 percent shareholding in Kupari Luxury Hotels d.o.o a company incorporated, and operating in Croatia, and which has an agreement with the The Republic of Croatia for a hotel development project.

Directors

The directors who served the company during the year were as follows:

Mr Andrew Christopher Roberts
Mr Christopher Tien Lock Lim

On 13 February 2020, the date when the company was incorporated, both directors were appointed as board members. There were no changes to the list of directors stated above between 31 December 2021 and the date when these financial statements were approved by the board members.

Going concern

The directors have considered the financial position of the company at the entity level, including its net liability position, available cash reserves, and the intercompany loan due to its parent undertaking.

The company utilises loans from the parent undertaking to fund the development project contracted by its joint venture undertaking, and retains sufficient cash resources to meet its own administrative expenses. The company intends to continue funding the development project, and hence is reliant on support from its parent undertaking. However, if such funding were not immediately made available, the company does not have the commitment to incur costs over the next twelve months.

The company's ultimate parent undertaking Hotel Properties Limited has confirmed its support for a period of at least twelve months from the date of approval of these financial statements. The directors believe that the company can continue in operational existence, and hence continue to adopt the going concern basis in the preparation of these financial statements.

Dividends

The directors do not recommend the payment of a dividend for the year to 31 December 2021 (2020: £nil).

Events after the End of the Reporting Period

Particulars of events after the reporting date are detailed in note 10 to the financial statements.

HPL (Croatia) Limited

Directors' Report *(continued)*

Year Ended 31 December 2021

Directors' Responsibilities Statement

The directors are responsible for preparing the Annual Report 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), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland". 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 judgments 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor's Appointment

The company appointed Deloitte LLP as statutory auditors for the year ended 31 December 2021.

Deloitte LLP has indicated its willingness to continue as auditors.

Small Companies Provisions

The financial statements have been prepared in accordance with applicable United Kingdom accounting standard, including Financial Reporting Standard 102 section 1A 'The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland for smaller entities' ('FRS 102 1A').

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section S418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP as auditors will be proposed at the forthcoming Annual General Meeting.

HPL (Croatia) Limited

Directors' Report *(continued)*

Year Ended 31 December 2021

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 28 September 2022 and signed on behalf of the board by:



Mr Andrew Christopher Roberts
Director

HPL (Croatia) Limited

Independent Auditor's Report to the Members of HPL (Croatia) Limited

Year Ended 31 December 2021

Report on the Audit of the Financial Statements

Opinion

In our opinion the financial statements of HPL (Croatia) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position; and
- the statement of changes in equity;
- the related notes 1 to 12.

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).

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 auditor's 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 Financial Reporting Council's (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.

HPL (Croatia) Limited

Independent Auditor's Report to the Members of HPL (Croatia) Limited *(continued)*

Year Ended 31 December 2021

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement, 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 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to Which the Audit was Considered Capable of Detecting Irregularities, Including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, FRS 102 and UK Tax legislation; and
-

HPL (Croatia) Limited

Independent Auditor's Report to the Members of HPL (Croatia) Limited *(continued)*

Year Ended 31 December 2021

- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty including the joint venture agreement.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

Report on Other Legal and Regulatory Requirements

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the directors' report.

Matters on Which We are Required to Report by Exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 the 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; and
 - the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.
-

HPL (Croatia) Limited

Independent Auditor's Report to the Members of HPL (Croatia) Limited *(continued)*

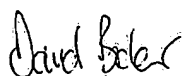
Year Ended 31 December 2021

Other Matter

As the company was exempt from audit under section 477 of the Companies Act 2006 in the prior year, we have not audited the corresponding amounts for that year.

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 an auditor's report 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.



DAVID BICKER (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom

Date: 28 September 2022

HPL (Croatia) Limited

Statement of Comprehensive Income

Year Ended 31 December 2021

	Note	Year to 31 Dec 21 €	Period from 13 Feb 20 to 31 Dec 20 €
Administrative expenses		(280,851)	—
Operating Loss	4	(280,851)	—
Loss Before Taxation		(280,851)	—
Tax on loss		—	—
Loss for the Financial Year and Total Comprehensive Income		(280,851)	—

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 12 to 17 form part of these financial statements.

HPL (Croatia) Limited

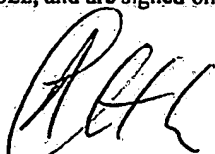
Statement of Financial Position

At 31 December 2021

	Note	2021 €	€	2020 €	€
Fixed Assets					
Joint venture investments	6		3,582,092		-
Current Assets					
Debtors	7	46,557		1	
Cash at bank and in hand		2,336,194		-	
		<u>2,382,751</u>		<u>1</u>	
Creditors: amounts falling due within one year	8	<u>(6,245,693)</u>		-	
Net Current (Liabilities)/Assets			<u>(3,862,942)</u>		<u>1</u>
Total Assets Less Current Liabilities			<u>(280,850)</u>		<u>1</u>
Net (Liabilities)/Assets			<u>(280,850)</u>		<u>1</u>
Capital and Reserves					
Called up share capital	9		1		1
Profit and loss account			<u>(280,851)</u>		-
Shareholders (Deficit)/Funds			<u>(280,850)</u>		<u>1</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 28 September 2022, and are signed on behalf of the board by:



Mr Andrew Christopher Roberts
Director

Company registration number: 12460190

The notes on pages 12 to 17 form part of these financial statements.

HPL (Croatia) Limited

Statement of Changes in Equity

Year Ended 31 December 2021

	Called up share capital €	Profit and loss account €	Total €
Issue of shares	<u>1</u>	<u>-</u>	<u>1</u>
At 31 December 2020	1	-	1
Loss for the year	<u>-</u>	<u>(280,851)</u>	<u>(280,851)</u>
Total Comprehensive Income for the Year	<u>-</u>	<u>(280,851)</u>	<u>(280,851)</u>
At 31 December 2021	<u>1</u>	<u>(280,851)</u>	<u>(280,850)</u>

The notes on pages 12 to 17 form part of these financial statements.

HPL (Croatia) Limited

Notes to the Financial Statements

Year Ended 31 December 2021

1. General information

HPL (Croatia) Limited ("the company") is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006, and registered in England and Wales. The address of the registered office is 4th Floor, 239 Kensington High Street, London, W8 6SA, United Kingdom, and the principal business activity of the company is that of an Investment Holding Company. The company had no direct contracts with employees during either accounting period.

2. Statement of compliance

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and with those parts of the Companies Act 2006 applicable to companies reporting under FRS102.

The company was exempt from audit under section 477 of the Companies Act 2006 in the prior year and therefore the comparatives have not been audited.

3. Accounting policies

Basis of preparation

The financial statements are prepared in Euro, which is the functional currency of the entity. The financial statements have been prepared under the historical cost convention.

Going concern

The directors have considered the financial position of the company at the entity level, including its net liability position, available cash reserves, and the intercompany loan due to its parent undertaking.

The company utilises loans from the parent undertaking to fund the development project contracted by its joint venture undertaking, and retains sufficient cash resources to meet its own administrative expenses. The company intends to continue funding the development project, and hence is reliant on support from its parent undertaking. However, if such funding were not immediately made available, the company does not have the commitment to incur costs over the next twelve months.

The company's ultimate parent undertaking Hotel Properties Limited has confirmed its support for a period of at least twelve months from the date of approval of these financial statements. The directors believe that the company can continue in operational existence, and hence continue to adopt the going concern basis in the preparation of these financial statements.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) No disclosure has been given for the aggregate remuneration of key management personnel.

HPL (Croatia) Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

3. Accounting policies *(continued)*

Critical Accounting Estimates and Areas of Judgement

In the application of the Company's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies, and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Amounts owed by joint venture undertakings are considered to be fixed assets, as the loan issued to the company's joint venture undertaking as per note 6, is provided for the long-term support of that entity's operating activities.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The estimates and underlying assumptions are reviewed on an ongoing basis, and revisions are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors conclude that the key source of estimation uncertainty relates to the carrying value of the company's investments. In estimating the requirement for impairment of these investments, management make assumptions and judgements on their value using inherently subjective underlying asset valuations. Examples include market yield, expected hotel trading revenues and costs to complete.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

HPL (Croatia) Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

3. Accounting policies *(continued)*

Taxation *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Investments in joint ventures

Investments in joint ventures accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Acquisition expenses incurred when acquiring the company's interest in joint venture undertakings are written off directly to profit and loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, the directors review the long term profitability of the project and future cashflows to ascertain value in use.

Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics

HPL (Croatia) Limited

Notes to the Financial Statements (continued)

Year Ended 31 December 2021

3. Accounting policies (continued)

Financial instruments (continued)

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Liquid resources

The company classifies liquid resources as any cash placed on short term deposits.

4. Operating loss

Operating loss is stated after charging/(crediting):

	Year to 31 Dec 21 €	Period from 13 Feb 20 to 31 Dec 20 €
Foreign exchange differences	(532)	-
Acquisition expenses	267,866	-

5. Auditor's remuneration

	Year to 31 Dec 21 €	Period from 13 Feb 20 to 31 Dec 20 €
Fees payable for the audit of the financial statements	20,706	-

The company was exempt from audit under section 477 of the Companies Act 2006 in the prior year.

6. Joint venture investments

	Investment in joint venture €	Loans to joint venture €	Total €
Cost			
At 1 January 2021	-	-	-
Additions	3,507,092	75,000	3,582,092
At 31 December 2021	3,507,092	75,000	3,582,092
Impairment			
At 1 January 2021 and 31 December 2021	-	-	-
Carrying amount			
At 31 December 2021	3,507,092	75,000	3,582,092
At 31 December 2020	-	-	-

Investment Additions:

On 26 August 2021 HPL (Croatia) Limited purchased 50 percent of the issued share capital of Kupari Luxury Hotels d.o.o. a company incorporated and registered in Croatia. The purchase price of the 50 percent equity shareholding in Kupari Luxury Hotels d.o.o. was €3.5million.

HPL (Croatia) Limited

Notes to the Financial Statements (continued)

Year Ended 31 December 2021

6. Joint venture investments (continued)

Details of the investments in which the parent company has an interest of 50 percent. or more are as follows:-

Joint venture	Country of incorporation	Percentage of shares held	Principal activity
Kupari Luxury Hotels d.o.o.	Croatia	50	Developer

The registered office of the subsidiary undertaking is:

Kupari Luxury Hotels d.o.o. - Ulica Franje Petracica 4, Trgovacki sud u Zagrebu, MBS 080985750, Croatia.

Loans issued to joint venture

The loan issued to the joint venture undertaking by the company during the year represents advances of funds for the development of the construction project being carried out by the joint venture entity, Kupari Luxury Hotels d.o.o., which are interest-free, and unsecured. The loans are repayable in accordance with the terms of the joint venture agreement and in any event, in full on the earliest of the 26 August 2031 or the termination of the joint venture agreement.

7. Debtors

	2021 €	2020 €
Amounts owed by group undertakings	—	1
Other debtors	46,557	—
	<u>46,557</u>	<u>1</u>

Other debtors represents costs incurred on behalf of Kupari Luxury Hotels d.o.o, the company's joint venture investment. The costs are currently held as other debtors, and will be recharged to the joint venture undertakings, to which the costs relate. The costs have been paid on the joint ventures undertaking's behalf, whilst funding arrangements are put into place. Having considered the balance, the directors believe these represent current debtors, that will be recharged within one year. As a result of the transaction, the directors believe HPL (Croatia) Limited to be acting as an agent within the transaction.

All amounts are receivable within one year.

8. Creditors: amounts falling due within one year

	2021 €	2020 €
Trade creditors	8,694	—
Amounts owed to group undertakings	3,799,999	—
Other creditors	2,425,000	—
Accrual	12,000	—
	<u>6,245,693</u>	<u>—</u>

Amounts owed to group undertakings stated above of €3,799,999 (2020: €1 debtor per note 7) represent an intercompany loan from the parent undertaking, HPL Properties (West) Pte Ltd that is unsecured, interest free and for which the parent undertaking has confirmed it has no intention to seek repayment in the next twelve months.

HPL (Croatia) Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

8. Creditors: amounts falling due within one year *(continued)*

Other creditors comprise €1,925,000 of advance funding for the development project, and €500,000 held under an Escrow type arrangement in respect of the purchase price on acquisition of the company's 50 percent. shareholding in Kupari Luxury Hotels d.o.o., and in the opinion of the directors these amounts are repayable in full within one year.

9. Called up share capital

Authorised, issued, called up and fully paid up

	31 Dec 2021		31 Dec 2020	
	No.	€	No.	€
Ordinary shares of €1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

On 13 February 2020, the date of incorporation, the company allotted and issued 1 ordinary £1 share at par value.

10. Events after the end of the reporting period

On 5 April 2022, the company acquired a further 40 percent. of the shares in Kupari Luxury Hotels d.o.o. for €2.8 million, resulting in a total holding of 90 percent. of the issued share capital in that company. The amounts denoted as other creditors per note 8 were repaid to the seller in accordance with the Sale and Purchase Agreement for this transaction.

11. Related party transactions

The company has relied upon the exemption, provided by Section 33 of FRS 102 Related Party Disclosure, from the disclosure of transactions with companies where the voting rights are wholly controlled within the group.

The following companies were related parties during the year as their directors are common with HPL (Croatia) Limited, and had the following transactions:

As at 31 December 2021, the amount due to the joint venture partner from which the company's shareholding in Kupari Luxury Hotels d.o.o. was acquired, and as disclosed in note 8 to these financial statements was:

	2021	2020
	£	£
<i>Joint venture undertakings</i>		
Other creditors	<u>2,425,000</u>	<u>—</u>

12. Controlling party

HPL Properties (West) Pte Ltd, a company incorporated in Singapore is the immediate parent company of HPL (Croatia) Limited.

The Company's ultimate parent company and controlling party is Hotel Properties Limited, a company incorporated in Singapore, which is both the largest and smallest undertaking for which consolidated annual financial statements including the company are prepared. The financial statements of Hotel Properties Limited are available at its registered office address at 50 Cuscaden Road, #08-01 HPL House, Singapore 249724.